

1 A bill to be entitled

2 An act relating to firefighter and municipal police  
3 pensions; amending s. 175.032, F.S.; revising the  
4 definition of "firefighter"; amending s. 175.061, F.S.;  
5 authorizing the terms of office for the board of trustees  
6 of the firefighters' pension trust fund to be revised  
7 under certain circumstances; authorizing the plan  
8 administrator to withhold funds to pay for premiums for  
9 accident, health, and long-term care insurance for the  
10 retiree and the retiree's spouse and dependents; providing  
11 an exemption from liability under certain circumstances;  
12 amending s. 175.071, F.S.; requiring the board of trustees  
13 to perform its powers subject to certain fiduciary  
14 standards and ethics provisions; increasing the percentage  
15 of assets of the firefighters' pension trust fund that the  
16 board of trustees may invest in foreign securities;  
17 authorizing certain individuals to sign drafts issued upon  
18 the firefighters' pension trust fund; amending s. 175.101,  
19 F.S.; clarifying boundaries of a special fire control  
20 district; amending s. 185.05, F.S.; authorizing the terms  
21 of office for the board of trustees of the municipal  
22 police officers' retirement trust fund to be revised under  
23 certain circumstances; authorizing the plan administrator  
24 to withhold funds to pay for premiums for accident,  
25 health, and long-term care insurance for the retiree and  
26 the retiree's spouse and dependents; providing an  
27 exemption from liability under certain circumstances;  
28 amending s. 185.06, F.S.; requiring the board of trustees

29 to perform its powers subject to certain fiduciary  
 30 standards and ethics provisions; increasing the percentage  
 31 of assets of the municipal police officers' retirement  
 32 trust fund that the board of trustees may invest in  
 33 foreign securities; authorizing certain individuals to  
 34 sign drafts issued upon the municipal police officers'  
 35 retirement trust fund; providing for severability;  
 36 providing an effective date.

37

38 Be It Enacted by the Legislature of the State of Florida:

39

40 Section 1. Paragraph (a) of subsection (8) of section  
 41 175.032, Florida Statutes, is amended to read:

42 175.032 Definitions.--For any municipality, special fire  
 43 control district, chapter plan, local law municipality, local  
 44 law special fire control district, or local law plan under this  
 45 chapter, the following words and phrases have the following  
 46 meanings:

47 (8)(a) "Firefighter" means any person employed solely by a  
 48 constituted fire department of any municipality or special fire  
 49 control district who is certified as a firefighter as a  
 50 condition of employment in accordance with the provisions of s.  
 51 633.35 and whose duty it is to extinguish fires, to protect  
 52 life, or to protect property. "Firefighter" includes all  
 53 certified supervisory and command personnel whose duties  
 54 include, in whole or in part, the supervision, training,  
 55 guidance, and management responsibilities of full-time  
 56 firefighters, part-time firefighters, or auxiliary firefighters

57 but does not include part-time firefighters or auxiliary  
58 firefighters. However, for purposes of this chapter only,  
59 "firefighter" also includes public safety officers who are  
60 responsible for performing both police and fire services, who  
61 are certified as police officers or firefighters, and who are  
62 certified by their employers to the Chief Financial Officer as  
63 participating in this chapter prior to October 1, 1979.  
64 Effective October 1, 1979, public safety officers who have not  
65 been certified as participating in this chapter shall be  
66 considered police officers for retirement purposes and shall be  
67 eligible to participate in chapter 185. Any plan may provide  
68 that the fire chief shall have an option to participate, or not,  
69 in that plan.

70 Section 2. Paragraph (a) of subsection (1) and subsection  
71 (7) of section 175.061, Florida Statutes, are amended to read:

72 175.061 Board of trustees; members; terms of office;  
73 meetings; legal entity; costs; attorney's fees.--For any  
74 municipality, special fire control district, chapter plan, local  
75 law municipality, local law special fire control district, or  
76 local law plan under this chapter:

77 (1) In each municipality and in each special fire control  
78 district there is hereby created a board of trustees of the  
79 firefighters' pension trust fund, which shall be solely  
80 responsible for administering the trust fund. Effective October  
81 1, 1986, and thereafter:

82 (a) The membership of the board of trustees for a chapter  
83 plan shall consist of five members, two of whom, unless  
84 otherwise prohibited by law, shall be legal residents of the

85 | municipality or special fire control district, who shall be  
86 | appointed by the governing body of the municipality or special  
87 | fire control district, and two of whom shall be full-time  
88 | firefighters as defined in s. 175.032 who shall be elected by a  
89 | majority of the active firefighters who are members of such  
90 | plan. With respect to any chapter plan or local law plan that,  
91 | on January 1, 1997, allowed retired firefighters to vote in such  
92 | elections, retirees may continue to vote in such elections. The  
93 | fifth member shall be chosen by a majority of the previous four  
94 | members as provided for herein, and such person's name shall be  
95 | submitted to the governing body of the municipality or special  
96 | fire control district. Upon receipt of the fifth person's name,  
97 | the governing body of the municipality or special fire control  
98 | district shall, as a ministerial duty, appoint such person to  
99 | the board of trustees as its fifth member. The fifth member  
100 | shall have the same rights as each of the other four members  
101 | appointed or elected as herein provided, shall serve as trustee  
102 | for a period of 2 years, and may succeed himself or herself in  
103 | office. Each resident member shall serve as trustee for a period  
104 | of 2 years, unless sooner replaced by the governing body at  
105 | whose pleasure he or she shall serve, and may succeed himself or  
106 | herself as a trustee. Each firefighter member shall serve as  
107 | trustee for a period of 2 years, unless he or she sooner leaves  
108 | the employment of the municipality or special fire control  
109 | district as a firefighter, whereupon a successor shall be chosen  
110 | in the same manner as an original appointment. Each firefighter  
111 | may succeed himself or herself in office. The terms of office of  
112 | the appointed and elected members of the board may be amended by

113 municipal ordinance, special act of the Legislature, or  
 114 resolution adopted by the governing body of the special fire  
 115 control district to extend the terms of office from 2 years to 4  
 116 years. The length of the terms of office shall be the same for  
 117 all board members.

118 (7) The board of trustees may, upon written request by the  
 119 retiree of the plan, or by a dependent, when authorized by the  
 120 retiree or the retiree's beneficiary, authorize the plan  
 121 administrator to withhold from the monthly retirement payment  
 122 those funds that are necessary to pay for the benefits being  
 123 received through the governmental entity from which the employee  
 124 retired, to pay the certified bargaining agent of the  
 125 governmental entity, and to make any payments for child support  
 126 or alimony. Further, the board of trustees may, upon written  
 127 request of the retiree of the plan, authorize the plan  
 128 administrator to withhold from the retirement payment those  
 129 funds that are necessary to pay for premiums for accident,  
 130 health, and long-term care insurance for the retiree and the  
 131 retiree's spouse and dependents. A retirement plan does not  
 132 incur any liability for participation in this permissive program  
 133 if its actions are taken in good faith.

134 Section 3. Subsection (1) of section 175.071, Florida  
 135 Statutes, is amended to read:

136 175.071 General powers and duties of board of  
 137 trustees.--For any municipality, special fire control district,  
 138 chapter plan, local law municipality, local law special fire  
 139 control district, or local law plan under this chapter:

140 (1) The board of trustees, subject to the fiduciary

141 standards in ss. 112.656, 112.661, and 518.11 and the Code of  
 142 Ethics in ss. 112.311-112.3187, may:

143 (a) Invest and reinvest the assets of the firefighters'  
 144 pension trust fund in annuity and life insurance contracts of  
 145 life insurance companies in amounts sufficient to provide, in  
 146 whole or in part, the benefits to which all of the participants  
 147 in the firefighters' pension trust fund shall be entitled under  
 148 the provisions of this chapter and pay the initial and  
 149 subsequent premiums thereon.

150 (b) Invest and reinvest the assets of the firefighters'  
 151 pension trust fund in:

152 1. Time or savings accounts of a national bank, a state  
 153 bank insured by the Bank Insurance Fund, or a savings, building,  
 154 and loan association insured by the Savings Association  
 155 Insurance Fund which is administered by the Federal Deposit  
 156 Insurance Corporation or a state or federal chartered credit  
 157 union whose share accounts are insured by the National Credit  
 158 Union Share Insurance Fund.

159 2. Obligations of the United States or obligations  
 160 guaranteed as to principal and interest by the government of the  
 161 United States.

162 3. Bonds issued by the State of Israel.

163 4. Bonds, stocks, or other evidences of indebtedness  
 164 issued or guaranteed by a corporation organized under the laws  
 165 of the United States, any state or organized territory of the  
 166 United States, or the District of Columbia, provided:

167 a. The corporation is listed on any one or more of the  
 168 recognized national stock exchanges or on the National Market

169 System of the NASDAQ Stock Market and, in the case of bonds  
170 only, holds a rating in one of the three highest classifications  
171 by a major rating service; and

172       b. The board of trustees shall not invest more than 5  
173 percent of its assets in the common stock or capital stock of  
174 any one issuing company, nor shall the aggregate investment in  
175 any one issuing company exceed 5 percent of the outstanding  
176 capital stock of that company or the aggregate of its  
177 investments under this subparagraph at cost exceed 50 percent of  
178 the assets of the fund.

179

180 This paragraph shall apply to all boards of trustees and  
181 participants. However, in the event that a municipality or  
182 special fire control district has a duly enacted pension plan  
183 pursuant to, and in compliance with, s. 175.351, and the  
184 trustees thereof desire to vary the investment procedures  
185 herein, the trustees of such plan shall request a variance of  
186 the investment procedures as outlined herein only through a  
187 municipal ordinance, special act of the Legislature, or  
188 resolution by the governing body of the special fire control  
189 district; where a special act, or a municipality by ordinance  
190 adopted prior to July 1, 1998, permits a greater than 50-percent  
191 equity investment, such municipality shall not be required to  
192 comply with the aggregate equity investment provisions of this  
193 paragraph. Notwithstanding any other provision of law to the  
194 contrary, nothing in this section may be construed to take away  
195 any preexisting legal authority to make equity investments that  
196 exceed the requirements of this paragraph. The board of trustees

197 may invest up to 20 ~~10~~ percent of plan assets in foreign  
 198 securities.

199 (c) Issue drafts upon the firefighters' pension trust fund  
 200 pursuant to this act and rules and regulations prescribed by the  
 201 board of trustees. All such drafts shall be consecutively  
 202 numbered, be signed by the chair and secretary or two  
 203 individuals designated by the board who are subject to the same  
 204 fiduciary standards as required for the board of trustees under  
 205 this subsection, and state upon their faces the purpose for  
 206 which the drafts are drawn. The treasurer or depository of each  
 207 municipality or special fire control district shall retain such  
 208 drafts when paid, as permanent vouchers for disbursements made,  
 209 and no money shall be otherwise drawn from the fund.

210 (d) Convert into cash any securities of the fund.

211 (e) Keep a complete record of all receipts and  
 212 disbursements and of the board's acts and proceedings.

213 Section 4. Subsection (1) of section 175.101, Florida  
 214 Statutes, is amended to read:

215 175.101 State excise tax on property insurance premiums  
 216 authorized; procedure.--For any municipality, special fire  
 217 control district, chapter plan, local law municipality, local  
 218 law special fire control district, or local law plan under this  
 219 chapter:

220 (1) Each municipality or special fire control district in  
 221 this state described and classified in s. 175.041, having a  
 222 lawfully established firefighters' pension trust fund or  
 223 municipal fund or special fire control district fund, by  
 224 whatever name known, providing pension benefits to firefighters



225 as provided under this chapter, may assess and impose on every  
226 insurance company, corporation, or other insurer now engaged in  
227 or carrying on, or who shall hereinafter engage in or carry on,  
228 the business of property insurance as shown by the records of  
229 the Office of Insurance Regulation of the Financial Services  
230 Commission an excise tax in addition to any lawful license or  
231 excise tax now levied by each of the municipalities or special  
232 fire control districts, respectively, amounting to 1.85 percent  
233 of the gross amount of receipts of premiums from policyholders  
234 on all premiums collected on property insurance policies  
235 covering property within the corporate limits of such  
236 municipalities or within the legally defined boundaries of  
237 special fire control districts, respectively. Whenever the  
238 boundaries of a special fire control district that has lawfully  
239 established a firefighters' pension trust fund encompass a  
240 portion of the corporate territory of a municipality that has  
241 also lawfully established a firefighters' pension trust fund,  
242 that portion of the tax receipts attributable to insurance  
243 policies covering property situated both within the municipality  
244 and the special fire control district shall be given to the fire  
245 service provider. For the purpose of this section, the  
246 boundaries of a special fire control district shall be deemed to  
247 include an area that has been annexed until the completion of  
248 the 4-year period provided for in s. 171.093(4), or other  
249 agreed-upon extension, or the termination of an interlocal  
250 agreement executed pursuant to s. 171.093(3). The agent shall  
251 identify the fire service provider on the property owner's  
252 application for insurance. Remaining revenues collected pursuant

253 to this chapter shall be distributed to the municipality or  
 254 special fire control district according to the location of the  
 255 insured property.

256  
 257 This section also applies to any municipality consisting of a  
 258 single consolidated government which is made up of a former  
 259 county and one or more municipalities, consolidated pursuant to  
 260 the authority in s. 3 or s. 6(e), Art. VIII of the State  
 261 Constitution, and to property insurance policies covering  
 262 property within the boundaries of the consolidated government,  
 263 regardless of whether the properties are located within one or  
 264 more separately incorporated areas within the consolidated  
 265 government, provided the properties are being provided fire  
 266 protection services by the consolidated government. This section  
 267 also applies to any municipality, as provided in s.  
 268 175.041(3)(c), which has entered into an interlocal agreement to  
 269 receive fire protection services from another municipality  
 270 participating under this chapter. The excise tax may be levied  
 271 on all premiums collected on property insurance policies  
 272 covering property located within the corporate limits of the  
 273 municipality receiving the fire protection services, but will be  
 274 available for distribution to the municipality providing the  
 275 fire protection services.

276 Section 5. Paragraph (a) of subsection (1) and subsection  
 277 (6) of section 185.05, Florida Statutes, are amended to read:

278 185.05 Board of trustees; members; terms of office;  
 279 meetings; legal entity; costs; attorney's fees.--For any  
 280 municipality, chapter plan, local law municipality, or local law

281 plan under this chapter:

282 (1) In each municipality described in s. 185.03 there is  
283 hereby created a board of trustees of the municipal police  
284 officers' retirement trust fund, which shall be solely  
285 responsible for administering the trust fund. Effective October  
286 1, 1986, and thereafter:

287 (a) The membership of the board of trustees for chapter  
288 plans shall consist of five members, two of whom, unless  
289 otherwise prohibited by law, shall be legal residents of the  
290 municipality, who shall be appointed by the legislative body of  
291 the municipality, and two of whom shall be police officers as  
292 defined in s. 185.02 who shall be elected by a majority of the  
293 active police officers who are members of such plan. With  
294 respect to any chapter plan or local law plan that, on January  
295 1, 1997, allowed retired police officers to vote in such  
296 elections, retirees may continue to vote in such elections. The  
297 fifth member shall be chosen by a majority of the previous four  
298 members, and such person's name shall be submitted to the  
299 legislative body of the municipality. Upon receipt of the fifth  
300 person's name, the legislative body of the municipality shall,  
301 as a ministerial duty, appoint such person to the board of  
302 trustees as its fifth member. The fifth member shall have the  
303 same rights as each of the other four members appointed or  
304 elected as herein provided, shall serve as trustee for a period  
305 of 2 years, and may succeed himself or herself in office. Each  
306 resident member shall serve as trustee for a period of 2 years,  
307 unless sooner replaced by the legislative body at whose pleasure  
308 the member shall serve, and may succeed himself or herself as a

309 trustee. Each police officer member shall serve as trustee for a  
 310 period of 2 years, unless he or she sooner leaves the employment  
 311 of the municipality as a police officer, whereupon the  
 312 legislative body of the municipality shall choose a successor in  
 313 the same manner as an original appointment. Each police officer  
 314 may succeed himself or herself in office. The terms of office of  
 315 the appointed and elected members of the board may be amended by  
 316 municipal ordinance or special act of the Legislature to extend  
 317 the terms of office from 2 years to 4 years. The length of the  
 318 terms of office shall be the same for all board members.

319 (6) The board of trustees may, upon written request by the  
 320 retiree of the plan, or by a dependent, when authorized by the  
 321 retiree or the retiree's beneficiary, authorize the plan  
 322 administrator to withhold from the monthly retirement payment  
 323 those funds that are necessary to pay for the benefits being  
 324 received through the governmental entity from which the employee  
 325 retired, to pay the certified bargaining agent of the  
 326 governmental entity, and to make any payments for child support  
 327 or alimony. Further, the board of trustees may, upon written  
 328 request of the retiree of the plan, authorize the plan  
 329 administrator to withhold from the retirement payment those  
 330 funds that are necessary to pay for premiums for accident,  
 331 health, and long-term care insurance for the retiree and the  
 332 retiree's spouse and dependents. A retirement plan does not  
 333 incur any liability for participation in this permissive program  
 334 if its actions are taken in good faith.

335 Section 6. Subsection (1) of section 185.06, Florida  
 336 Statutes, is amended to read:

337 185.06 General powers and duties of board of  
 338 trustees.--For any municipality, chapter plan, local law  
 339 municipality, or local law plan under this chapter:

340 (1) The board of trustees, subject to the fiduciary  
 341 standards in ss. 112.656, 112.661, and 518.11 and the Code of  
 342 Ethics in ss. 112.311-112.3187, may:

343 (a) Invest and reinvest the assets of the retirement trust  
 344 fund in annuity and life insurance contracts of life insurance  
 345 companies in amounts sufficient to provide, in whole or in part,  
 346 the benefits to which all of the participants in the municipal  
 347 police officers' retirement trust fund shall be entitled under  
 348 the provisions of this chapter, and pay the initial and  
 349 subsequent premiums thereon.

350 (b) Invest and reinvest the assets of the retirement trust  
 351 fund in:

352 1. Time or savings accounts of a national bank, a state  
 353 bank insured by the Bank Insurance Fund, or a savings and loan  
 354 association insured by the Savings Association Insurance Fund  
 355 which is administered by the Federal Deposit Insurance  
 356 Corporation or a state or federal chartered credit union whose  
 357 share accounts are insured by the National Credit Union Share  
 358 Insurance Fund.

359 2. Obligations of the United States or obligations  
 360 guaranteed as to principal and interest by the United States.

361 3. Bonds issued by the State of Israel.

362 4. Bonds, stocks, or other evidences of indebtedness  
 363 issued or guaranteed by a corporation organized under the laws

364 of the United States, any state or organized territory of the  
 365 United States, or the District of Columbia, provided:

366 a. The corporation is listed on any one or more of the  
 367 recognized national stock exchanges or on the National Market  
 368 System of the NASDAQ Stock Market and, in the case of bonds  
 369 only, holds a rating in one of the three highest classifications  
 370 by a major rating service; and

371 b. The board of trustees shall not invest more than 5  
 372 percent of its assets in the common stock or capital stock of  
 373 any one issuing company, nor shall the aggregate investment in  
 374 any one issuing company exceed 5 percent of the outstanding  
 375 capital stock of the company or the aggregate of its investments  
 376 under this subparagraph at cost exceed 50 percent of the fund's  
 377 assets.

378  
 379 This paragraph shall apply to all boards of trustees and  
 380 participants. However, in the event that a municipality has a  
 381 duly enacted pension plan pursuant to, and in compliance with,  
 382 s. 185.35 and the trustees thereof desire to vary the investment  
 383 procedures herein, the trustees of such plan shall request a  
 384 variance of the investment procedures as outlined herein only  
 385 through a municipal ordinance or special act of the Legislature;  
 386 where a special act, or a municipality by ordinance adopted  
 387 prior to July 1, 1998, permits a greater than 50-percent equity  
 388 investment, such municipality shall not be required to comply  
 389 with the aggregate equity investment provisions of this  
 390 paragraph. Notwithstanding any other provision of law to the  
 391 contrary, nothing in this section may be construed to take away

392 any preexisting legal authority to make equity investments that  
 393 exceed the requirements of this paragraph. The board of trustees  
 394 may invest up to 20 ~~10~~ percent of plan assets in foreign  
 395 securities.

396 (c) Issue drafts upon the municipal police officers'  
 397 retirement trust fund pursuant to this act and rules and  
 398 regulations prescribed by the board of trustees. All such drafts  
 399 shall be consecutively numbered, be signed by the chair and  
 400 secretary or two individuals designated by the board who are  
 401 subject to the same fiduciary standards as required for the  
 402 board of trustees under this subsection, and state upon their  
 403 faces the purposes for which the drafts are drawn. The city  
 404 treasurer or other depository shall retain such drafts when  
 405 paid, as permanent vouchers for disbursements made, and no money  
 406 shall otherwise be drawn from the fund.

407 (d) Finally decide all claims to relief under the board's  
 408 rules and regulations and pursuant to the provisions of this  
 409 act.

410 (e) Convert into cash any securities of the fund.

411 (f) Keep a complete record of all receipts and  
 412 disbursements and of the board's acts and proceedings.

413 Section 7. If any provision of this act or its application  
 414 to any person or circumstance is held invalid, the invalidity  
 415 does not affect other provisions or applications of the act  
 416 which can be given effect without the invalid provision or  
 417 application, and to this end the provisions of this act are  
 418 severable.

419 Section 8. This act shall take effect upon becoming a law.