

1 A bill to be entitled

2 An act relating to retirement; amending s. 121.021, F.S.;  
3 redefining the term "termination"; amending s. 121.053,  
4 F.S.; revising provisions relating to participation in the  
5 Elected Officers' Class for retired members; amending s.  
6 121.055, F.S.; revising provisions relating to  
7 participation in the Senior Management Service Class;  
8 amending s. 121.091, F.S.; revising limitations on the  
9 payment of retirement benefits for certain retired persons  
10 who are reemployed by an employer participating in a  
11 state-administered retirement system; deleting a  
12 restriction on the reemployment of certain personnel by  
13 the Florida School for the Deaf and the Blind; prohibiting  
14 certain persons holding public office from electing to  
15 retire while continuing employment in that elected office;  
16 deleting a provision authorizing an employing agency to  
17 reemploy a retired member as a firefighter or paramedic  
18 after a specified period; providing certain limitations  
19 for DROP participants; clarifying that DROP participation  
20 cannot be canceled; providing for the suspension of DROP  
21 benefits to a participant who is reemployed; authorizing  
22 the Division of Retirement to issue benefits directly to  
23 the alternate payee pursuant to an income deduction order  
24 or a qualified domestic relations order; repealing s.  
25 121.093, F.S., authorizing a developmental research school  
26 and the Florida School for the Deaf and the Blind to  
27 reemploy instructional personnel after retirement;  
28 repealing s. 121.094, F.S., authorizing charter schools to

29 reemploy instructional personnel after retirement;  
 30 amending s. 121.122, F.S.; providing that certain persons  
 31 are ineligible for renewed membership in the Florida  
 32 Retirement System; amending s. 121.35, F.S.; providing a  
 33 cross-reference; repealing s. 121.45, F.S., relating to  
 34 interstate compacts for pension portability; amending s.  
 35 121.4501, F.S.; revising the definition of the term  
 36 "eligible employee" for purposes of the Public Employee  
 37 Optional Retirement Program; amending s. 121.591, F.S.;  
 38 providing a cross-reference; providing an effective date.

39

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

41

42 Section 1. Subsection (39) of section 121.021, Florida  
 43 Statutes, is amended to read:

44 121.021 Definitions.--The following words and phrases as  
 45 used in this chapter have the respective meanings set forth  
 46 unless a different meaning is plainly required by the context:

47 (39) (a) "Termination" occurs, except as provided in  
 48 paragraph (b), when:

49 1. For retirements effective before January 1, 2009, a  
 50 member ceases all employment relationships with employers under  
 51 this system, as defined in subsection (10), but in the event a  
 52 member should be employed by any such employer within the next  
 53 calendar month, termination shall be deemed not to have  
 54 occurred. A leave of absence shall constitute a continuation of  
 55 the employment relationship, except that a leave of absence  
 56 without pay due to disability may constitute termination for a

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57 member, if such member makes application for and is approved for  
58 disability retirement in accordance with s. 121.091(4). The  
59 department or board may require other evidence of termination as  
60 it deems necessary.

61 2. For retirements effective on or after January 1, 2009,  
62 a member ceases all employment relationships with employers  
63 under this system, as defined in subsection (10), but in the  
64 event a member should be employed by any such employer within  
65 the next 12 calendar months, termination shall be deemed not to  
66 have occurred. A leave of absence shall constitute a  
67 continuation of the employment relationship, except that a leave  
68 of absence without pay due to disability may constitute  
69 termination for a member, if such member makes application for  
70 and is approved for disability retirement in accordance with s.  
71 121.091(4). The department or board may require other evidence  
72 of termination as it deems necessary.

73 (b) "Termination" for a member electing to participate  
74 under the Deferred Retirement Option Program occurs when the  
75 Deferred Retirement Option Program participant ceases all  
76 employment relationships with employers under this system in  
77 accordance with s. 121.091(13), but:

78 1. For DROP termination dates before January 1, 2009, in  
79 the event the Deferred Retirement Option Program participant  
80 should be employed by any such employer within the next calendar  
81 month, termination will be deemed not to have occurred, except  
82 as provided in s. 121.091(13)(b)4.c. A leave of absence shall  
83 constitute a continuation of the employment relationship.

84           2. For DROP termination dates on or after January 1, 2009,  
 85 in the event the DROP participant should be employed by any such  
 86 employer within the next 12 calendar months, termination will be  
 87 deemed not to have occurred, except as provided in s.  
 88 121.091(13)(b)4.c. A leave of absence shall constitute a  
 89 continuation of the employment relationship.

90           Section 2. Subsections (1) and (2) of section 121.053,  
 91 Florida Statutes, are amended to read:

92           121.053 Participation in the Elected Officers' Class for  
 93 retired members.--

94           (1)(a)1. Any retiree of a state-administered retirement  
 95 system who initially serves in an elective office in a regularly  
 96 established position with a covered employer on or after January  
 97 1, 2009, shall not be enrolled in the Florida Retirement System.

98           2. An elected officer who is elected or appointed to an  
 99 elective office and is participating in the Deferred Retirement  
 100 Option Program is subject to termination as provided in s.  
 101 121.021(39)(b), and reemployment limitations as provided in s.  
 102 121.091(9), upon completion of his or her DROP participation  
 103 period.

104           (b) Before January 1, 2009, any member who retired under  
 105 any existing system as defined in s. 121.021(2), and receives a  
 106 benefit thereof, and who serves in an office covered by the  
 107 Elected Officers' Class for a period of at least 6 years, shall  
 108 be entitled to receive an additional retirement benefit for such  
 109 elected officer service prior to July 1, 1990, under the Elected  
 110 Officers' Class of the Florida Retirement System, as follows:

111           1. Upon completion of 6 or more years of creditable  
 112 service in an office covered by the Elected Officers' Class, s.  
 113 121.052, such member shall notify the administrator of his or  
 114 her intent to purchase elected officer service prior to July 1,  
 115 1990, and shall pay the member contribution applicable for the  
 116 period being claimed, plus 4 percent interest compounded  
 117 annually from the first year of service claimed until July 1,  
 118 1975, and 6.5 percent interest compounded annually thereafter,  
 119 until full payment is made to the Florida Retirement System  
 120 Trust Fund; however, such member may purchase retirement credit  
 121 under the Elected Officers' Class only for such service as an  
 122 elected officer.

123           2. Upon payment of the amount specified in subparagraph  
 124 1., the employer shall pay into the Florida Retirement System  
 125 Trust Fund the applicable employer contribution for the period  
 126 of elected officer service prior to July 1, 1990, being claimed  
 127 by the member, plus 4 percent interest compounded annually from  
 128 the first year of service claimed until July 1, 1975, and 6.5  
 129 percent interest compounded annually thereafter, until full  
 130 payment is made to the Florida Retirement System Trust Fund.

131           (c) ~~(b)~~ Any retired member of the Florida Retirement  
 132 System, or any existing system as defined in s. 121.021(2), who,  
 133 on or after July 1, 1990, through December 31, 2008, is serving  
 134 in, or is elected or appointed to, an elective office covered by  
 135 the Elected Officers' Class shall be enrolled in the appropriate  
 136 subclass of the Elected Officers' Class of the Florida  
 137 Retirement System, and applicable contributions shall be paid

138 into the Florida Retirement System Trust Fund as provided in s.  
 139 121.052(7). Pursuant thereto:

140 1. Any such retired member shall be eligible to continue  
 141 to receive retirement benefits as well as compensation for the  
 142 elected officer service for as long as he or she remains in an  
 143 elective office covered by the Elected Officers' Class.

144 2. If any such member serves in an elective office covered  
 145 by the Elected Officers' Class and becomes vested under that  
 146 class, he or she shall be entitled to receive an additional  
 147 retirement benefit for such elected officer service.

148 3. Such member shall be entitled to purchase additional  
 149 retirement credit in the Elected Officers' Class for any  
 150 postretirement service performed in an elected position eligible  
 151 for the Elected Officers' Class prior to July 1, 1990, or in the  
 152 Regular Class for any postretirement service performed in any  
 153 other regularly established position prior to July 1, 1991, by  
 154 paying the applicable Elected Officers' Class or Regular Class  
 155 employee and employer contributions for the period being  
 156 claimed, plus 4 percent interest compounded annually from the  
 157 first year of service claimed until July 1, 1975, and 6.5  
 158 percent interest compounded thereafter, until full payment is  
 159 made to the Florida Retirement System Trust Fund. The  
 160 contribution for postretirement Regular Class service between  
 161 July 1, 1985, and July 1, 1991, for which the reemployed retiree  
 162 contribution was paid, shall be the difference between such  
 163 contribution and the total applicable contribution for the  
 164 period being claimed, plus interest. The employer of such member  
 165 may pay the applicable employer contribution in lieu of the

166 member. If a member does not wish to claim credit for all of the  
167 postretirement service for which he or she is eligible, the  
168 service the member claims must be the most recent service.

169 4. Creditable service for which credit was received, or  
170 which remained unclaimed, at retirement may not be claimed or  
171 applied toward service credit earned following renewed  
172 membership. However, service earned in accordance with the  
173 renewed membership provisions in s. 121.122 may be used in  
174 conjunction with creditable service earned under this paragraph,  
175 provided applicable vesting requirements and other existing  
176 statutory conditions required by this chapter are met.

177 5. An elected officer who is elected or appointed to an  
178 elective office and is participating in the Deferred Retirement  
179 Option Program before January 1, 2009, is not subject to  
180 termination as provided in s. 121.021(39)(b), or reemployment  
181 limitations as provided in s. 121.091(9), until the end of his  
182 or her current term of office or, if the officer is  
183 consecutively elected or reelected to an elective office  
184 eligible for coverage under the Florida Retirement System, until  
185 he or she no longer holds such an elective office, as follows:

186 a. At the end of the 60-month DROP period:

187 (I) The officer's DROP account shall accrue no additional  
188 monthly benefits, but shall continue to earn interest as  
189 provided in s. 121.091(13).

190 (II) No retirement contributions shall be required of the  
191 employer of the elected officer and no additional retirement  
192 credit shall be earned under the Florida Retirement System.

193           b. Nothing herein shall prevent an elected officer from  
194 voluntarily terminating his or her elective office at any time  
195 and electing to receive his or her DROP proceeds. However, until  
196 termination requirements are fulfilled as provided in s.  
197 121.021(39), any elected officer whose termination limitations  
198 are extended by this section shall be ineligible for renewed  
199 membership in the system and shall receive no pension payments,  
200 DROP lump sum payments, or any other state payment other than  
201 the statutorily determined salary, travel, and per diem for the  
202 elective office.

203           c. Upon termination, the officer shall receive his or her  
204 accumulated DROP account, plus interest, and shall accrue and  
205 commence receiving monthly retirement benefits, which shall be  
206 paid on a prospective basis only.

207  
208 However, an officer electing to participate in the Deferred  
209 Retirement Option Program on or before June 30, 2002, shall not  
210 be required to terminate and shall remain subject to the  
211 provisions of this subparagraph as adopted in section 1 of  
212 chapter 2001-235, Laws of Florida.

213           (2) Upon attaining his or her normal retirement date and  
214 payment of the amount specified in paragraphs (1)(b) and (c)  
215 ~~(1)(a) and (b)~~, and upon application to the administrator of the  
216 intent to retire, the member shall receive a monthly benefit  
217 under this section, in addition to any benefits already being  
218 received, which shall commence on the last day of the month of  
219 retirement and be payable on the last day of the month  
220 thereafter during his or her lifetime. The amount of such



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221 monthly benefit shall be the total percentage of retirement  
 222 credit purchased under this section multiplied by the member's  
 223 average monthly compensation as an elected officer, adjusted  
 224 according to the option selected at retirement under s.  
 225 121.091(6).

226 Section 3. Paragraph (f) of subsection (1) and paragraph  
 227 (c) of subsection (6) of section 121.055, Florida Statutes, are  
 228 amended to read:

229 121.055 Senior Management Service Class.--There is hereby  
 230 established a separate class of membership within the Florida  
 231 Retirement System to be known as the "Senior Management Service  
 232 Class," which shall become effective February 1, 1987.

233 (1)

234 (f) Effective July 1, 1997:

235 1. Except as provided in subparagraph 3., any elected  
 236 state officer eligible for membership in the Elected Officers'  
 237 Class under s. 121.052(2)(a), (b), or (c) who elects membership  
 238 in the Senior Management Service Class under s. 121.052(3)(c)  
 239 may, within 6 months after assuming office or within 6 months  
 240 after this act becomes a law for serving elected state officers,  
 241 elect to participate in the Senior Management Service Optional  
 242 Annuity Program, as provided in subsection (6), in lieu of  
 243 membership in the Senior Management Service Class.

244 2. Except as provided in subparagraph 3., any elected  
 245 county officer eligible for membership in the Elected Officers'  
 246 Class under s. 121.052(2)(d) who elects membership in the Senior  
 247 Management Service Class under s. 121.052(3)(c) may, within 6  
 248 months after assuming office, or within 6 months after this act

249 becomes a law for serving elected county officers, elect to  
 250 withdraw from the Florida Retirement System ~~participate in a~~  
 251 ~~lifetime monthly annuity program~~, as provided in subparagraph  
 252 (b)2., in lieu of membership in the Senior Management Service  
 253 Class.

254 3. Any retiree of a state-administered retirement system  
 255 who is initially reemployed on or after January 1, 2009, as an  
 256 elected official eligible for Elected Officers' Class membership  
 257 shall not be eligible for renewed membership in the Senior  
 258 Management Service Optional Annuity Program as provided in  
 259 subsection (6) or to withdraw from the Florida Retirement System  
 260 as a renewed member as provided in subparagraph (b)2., as  
 261 applicable, in lieu of Senior Management Service Class  
 262 membership.

263 (6)

264 (c) Participation.--

265 1. Any eligible employee who is employed on or before  
 266 February 1, 1987, may elect to participate in the optional  
 267 annuity program in lieu of participation in the Senior  
 268 Management Service Class. Such election shall be made in writing  
 269 and filed with the department and the personnel officer of the  
 270 employer on or before May 1, 1987. Any eligible employee who is  
 271 employed on or before February 1, 1987, and who fails to make an  
 272 election to participate in the optional annuity program by May  
 273 1, 1987, shall be deemed to have elected membership in the  
 274 Senior Management Service Class.

275 2. Except as provided in subparagraph 6., any employee who  
 276 becomes eligible to participate in the optional annuity program

277 by reason of initial employment commencing after February 1,  
278 1987, may, within 90 days after the date of commencement of  
279 employment, elect to participate in the optional annuity  
280 program. Such election shall be made in writing and filed with  
281 the personnel officer of the employer. Any eligible employee who  
282 does not within 90 days after commencement of such employment  
283 elect to participate in the optional annuity program shall be  
284 deemed to have elected membership in the Senior Management  
285 Service Class.

286         3. A person who is appointed to a position in the Senior  
287 Management Service Class and who is a member of an existing  
288 retirement system or the Special Risk or Special Risk  
289 Administrative Support Classes of the Florida Retirement System  
290 may elect to remain in such system or class in lieu of  
291 participation in the Senior Management Service Class or optional  
292 annuity program. Such election shall be made in writing and  
293 filed with the department and the personnel officer of the  
294 employer within 90 days of such appointment. Any eligible  
295 employee who fails to make an election to participate in the  
296 existing system, the Special Risk Class of the Florida  
297 Retirement System, the Special Risk Administrative Support Class  
298 of the Florida Retirement System, or the optional annuity  
299 program shall be deemed to have elected membership in the Senior  
300 Management Service Class.

301         4. Except as provided in subparagraph 5., an employee's  
302 election to participate in the optional annuity program is  
303 irrevocable as long as such employee continues to be employed in

304 an eligible position and continues to meet the eligibility  
305 requirements set forth in this paragraph.

306 5. Effective from July 1, 2002, through September 30,  
307 2002, any active employee in a regularly established position  
308 who has elected to participate in the Senior Management Service  
309 Optional Annuity Program has one opportunity to choose to move  
310 from the Senior Management Service Optional Annuity Program to  
311 the Florida Retirement System defined benefit program.

312 a. The election must be made in writing and must be filed  
313 with the department and the personnel officer of the employer  
314 before October 1, 2002, or, in the case of an active employee  
315 who is on a leave of absence on July 1, 2002, within 90 days  
316 after the conclusion of the leave of absence. This election is  
317 irrevocable.

318 b. The employee will receive service credit under the  
319 defined benefit program of the Florida Retirement System equal  
320 to his or her years of service under the Senior Management  
321 Service Optional Annuity Program. The cost for such credit shall  
322 be an amount representing the present value of that employee's  
323 accumulated benefit obligation for the affected period of  
324 service.

325 c. The employee must transfer the total accumulated  
326 employer contributions and earnings on deposit in his or her  
327 Senior Management Service Optional Annuity Program account. If  
328 the transferred amount is not sufficient to pay the amount due,  
329 the employee must pay a sum representing the remainder of the  
330 amount due. In no case may the employee retain any employer

331 contributions or earnings thereon from the Senior Management  
 332 Service Optional Annuity Program account.

333 6. Any retiree of a state-administered retirement system  
 334 who is initially reemployed on or after January 1, 2009, shall  
 335 not be eligible for renewed membership in the Senior Management  
 336 Service Optional Annuity Program.

337 Section 4. Subsections (9), (13), and (14) of section  
 338 121.091, Florida Statutes, are amended to read:

339 121.091 Benefits payable under the system.--Benefits may  
 340 not be paid under this section unless the member has terminated  
 341 employment as provided in s. 121.021(39) (a) or begun  
 342 participation in the Deferred Retirement Option Program as  
 343 provided in subsection (13), and a proper application has been  
 344 filed in the manner prescribed by the department. The department  
 345 may cancel an application for retirement benefits when the  
 346 member or beneficiary fails to timely provide the information  
 347 and documents required by this chapter and the department's  
 348 rules. The department shall adopt rules establishing procedures  
 349 for application for retirement benefits and for the cancellation  
 350 of such application when the required information or documents  
 351 are not received.

352 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.--

353 (a) Any person who is retired under this chapter, except  
 354 under the disability retirement provisions of subsection (4),  
 355 may be employed by an employer that does not participate in a  
 356 state-administered retirement system and may receive  
 357 compensation from that employment without limiting or

358 restricting in any way the retirement benefits payable to that  
359 person.

360 (b)1.a. Any person who is retired under this chapter,  
361 except under the disability retirement provisions of subsection  
362 (4), may be reemployed by any private or public employer after  
363 retirement and receive retirement benefits and compensation from  
364 the his or her employer without limitation ~~any limitations~~,  
365 except that the a person may not receive ~~both~~ a salary from  
366 reemployment with any agency participating in the Florida  
367 Retirement System and retirement benefits under this chapter for  
368 ~~a period of~~ 12 calendar months immediately after ~~subsequent to~~  
369 the calendar month that termination is met as defined in s.  
370 121.021(39), except as provided in sub-subparagraph b. date of  
371 ~~retirement.~~ However, a DROP participant may ~~shall~~ continue  
372 employment and receive a salary during the period of  
373 participation in DROP ~~the Deferred Retirement Option Program~~, as  
374 provided in subsection (13).

375 b. Any person who is retired under a state-administered  
376 retirement system may not receive a retirement benefit if he or  
377 she receives compensation totaling \$100,000 or more from an  
378 employer participating in the Florida Retirement System. This  
379 limitation begins immediately upon employment if the annualized  
380 compensation meets or exceeds the limit, or in the month that  
381 reported compensation meets or exceeds the limit during the plan  
382 year, and continues for as long as the expected payments equal  
383 or exceed \$100,000. This limitation includes payments as defined  
384 in s. 121.021(22) for work performed in regularly established  
385 positions. The employer is responsible for notifying the

386 Division of Retirement when this occurs, either at employment or  
 387 if salary increases lead to the level specified. Any person  
 388 employed in violation of this sub-subparagraph and any employing  
 389 agency that knowingly employs or appoints such person without  
 390 notifying the Division of Retirement to suspend retirement  
 391 benefits shall be jointly and severally liable for reimbursement  
 392 to the Florida Retirement System Trust Fund of any benefits paid  
 393 during the reemployment limitation period.

394 2. Any person to whom the limitation in subparagraph 1.  
 395 applies ~~who violates such reemployment limitation and~~ who is  
 396 reemployed with any agency participating in the Florida  
 397 Retirement System after he or she has been retired and met the  
 398 definition of termination in s. 121.021(39), but before  
 399 completion of the 12-month limitation period, must ~~shall~~ give  
 400 timely notice of this fact in writing to the employer and to the  
 401 Division of Retirement and shall have his or her retirement  
 402 benefits suspended while employed during ~~for~~ the balance of the  
 403 12-month limitation period unless the person exceeds the 780-  
 404 hour limitation in subparagraph 4. or subparagraph 5. Any person  
 405 employed in violation of this paragraph and any employing agency  
 406 that ~~which~~ knowingly employs or appoints such person without  
 407 notifying the division of Retirement to suspend retirement  
 408 benefits are ~~shall be~~ jointly and severally liable for  
 409 ~~reimbursement to the retirement trust fund of~~ any benefits paid  
 410 during the reemployment limitation period. To avoid liability,  
 411 the ~~such~~ employing agency must ~~shall~~ have a written statement  
 412 from the retiree that he or she is not retired from a state-  
 413 administered retirement system. Any retirement benefits received

414 while reemployed during this reemployment limitation period must  
 415 ~~shall~~ be repaid to the Florida Retirement System Trust Fund  
 416 ~~retirement trust fund~~, and retirement benefits shall remain  
 417 suspended until such repayment has been made. Benefits suspended  
 418 beyond the reemployment limitation shall apply toward repayment  
 419 of benefits received in violation of the reemployment  
 420 limitation.

421 3. A district school board may reemploy a retired member  
 422 as a substitute or hourly teacher, education paraprofessional,  
 423 transportation assistant, bus driver, or food service worker on  
 424 a noncontractual basis after he or she has been retired and met  
 425 the definition of termination for 1 calendar month, in  
 426 ~~accordance with~~ s. 121.021(39). A district school board may  
 427 reemploy a retired member as instructional personnel, as defined  
 428 in s. 1012.01(2)(a), on an annual contractual basis after he or  
 429 she has been retired for 1 calendar month, in accordance with s.  
 430 121.021(39). Any other retired member who is reemployed before  
 431 meeting the definition of termination voids within 1 calendar  
 432 ~~month after retirement shall void~~ his or her application for  
 433 retirement benefits. District school boards reemploying such  
 434 teachers, education paraprofessionals, transportation  
 435 assistants, bus drivers, or food service workers are subject to  
 436 the retirement contribution required by subparagraph 7.

437 4. A community college board of trustees may reemploy a  
 438 retired member as an adjunct instructor, ~~that is, an instructor~~  
 439 ~~who is noncontractual and part time~~, or as a participant in a  
 440 phased retirement program within the Florida Community College  
 441 System, after he or she has been retired and met the definition



442 of termination ~~for 1 calendar month,~~ in accordance with s.  
 443 121.021(39). Any retired member who is reemployed before meeting  
 444 the definition of termination voids ~~within 1 calendar month~~  
 445 ~~after retirement shall void~~ his or her application for  
 446 retirement benefits. Boards of trustees reemploying such  
 447 instructors are subject to the retirement contribution required  
 448 in subparagraph 7. A retired member may be reemployed as an  
 449 adjunct instructor for no more than 780 hours during the first  
 450 12 calendar months after meeting the definition of termination  
 451 ~~of retirement~~. Any retired member reemployed for more than 780  
 452 hours during the first 12 months of retirement must ~~shall~~ give  
 453 timely notice in writing to the employer and to the Division of  
 454 Retirement of the date he or she will exceed the limitation. The  
 455 division shall suspend his or her retirement benefits for the  
 456 remainder of the 12-month limitation period ~~first 12 months of~~  
 457 ~~retirement~~. Any person employed in violation of this  
 458 subparagraph and any employing agency that ~~which~~ knowingly  
 459 employs or appoints such person without notifying the division  
 460 ~~of Retirement~~ to suspend retirement benefits are ~~shall be~~  
 461 jointly and severally liable for ~~reimbursement to the retirement~~  
 462 ~~trust fund~~ of any benefits paid during the reemployment  
 463 limitation period. To avoid liability, the ~~such~~ employing agency  
 464 must ~~shall~~ have a written statement from the retiree that he or  
 465 she is not retired from a state-administered retirement system.  
 466 Any retirement benefits received by a retired member while  
 467 reemployed in excess of 780 hours during the 12-month limitation  
 468 period must ~~first 12 months of retirement shall~~ be repaid to the  
 469 Florida Retirement System Trust Fund, and retirement benefits

470 ~~shall~~ remain suspended until repayment is made. Benefits  
471 suspended beyond the end of the 12-month limitation period  
472 ~~retired member's first 12 months of retirement~~ shall apply  
473 toward repayment of benefits received in violation of the 780-  
474 hour reemployment limitation.

475 5. The State University System may reemploy a retired  
476 member as an adjunct faculty member or as a participant in a  
477 phased retirement program within the State University System  
478 after the retired member has met the definition of termination  
479 ~~been retired for 1 calendar month,~~ in accordance with s.  
480 121.021(39). Any retired member who is reemployed before meeting  
481 the definition of termination voids ~~within 1 calendar month~~  
482 ~~after retirement shall void~~ his or her application for  
483 retirement benefits. The State University System is subject to  
484 the retired contribution required in subparagraph 7., as  
485 appropriate. A retired member may be reemployed as an adjunct  
486 faculty member or a participant in a phased retirement program  
487 for no more than 780 hours during the first 12 calendar months  
488 after meeting the definition of termination ~~of his or her~~  
489 ~~retirement~~. Any retired member reemployed for more than 780  
490 hours during the 12-month limitation period ~~first 12 months of~~  
491 ~~retirement~~ shall give timely notice in writing to the employer  
492 and to the Division of Retirement of the date he or she will  
493 exceed the limitation. The division shall suspend his or her  
494 retirement benefits for the remainder of the 12-month limitation  
495 period ~~first 12 months of retirement~~. Any person employed in  
496 violation of this subparagraph and any employing agency that  
497 ~~which~~ knowingly employs or appoints such person without

498 notifying the division ~~of Retirement~~ to suspend retirement  
 499 benefits are ~~shall be~~ jointly and severally liable for  
 500 ~~reimbursement to the retirement trust fund of~~ any benefits paid  
 501 during the reemployment limitation period. To avoid liability,  
 502 such employing agency must ~~shall~~ have a written statement from  
 503 the retiree that he or she is not retired from a state-  
 504 administered retirement system. Any retirement benefits received  
 505 by a retired member while reemployed in excess of 780 hours  
 506 during the first 12 months of retirement must ~~shall~~ be repaid to  
 507 the Florida Retirement System Trust Fund, and retirement  
 508 benefits ~~shall~~ remain suspended until repayment is made.  
 509 Benefits suspended beyond the end of the retired member's 12-  
 510 month limitation period ~~first 12 months of retirement~~ shall  
 511 apply toward repayment of benefits received in violation of the  
 512 780-hour reemployment limitation.

513 6. The Board of Trustees of the Florida School for the  
 514 Deaf and the Blind may reemploy a retired member as a substitute  
 515 teacher, substitute residential instructor, or substitute nurse  
 516 on a noncontractual basis after he or she has met the definition  
 517 of termination ~~been retired for 1 calendar month~~, in accordance  
 518 ~~with~~ s. 121.021(39). The Board of Trustees of the Florida School  
 519 for the Deaf and the Blind may reemploy a retired member as  
 520 instructional personnel, as defined in s. 1012.01(2)(a), on an  
 521 annual contractual basis after he or she has been retired and  
 522 met the definition of termination in s. 121.021(39). Any retired  
 523 member who is reemployed before meeting the definition of  
 524 termination voids ~~within 1 calendar month after retirement shall~~  
 525 ~~void~~ his or her application for retirement benefits. The Board

526 of Trustees of the Florida School for the Deaf and the Blind  
527 reemploying such teachers, residential instructors, or nurses is  
528 subject to the retirement contribution required by subparagraph  
529 ~~7. Reemployment of a retired member as a substitute teacher,~~  
530 ~~substitute residential instructor, or substitute nurse is~~  
531 ~~limited to 780 hours during the first 12 months of his or her~~  
532 ~~retirement. Any retired member reemployed for more than 780~~  
533 ~~hours during the first 12 months of retirement shall give timely~~  
534 ~~notice in writing to the employer and to the division of the~~  
535 ~~date he or she will exceed the limitation. The division shall~~  
536 ~~suspend his or her retirement benefits for the remainder of the~~  
537 ~~first 12 months of retirement. Any person employed in violation~~  
538 ~~of this subparagraph and any employing agency which knowingly~~  
539 ~~employs or appoints such person without notifying the Division~~  
540 ~~of Retirement to suspend retirement benefits shall be jointly~~  
541 ~~and severally liable for reimbursement to the retirement trust~~  
542 ~~fund of any benefits paid during the reemployment limitation~~  
543 ~~period. To avoid liability, such employing agency shall have a~~  
544 ~~written statement from the retiree that he or she is not retired~~  
545 ~~from a state administered retirement system. Any retirement~~  
546 ~~benefits received by a retired member while reemployed in excess~~  
547 ~~of 780 hours during the first 12 months of retirement shall be~~  
548 ~~repaid to the Retirement System Trust Fund, and his or her~~  
549 ~~retirement benefits shall remain suspended until payment is~~  
550 ~~made. Benefits suspended beyond the end of the retired member's~~  
551 ~~first 12 months of retirement shall apply toward repayment of~~  
552 ~~benefits received in violation of the 780-hour reemployment~~  
553 ~~limitation.~~

554           7.a. The employment ~~by an employer~~ of a any retiree or  
555 DROP participant of any state-administered retirement system  
556 does not affect ~~shall have no effect on~~ the average final  
557 compensation or years of creditable service of the retiree or  
558 DROP participant.

559           b. Prior to July 1, 1991, and for initial enrollment as a  
560 renewed member through December 31, 2008, upon employment of any  
561 person, other than an elected officer as provided in s. 121.053,  
562 who is ~~has been~~ retired under a any state-administered  
563 retirement program, the employer shall pay retirement  
564 contributions in an amount equal to the unfunded actuarial  
565 liability portion of the employer contribution which would be  
566 required for regular members of the Florida Retirement System.  
567 Effective July 1, 1991, contributions shall be made as provided  
568 in s. 121.122 for retirees who have ~~with~~ renewed membership or,  
569 as provided in subsection (13) for ~~with respect to~~ DROP  
570 participants.

571           c. Any person who is retired under a state-administered  
572 retirement program and who is initially reemployed on or after  
573 January 1, 2009, may not renew membership in the Florida  
574 Retirement System. The employer shall pay retirement  
575 contributions in an amount equal to the unfunded actuarial  
576 liability portion of the employer contribution that would be  
577 required for active members of the Florida Retirement System in  
578 addition to the contributions required by s. 121.76.

579           8.a. Any person who has ~~previously~~ retired and who is  
580 holding an elective public office or an appointment to an  
581 elective public office initially eligible for the Elected

582 Officers' Class on or after July 1, 1990, through December 31,  
583 2008, shall be enrolled in the Florida Retirement System as  
584 provided in s. 121.053(1) (c) ~~(b)~~ or, if holding an elective  
585 public office that does not qualify for the Elected Officers'  
586 Class on or after July 1, 1991, through December 31, 2008, shall  
587 be enrolled in the Florida Retirement System as provided in s.  
588 121.122, and shall continue to receive retirement benefits as  
589 well as compensation for the elected officer's service for as  
590 long as he or she remains in elective office. However, any  
591 retired member who served in an elective office prior to July 1,  
592 1990, suspended his or her retirement benefit, and had his or  
593 her Florida Retirement System membership reinstated shall, upon  
594 retirement from such office, have his or her retirement benefit  
595 recalculated to include the additional service and compensation  
596 earned.

597 b. Any person who has retired and who is holding an  
598 elective public office or an appointment to an elective public  
599 office initially eligible for the Elected Officers' Class on or  
600 after January 1, 2009, shall not be enrolled in the Florida  
601 Retirement System as provided in s. 121.053(1)(c) or, if holding  
602 an elective public office that does not qualify for the Elected  
603 Officers' Class and is initially eligible on or after January 1,  
604 2009, shall not be enrolled in the Florida Retirement System as  
605 provided in s. 121.122, and shall not continue to receive  
606 retirement benefits during the first 12 calendar months after  
607 meeting the definition of termination in s. 121.021(39).

608 9.a. Any person who is holding an elective public office  
609 which is covered by the Florida Retirement System and who is

610 concurrently employed in nonelected covered employment before  
611 January 1, 2009, may elect to retire while continuing employment  
612 in the elective public office, if ~~provided that~~ he or she  
613 terminates ~~shall be required to terminate~~ his or her nonelected  
614 covered employment. Any person who exercises this election shall  
615 receive his or her retirement benefits in addition to the  
616 compensation of the elective office without regard to the time  
617 limitations otherwise provided in this subsection. A ~~No~~ person  
618 who seeks to exercise the provisions of this subparagraph, as  
619 they ~~the same~~ existed prior to May 3, 1984, may not ~~shall~~ be  
620 deemed to be retired under those provisions, unless such person  
621 is eligible to retire under the provisions of this subparagraph,  
622 as amended by chapter 84-11, Laws of Florida.

623 b. Any person who is holding an elective public office  
624 which is covered by the Florida Retirement System and who is  
625 concurrently employed in nonelected covered employment on or  
626 after January 1, 2009, may not elect to retire while continuing  
627 employment in the elective public office. Such person must meet  
628 the definition of termination in s. 121.021(39) and is subject  
629 to the limitations provided in this section.

630 10. The limitations of this paragraph apply to  
631 reemployment in any capacity with an "employer" as defined in s.  
632 121.021(10), irrespective of the category of funds from which  
633 the person is compensated.

634 11. A developmental research school may reemploy a retired  
635 member as a substitute or hourly teacher or an education  
636 paraprofessional, as defined in s. 1012.01(2), on a  
637 noncontractual basis after he or she has been retired and met

638 the definition of termination in s. 121.021(39). A developmental  
639 research school may reemploy a retired member as instructional  
640 personnel, as defined in s. 1012.01(2)(a), on an annual  
641 contractual basis after he or she has been retired and met the  
642 definition of termination in s. 121.021(39). Any other retired  
643 member who is reemployed within 12 calendar months after  
644 retirement voids his or her application for retirement benefits.  
645 A developmental research school that reemploys retired teachers  
646 and education paraprofessionals are subject to the retirement  
647 contribution required by subparagraph 7.

648 12. A charter school may reemploy a retired member as a  
649 substitute or hourly teacher on a noncontractual basis after he  
650 or she has been retired and met the definition of termination in  
651 s. 121.021(39). A charter school may reemploy a retired member  
652 as instructional personnel, as defined in s. 1012.01(2)(a), on  
653 an annual contractual basis after he or she has been retired and  
654 met the definition of termination in s. 121.021(39). Any other  
655 retired member who is reemployed within 12 calendar months after  
656 retirement voids his or her application for retirement benefits.  
657 A charter school that reemploys such teachers is subject to the  
658 retirement contribution required by subparagraph 7.

659 13. The reemployment after retirement provisions of this  
660 paragraph apply to DROP participants effective upon the end of  
661 DROP participation and meeting the definition of termination in  
662 s. 121.021(39).

663 ~~11. An employing agency may reemploy a retired member as a~~  
664 ~~firefighter or paramedic after the retired member has been~~  
665 ~~retired for 1 calendar month, in accordance with s. 121.021(39).~~



666 ~~Any retired member who is reemployed within 1 calendar month~~  
667 ~~after retirement shall void his or her application for~~  
668 ~~retirement benefits. The employing agency reemploying such~~  
669 ~~firefighter or paramedic is subject to the retired contribution~~  
670 ~~required in subparagraph 8. Reemployment of a retired~~  
671 ~~firefighter or paramedic is limited to no more than 780 hours~~  
672 ~~during the first 12 months of his or her retirement. Any retired~~  
673 ~~member reemployed for more than 780 hours during the first 12~~  
674 ~~months of retirement shall give timely notice in writing to the~~  
675 ~~employer and to the division of the date he or she will exceed~~  
676 ~~the limitation. The division shall suspend his or her retirement~~  
677 ~~benefits for the remainder of the first 12 months of retirement.~~  
678 ~~Any person employed in violation of this subparagraph and any~~  
679 ~~employing agency which knowingly employs or appoints such person~~  
680 ~~without notifying the Division of Retirement to suspend~~  
681 ~~retirement benefits shall be jointly and severally liable for~~  
682 ~~reimbursement to the Retirement System Trust Fund of any~~  
683 ~~benefits paid during the reemployment limitation period. To~~  
684 ~~avoid liability, such employing agency shall have a written~~  
685 ~~statement from the retiree that he or she is not retired from a~~  
686 ~~state-administered retirement system. Any retirement benefits~~  
687 ~~received by a retired member while reemployed in excess of 780~~  
688 ~~hours during the first 12 months of retirement shall be repaid~~  
689 ~~to the Retirement System Trust Fund, and retirement benefits~~  
690 ~~shall remain suspended until repayment is made. Benefits~~  
691 ~~suspended beyond the end of the retired member's first 12 months~~  
692 ~~of retirement shall apply toward repayment of benefits received~~  
693 ~~in violation of the 780 hour reemployment limitation.~~

694 (c) The provisions of this subsection apply to retirees,  
 695 as defined in s. 121.4501(2)(j), of the Public Employee Optional  
 696 Retirement Program created in part II, subject to the following  
 697 conditions:

698 1. Such retirees may not be reemployed with an employer  
 699 participating in the Florida Retirement System as provided in  
 700 paragraph (b) until such person has been retired for 12 ~~3~~  
 701 calendar months, unless the participant has reached the normal  
 702 retirement requirements of the defined benefit plan as provided  
 703 in s. 121.021(29).

704 2. Such retiree employed in violation of this subsection  
 705 and any employing agency that knowingly employs or appoints such  
 706 person shall be jointly and severally liable for reimbursement  
 707 of any benefits paid to the retirement trust fund from which the  
 708 benefits were paid, including the Retirement System Trust Fund  
 709 and the Public Employee Optional Retirement Program Trust Fund,  
 710 as appropriate. To avoid liability, such employing agency must  
 711 have a written statement from the retiree that he or she is not  
 712 retired from a state-administered retirement system.

713 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and  
 714 subject to the provisions of this section, the Deferred  
 715 Retirement Option Program, hereinafter referred to as ~~the~~ DROP,  
 716 is a program under which an eligible member of the Florida  
 717 Retirement System may elect to participate, deferring receipt of  
 718 retirement benefits while continuing employment with his or her  
 719 Florida Retirement System employer. The deferred monthly  
 720 benefits shall accrue in the System Trust Fund on behalf of the  
 721 participant, plus interest compounded monthly, for the specified

722 period of the DROP participation, as provided in paragraph (c).  
 723 Upon termination of employment as required in s. 121.021(39)(b),  
 724 the participant shall receive the total DROP benefits and begin  
 725 to receive the previously determined normal retirement benefits.  
 726 Participation in the DROP does not guarantee employment for the  
 727 specified period of DROP. Participation in ~~the~~ DROP by an  
 728 eligible member beyond the initial 60-month period as authorized  
 729 in this subsection shall be on an annual contractual basis for  
 730 all participants.

731 (a) Eligibility of member to participate in ~~the~~ DROP.--All  
 732 active Florida Retirement System members in a regularly  
 733 established position, and all active members of ~~either~~ the  
 734 Teachers' Retirement System established in chapter 238 or the  
 735 State and County Officers' and Employees' Retirement System  
 736 established in chapter 122, which systems are consolidated  
 737 within the Florida Retirement System under s. 121.011, are  
 738 eligible to elect participation in ~~the~~ DROP if provided that:

739 1. The member is not a renewed member ~~of the Florida~~  
 740 ~~Retirement System~~ under s. 121.122, or a member or renewed  
 741 member of the State Community College System Optional Retirement  
 742 Program under s. 121.051, the Senior Management Service Optional  
 743 Annuity Program under s. 121.055, or the optional retirement  
 744 program for the State University System under s. 121.35.

745 2. Except as provided in subparagraph 6., election to  
 746 participate is made within 12 months immediately following the  
 747 date on which the member first reaches normal retirement date,  
 748 or, for a member who reaches normal retirement date based on  
 749 service before he or she reaches age 62, or age 55 for Special

750 Risk Class members, election to participate may be deferred to  
751 the 12 months immediately following the date the member attains  
752 57, or age 52 for Special Risk Class members. ~~For a member who~~  
753 ~~first reached normal retirement date or the deferred eligibility~~  
754 ~~date described above prior to the effective date of this~~  
755 ~~section, election to participate shall be made within 12 months~~  
756 ~~after the effective date of this section.~~ A member who fails to  
757 make an election within the ~~such~~ 12-month limitation period  
758 forfeits ~~shall forfeit~~ all rights to participate in the DROP.  
759 The member shall advise his or her employer and the division in  
760 writing of the date ~~on which the DROP begins~~ shall begin. The  
761 ~~Such~~ beginning date may be subsequent to the 12-month election  
762 period, but must be within the original 60-month participation  
763 ~~or, with respect to members who are instructional personnel~~  
764 ~~employed by the Florida School for the Deaf and the Blind and~~  
765 ~~who have received authorization by the Board of Trustees of the~~  
766 ~~Florida School for the Deaf and the Blind to participate in the~~  
767 ~~DROP beyond 60 months, or who are instructional personnel as~~  
768 ~~defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have~~  
769 ~~received authorization by the district school superintendent to~~  
770 ~~participate in the DROP beyond 60 months, the 96-month~~  
771 limitation period as provided in subparagraph (b)1. When  
772 establishing eligibility of the member to participate in ~~the~~  
773 DROP ~~for the 60-month or, with respect to members who are~~  
774 ~~instructional personnel employed by the Florida School for the~~  
775 ~~Deaf and the Blind and who have received authorization by the~~  
776 ~~Board of Trustees of the Florida School for the Deaf and the~~  
777 ~~Blind to participate in the DROP beyond 60 months, or who are~~

778 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
779 ~~grades K-12 and who have received authorization by the district~~  
780 ~~school superintendent to participate in the DROP beyond 60~~  
781 ~~months, the 96 month maximum participation period, the member~~  
782 may elect to include or exclude any optional service credit  
783 purchased by the member from the total service used to establish  
784 the normal retirement date. A member who has ~~with~~ dual normal  
785 retirement dates is ~~shall be~~ eligible to elect to participate in  
786 DROP within 12 months after attaining normal retirement date in  
787 either class.

788 3. The employer of a member electing to participate in ~~the~~  
789 DROP, or employers if dually employed, shall acknowledge in  
790 writing to the division the date the member's participation in  
791 ~~the~~ DROP begins and the date the member's employment and DROP  
792 participation will terminate.

793 4. Simultaneous employment of a participant by additional  
794 Florida Retirement System employers subsequent to the  
795 commencement of participation in ~~the~~ DROP is ~~shall be~~  
796 permissible if ~~provided~~ such employers acknowledge in writing a  
797 DROP termination date no later than the participant's existing  
798 termination date or the maximum participation ~~60-month~~  
799 ~~limitation~~ period as provided in subparagraph (b)1.

800 5. A DROP participant may change employers while  
801 participating in ~~the~~ DROP, subject to the following:

802 a. A change of employment must take place without a break  
803 in service so that the member receives salary for each month of  
804 continuous DROP participation. If a member receives no salary  
805 during a month, DROP participation shall cease unless the

806 employer verifies a continuation of the employment relationship  
 807 for such participant pursuant to s. 121.021(39)(b).

808 b. Such participant and new employer shall notify the  
 809 division of the identity of the new employer on forms required  
 810 by the division ~~as to the identity of the new employer.~~

811 c. The new employer shall acknowledge, in writing, the  
 812 participant's DROP termination date, which may be extended but  
 813 not beyond the maximum participation ~~original 60 month or, with~~  
 814 ~~respect to members who are instructional personnel employed by~~  
 815 ~~the Florida School for the Deaf and the Blind and who have~~  
 816 ~~received authorization by the Board of Trustees of the Florida~~  
 817 ~~School for the Deaf and the Blind to participate in the DROP~~  
 818 ~~beyond 60 months, or who are instructional personnel as defined~~  
 819 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~  
 820 ~~authorization by the district school superintendent to~~  
 821 ~~participate in the DROP beyond 60 months, the 96-month period~~  
 822 provided in subparagraph (b)1., shall acknowledge liability for  
 823 any additional retirement contributions and interest required if  
 824 the participant fails to timely terminate employment, and is  
 825 ~~shall be~~ subject to the adjustment required in sub-subparagraph  
 826 (c)5.d.

827 6. Effective July 1, 2001, for instructional personnel as  
 828 defined in s. 1012.01(2), election to participate in ~~the~~ DROP  
 829 may ~~shall~~ be made at any time following the date on which the  
 830 member first reaches normal retirement date. The member shall  
 831 advise his or her employer and the division in writing of the  
 832 date on which DROP begins ~~the Deferred Retirement Option Program~~  
 833 ~~shall begin~~. When establishing eligibility of the member to

834 participate in the DROP for the 60-month ~~or, with respect to~~  
835 ~~members who are instructional personnel employed by the Florida~~  
836 ~~School for the Deaf and the Blind and who have received~~  
837 ~~authorization by the Board of Trustees of the Florida School for~~  
838 ~~the Deaf and the Blind to participate in the DROP beyond 60~~  
839 ~~months, or who are instructional personnel as defined in s.~~  
840 ~~1012.01(2)(a)-(d) in grades K-12 and who have received~~  
841 ~~authorization by the district school superintendent to~~  
842 ~~participate in the DROP beyond 60 months, the 96 month maximum~~  
843 ~~participation period, as provided in subparagraph (b)1., the~~  
844 ~~member may elect to include or exclude any optional service~~  
845 ~~credit purchased by the member from the total service used to~~  
846 ~~establish the normal retirement date. A member who has ~~with~~ dual~~  
847 ~~normal retirement dates is ~~shall be~~ eligible to elect to~~  
848 ~~participate in either class.~~

849 (b) Participation in ~~the~~ DROP.--

850 1.a. An eligible member may elect to participate in ~~the~~  
851 DROP for a period not to exceed a maximum of 60 calendar months  
852 ~~or, except as provided in subparagraph b.~~

853 b. ~~Members with respect to members~~ who are instructional  
854 personnel employed by the Florida School for the Deaf and the  
855 Blind and who are authorized ~~have received authorization~~ by the  
856 Board of Trustees of the Florida School for the Deaf and the  
857 Blind ~~to participate in the DROP beyond 60 months, or who are~~  
858 instructional personnel as defined in s. 1012.01(2)(a)-(d) in  
859 grades K-12 and who are authorized ~~have received authorization~~  
860 by the district school superintendent ~~to participate in the DROP~~  
861 ~~beyond 60 calendar months, or who are instructional personnel as~~

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862 defined in s. 1012.01(2)(a)-(d) employed by a developmental  
863 research school and who are authorized by the school's director,  
864 or if the school has no director, by the school's principal, to  
865 participate in DROP beyond the original 60-month period, for up  
866 to 36 ~~96~~ calendar months immediately following the DROP  
867 termination date selected for participation in sub-subparagraph  
868 a. date on which the member first reaches his or her normal  
869 ~~retirement date or the date to which he or she is eligible to~~  
870 ~~defer his or her election to participate as provided in~~  
871 ~~subparagraph (a)2. However, a member who has reached normal~~  
872 ~~retirement date prior to the effective date of the DROP shall be~~  
873 ~~eligible to participate in the DROP for a period of time not to~~  
874 ~~exceed 60 calendar months or, with respect to members who are~~  
875 ~~instructional personnel employed by the Florida School for the~~  
876 ~~Deaf and the Blind and who have received authorization by the~~  
877 ~~Board of Trustees of the Florida School for the Deaf and the~~  
878 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
879 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
880 ~~grades K-12 and who have received authorization by the district~~  
881 ~~school superintendent to participate in the DROP beyond 60~~  
882 ~~calendar months, 96 calendar months immediately following the~~  
883 ~~effective date of the DROP, except a member of the Special Risk~~  
884 ~~Class who has reached normal retirement date prior to the~~  
885 ~~effective date of the DROP and whose total accrued value exceeds~~  
886 ~~75 percent of average final compensation as of his or her~~  
887 ~~effective date of retirement shall be eligible to participate in~~  
888 ~~the DROP for no more than 36 calendar months immediately~~  
889 ~~following the effective date of the DROP.~~



890           2. Upon deciding to participate in ~~the~~ DROP, the member  
 891 shall submit, on forms required by the division:  
 892           a. A written election to participate in ~~the~~ DROP;  
 893           b. Selection of ~~the~~ DROP participation and termination  
 894 dates, which satisfy the limitations stated in paragraph (a) and  
 895 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a  
 896 binding letter of resignation to ~~with~~ the employer, establishing  
 897 a deferred termination date. The member may change the  
 898 termination date within the limitations of subparagraph 1., but  
 899 only with the written approval of the ~~his or her~~ employer;  
 900           c. A properly completed DROP application for service  
 901 retirement as provided in this section; and  
 902           d. Any other information required by the division.  
 903           3. The DROP participant is ~~shall be~~ a retiree under the  
 904 Florida Retirement System for all purposes, except for paragraph  
 905 (5) (f) and subsection (9) and ss. 112.3173, 112.363, 121.053,  
 906 and 121.122. DROP participation is final and cannot be canceled  
 907 by the participant after the first payment is credited during  
 908 the DROP participation period. However, participation in ~~the~~  
 909 DROP does not alter the participant's employment status and the  
 910 member is ~~such employee shall not be~~ deemed retired from  
 911 employment until his or her deferred resignation is effective  
 912 and termination occurs as provided in s. 121.021(39).  
 913           4. Elected officers are ~~shall be~~ eligible to participate  
 914 in ~~the~~ DROP subject to the following:  
 915           a. An elected officer who reaches normal retirement date  
 916 during a term of office may defer the election to participate in  
 917 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~

918 | elected officer who exercises this option may participate in ~~the~~  
919 | DROP for up to 60 calendar months or a period of no longer than  
920 | ~~the such~~ succeeding term of office, whichever is less.

921 |       b. An elected or a nonelected participant may run for a  
922 | term of office while participating in DROP and, if elected,  
923 | extend the DROP termination date accordingly, except, however,  
924 | if such additional term of office exceeds the 60-month  
925 | limitation established in subparagraph 1., and the officer does  
926 | not resign from office within such 60-month limitation, the  
927 | retirement and the participant's DROP is ~~shall be~~ null and void  
928 | as provided in sub-subparagraph (c)5.d.

929 |       c. (I) For DROP participation ending before January 1,  
930 | 2009, an elected officer who is dually employed and elects to  
931 | participate in DROP must ~~shall be required to~~ satisfy the  
932 | definition of termination within the original 60-month period or  
933 | maximum participation, ~~with respect to members who are~~  
934 | ~~instructional personnel employed by the Florida School for the~~  
935 | ~~Deaf and the Blind and who have received authorization by the~~  
936 | ~~Board of Trustees of the Florida School for the Deaf and the~~  
937 | ~~Blind to participate in the DROP beyond 60 months, or who are~~  
938 | ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
939 | ~~grades K-12 and who have received authorization by the district~~  
940 | ~~school superintendent to participate in the DROP beyond 60~~  
941 | ~~months, the 96-month limitation~~ period as provided in  
942 | subparagraph 1. for the nonelected position and may continue  
943 | employment as an elected officer as provided in s. 121.053. The  
944 | elected officer shall ~~will~~ be enrolled as a renewed member in  
945 | the Elected Officers' Class or the Regular Class, as provided in

946 ss. 121.053 and 121.122, on the first day of the month after  
947 termination of employment in the nonelected position and  
948 termination of DROP. Distribution of ~~the~~ DROP benefits shall be  
949 made as provided in paragraph (c).

950 (II) For DROP participation ending on or after January 1,  
951 2009, an elected officer who is dually employed and elects to  
952 participate in DROP must satisfy the definition of termination  
953 in s. 121.021(39) within the original 60-month period or maximum  
954 period as provided in subparagraph 1.

955 (c) Benefits payable under ~~the~~ DROP.--

956 1. Effective on ~~with~~ the date of DROP participation, the  
957 member's initial normal monthly benefit, including creditable  
958 service, optional form of payment, and average final  
959 compensation, and the effective date of retirement are ~~shall be~~  
960 fixed. The beneficiary established under the Florida Retirement  
961 System shall be the beneficiary eligible to receive any DROP  
962 benefits payable if the DROP participant dies prior to the  
963 completion of the period of DROP participation. If ~~In the event~~  
964 a joint annuitant predeceases the member, the member may name a  
965 beneficiary to receive accumulated DROP benefits payable. The  
966 ~~Such~~ retirement benefit, the annual cost of living adjustments  
967 provided in s. 121.101, and interest shall accrue monthly in the  
968 System Trust Fund. The ~~Such~~ interest shall accrue at an  
969 effective annual rate of 6.5 percent compounded monthly, on the  
970 prior month's accumulated ending balance, up to the month of  
971 termination or death.

972 2. Each employee who elects to participate in ~~the~~ DROP may  
973 ~~shall be allowed to~~ elect to receive a lump-sum payment for

974 accrued annual leave earned in accordance with agency policy  
975 upon beginning participation in ~~the~~ DROP. ~~The~~ Such accumulated  
976 leave payment certified to the division upon commencement of  
977 DROP shall be included in the calculation of the member's  
978 average final compensation. The employee electing the ~~such~~ lump-  
979 sum payment is ~~upon beginning participation in~~ DROP will not be  
980 eligible to receive a second lump-sum payment upon termination,  
981 except to the extent the employee has earned additional annual  
982 leave which combined with the original payment does not exceed  
983 the maximum lump-sum payment allowed by the employing agency's  
984 policy or rules. An ~~Such~~ early lump-sum payment shall be based  
985 on the hourly wage of the employee at the time he or she begins  
986 participation in ~~the~~ DROP. If the member elects to wait and  
987 receive such lump-sum payment upon termination of DROP and  
988 termination of employment with the employer, any accumulated  
989 leave payment made at that time may not ~~cannot~~ be included in  
990 the member's retirement benefit, which was determined and fixed  
991 by law when the employee elected to participate in ~~the~~ DROP.

992 3. The effective date of DROP participation and the  
993 effective date of retirement of a DROP participant shall be the  
994 first day of the month selected by the member to begin  
995 participation in ~~the~~ DROP, provided such date is properly  
996 established, with the written confirmation of the employer, and  
997 the approval of the division, on forms required by the division.

998 4. Normal retirement benefits and any interest ~~thereon~~  
999 shall continue to accrue in ~~the~~ DROP until the established  
1000 termination date of ~~the~~ DROP, or until the participant  
1001 terminates employment or dies prior to such date. Although

1002 individual DROP accounts shall not be established, a separate  
 1003 accounting of each participant's accrued benefits under ~~the~~ DROP  
 1004 shall be calculated and provided to participants.

1005 5. At the conclusion of the participant's DROP, the  
 1006 division shall distribute the participant's total accumulated  
 1007 DROP benefits, subject to the following provisions:

1008 a. The division shall receive verification by the  
 1009 participant's employer or employers that the ~~such~~ participant  
 1010 has terminated employment as provided in s. 121.021(39)(b).

1011 b. The terminated DROP participant or, if deceased, the  
 1012 ~~such~~ participant's named beneficiary, shall elect on forms  
 1013 provided by the division to receive payment of the DROP benefits  
 1014 in accordance with one of the options listed below. If ~~For~~ a  
 1015 participant or beneficiary ~~who~~ fails to elect a method of  
 1016 payment within 60 days of termination of ~~the~~ DROP, the division  
 1017 shall ~~will~~ pay a lump sum as provided in sub-sub-subparagraph  
 1018 (I).

1019 (I) Lump sum.--All accrued DROP benefits, plus interest,  
 1020 less withholding taxes remitted to the Internal Revenue Service,  
 1021 shall be paid to the DROP participant or surviving beneficiary.

1022 (II) Direct rollover.--All accrued DROP benefits, plus  
 1023 interest, shall be paid from ~~the~~ DROP directly to the custodian  
 1024 of an eligible retirement plan as defined in s. 402(c)(8)(B) of  
 1025 the Internal Revenue Code. However, in the case of an eligible  
 1026 rollover distribution to the surviving spouse of a deceased  
 1027 participant, an eligible retirement plan is an individual  
 1028 retirement account or an individual retirement annuity as  
 1029 described in s. 402(c)(9) of the Internal Revenue Code.

1030 (III) Partial lump sum.--A portion of the accrued DROP  
 1031 benefits shall be paid to the DROP participant or surviving  
 1032 spouse, less withholding taxes remitted to the Internal Revenue  
 1033 Service, and the remaining DROP benefits shall be transferred  
 1034 directly to the custodian of an eligible retirement plan as  
 1035 defined in s. 402(c)(8)(B) of the Internal Revenue Code.  
 1036 However, in the case of an eligible rollover distribution to the  
 1037 surviving spouse of a deceased participant, an eligible  
 1038 retirement plan is an individual retirement account or an  
 1039 individual retirement annuity as described in s. 402(c)(9) of  
 1040 the Internal Revenue Code. The proportions shall be specified by  
 1041 the DROP participant or surviving beneficiary.

1042 c. The form of payment selected by the DROP participant or  
 1043 surviving beneficiary must comply ~~complies~~ with the minimum  
 1044 distribution requirements of the Internal Revenue Code.

1045 d. A DROP participant who fails to terminate employment as  
 1046 defined in s. 121.021(39)(b) shall be deemed not to be retired,  
 1047 and the DROP election is ~~shall be~~ null and void. Florida  
 1048 Retirement System membership shall be reestablished  
 1049 retroactively to the date of the commencement of ~~the~~ DROP, and  
 1050 each employer with whom the participant continues employment  
 1051 must ~~shall be required to~~ pay to the Florida Retirement System  
 1052 Trust Fund the difference between the DROP contributions paid in  
 1053 paragraph (i) and the contributions required for the applicable  
 1054 Florida Retirement System class of membership during the period  
 1055 the member participated in ~~the~~ DROP, plus 6.5 percent interest  
 1056 compounded annually.

1057       6. The retirement benefits of any DROP participant who  
 1058 meets the definition of termination in s. 121.021(39)(b), but is  
 1059 in violation of the reemployment provisions as provided in  
 1060 subsection (9), shall be suspended during those months in which  
 1061 the member is in violation. Any member employed in violation of  
 1062 this subparagraph and any employing agency that knowingly  
 1063 employs or appoints such member without notifying the Division  
 1064 of Retirement to suspend retirement benefits are jointly and  
 1065 severally liable for any benefits paid during the reemployment  
 1066 limitation period. To avoid liability, the employing agency must  
 1067 have a written statement from the retiree that he or she is not  
 1068 retired from a state-administered retirement system. Any  
 1069 retirement benefits received by a retired member while employed  
 1070 in violation of the reemployment limitations during the first 12  
 1071 months after meeting termination must be repaid to the Florida  
 1072 Retirement System Trust Fund, and his or her retirement benefits  
 1073 shall remain suspended until payment is made. Benefits suspended  
 1074 beyond the end of the retired member's first 12 calendar months  
 1075 after meeting the definition of termination in s. 121.021(39)(b)  
 1076 shall apply toward repayment of benefits received in violation  
 1077 of the reemployment limitations.

1078       ~~7.6-~~ The accrued benefits of any DROP participant, and any  
 1079 contributions accumulated under the such program, are shall not  
 1080 ~~be~~ subject to assignment, execution, attachment, or to any legal  
 1081 process whatsoever, except for qualified domestic relations  
 1082 orders by a court of competent jurisdiction, income deduction  
 1083 orders as provided in s. 61.1301, and federal income tax levies.

1084            8.7. DROD participants are ~~shall~~ not be eligible for  
 1085 disability retirement benefits as provided in subsection (4).

1086            (d) Death benefits under ~~the~~ DROD.--

1087            1. Upon the death of a DROD participant, the named  
 1088 beneficiary shall be entitled to apply for and receive the  
 1089 accrued benefits in ~~the~~ DROD as provided in sub-subparagraph  
 1090 (c)5.b.

1091            2. The normal retirement benefit accrued to ~~the~~ DROD  
 1092 during the month of a participant's death shall be the final  
 1093 monthly benefit credited for such DROD participant.

1094            3. Eligibility to participate in ~~the~~ DROD terminates upon  
 1095 death of the participant. If the participant dies on or after  
 1096 the effective date of enrollment in ~~the~~ DROD, but prior to the  
 1097 first monthly benefit being credited to ~~the~~ DROD, Florida  
 1098 Retirement System benefits shall be paid in accordance with  
 1099 subparagraph (7)(c)1. or subparagraph 2.

1100            4. A DROD participants' survivors shall not be eligible to  
 1101 receive Florida Retirement System death benefits as provided in  
 1102 paragraph (7)(d).

1103            (e) Cost-of-living adjustment.--On each July 1, the  
 1104 participants' normal retirement benefit shall be increased as  
 1105 provided in s. 121.101.

1106            (f) Retiree health insurance subsidy.--DROD participants  
 1107 are not eligible to apply for the retiree health insurance  
 1108 subsidy payments as provided in s. 112.363 until such  
 1109 participants have terminated employment and participation in ~~the~~  
 1110 DROD.



1111 (g) Renewed membership.--DROp participants must meet the  
 1112 definition of termination in s. 121.021(39)(b) and must meet  
 1113 eligibility requirements ~~shall not be eligible~~ for renewed  
 1114 membership in the Florida Retirement System under ss. 121.053  
 1115 and 121.122 ~~until termination of employment is effectuated as~~  
 1116 ~~provided in s. 121.021(39)(b).~~

1117 (h) Employment limitation after DROp participation.--Upon  
 1118 satisfying the definition of termination of employment as  
 1119 provided in s. 121.021(39)(b), DROp participants shall be  
 1120 subject to such reemployment limitations as other retirees.  
 1121 Reemployment restrictions applicable to retirees as provided in  
 1122 subsection (9) shall not apply to DROp participants until their  
 1123 employment and participation in ~~the~~ DROp are terminated.

1124 (i) Contributions.--

1125 1. All employers paying the salary of a DROp participant  
 1126 filling a regularly established position shall contribute 8.0  
 1127 percent of such participant's gross compensation for the period  
 1128 of July 1, 2002, through June 30, 2003, and 11.56 percent of  
 1129 such compensation thereafter, which shall constitute the entire  
 1130 employer DROp contribution with respect to such participant.  
 1131 Such contributions, payable to the System Trust Fund in the same  
 1132 manner as required in s. 121.071, shall be made as appropriate  
 1133 for each pay period and are in addition to contributions  
 1134 required for social security and the Retiree Health Insurance  
 1135 Subsidy Trust Fund. Such employer, social security, and health  
 1136 insurance subsidy contributions are not included in ~~the~~ DROp.

1137 2. The employer shall, in addition to subparagraph 1.,  
 1138 also withhold one-half of the entire social security

1139 contribution required for the participant. Contributions for  
 1140 social security by each participant and each employer, in the  
 1141 amount required for social security coverage as now or hereafter  
 1142 provided by the federal Social Security Act, shall be in  
 1143 addition to contributions specified in subparagraph 1.

1144 3. All employers paying the salary of a DROP participant  
 1145 filling a regularly established position shall contribute the  
 1146 percent of such participant's gross compensation required in s.  
 1147 121.071(4), which shall constitute the employer's health  
 1148 insurance subsidy contribution with respect to such participant.  
 1149 Such contributions shall be deposited by the administrator in  
 1150 the Retiree Health Insurance Subsidy Trust Fund.

1151 (j) Forfeiture of retirement benefits.--Nothing in this  
 1152 section shall be construed to remove DROP participants from the  
 1153 scope of s. 8(d), Art. II of the State Constitution, s.  
 1154 112.3173, and paragraph (5)(f). DROP participants who commit a  
 1155 specified felony offense while employed will be subject to  
 1156 forfeiture of all retirement benefits, including DROP benefits,  
 1157 pursuant to those provisions of law.

1158 (k) Administration of program.--The division shall make  
 1159 such rules as are necessary for the effective and efficient  
 1160 administration of this subsection. The division shall not be  
 1161 required to advise members of the federal tax consequences of an  
 1162 election related to ~~the~~ DROP but may advise members to seek  
 1163 independent advice.

1164 (14) PAYMENT OF BENEFITS.--This subsection applies to the  
 1165 payment of benefits to a payee (retiree or beneficiary) under  
 1166 the Florida Retirement System:

1167 (a) Federal income tax shall be withheld in accordance  
 1168 with federal law, unless the payee elects otherwise on Form W-  
 1169 4P. The division shall prepare and distribute to each recipient  
 1170 of monthly retirement benefits an appropriate income tax form  
 1171 that reflects the recipient's income and federal income tax  
 1172 withheld for the calendar year just ended.

1173 (b) Subject to approval by the division in accordance with  
 1174 rule 60S-4.015, Florida Administrative Code, a payee receiving  
 1175 retirement benefits under the ~~Florida Retirement~~ system may also  
 1176 have the following payments deducted from his or her monthly  
 1177 benefit:

1178 1. Premiums for life and health-related insurance policies  
 1179 from approved companies.

1180 2. Life insurance premiums for the State Group Life  
 1181 Insurance Plan, if authorized in writing by the payee and by the  
 1182 department ~~of Management Services~~.

1183 3. Repayment of overpayments from the Florida Retirement  
 1184 System Trust Fund, the State Employees' Health Insurance Trust  
 1185 Fund, or the State Employees' Life Insurance Trust Fund, upon  
 1186 notification of the payee.

1187 4. Payments to an alternate payee for alimony or child  
 1188 support pursuant to an income deduction order under s. 61.1301,  
 1189 or division of marital assets pursuant to a qualified domestic  
 1190 relations order under s. 222.21 ~~or an income deduction order~~  
 1191 ~~under s. 61.1301.~~

1192 5. Payments to the Internal Revenue Service for federal  
 1193 income tax levies, upon notification of the division by the  
 1194 Internal Revenue Service.

1195 (c) A payee must ~~shall~~ notify the division of any change  
 1196 in his or her address. The division may suspend benefit payments  
 1197 to a payee if correspondence sent to the payee's mailing address  
 1198 is returned due to an incorrect address. Benefit payments shall  
 1199 be resumed upon notification to the division of the payee's new  
 1200 address.

1201 (d) A payee whose retirement benefits are reduced by the  
 1202 application of maximum benefit limits under s. 415(b) of the  
 1203 Internal Revenue Code, as specified in s. 121.30(5), shall have  
 1204 the portion of his or her calculated benefit in the Florida  
 1205 Retirement System defined benefit plan which exceeds such  
 1206 federal limitation paid through the Florida Retirement System  
 1207 Preservation of Benefits Plan, as provided in s. 121.1001.

1208 (e) The division may issue retirement benefits payable for  
 1209 division of marital assets pursuant to a qualified domestic  
 1210 relations order directly to the alternate payee, any court order  
 1211 to the contrary notwithstanding, in order to meet Internal  
 1212 Revenue Code requirements.

1213 (f)-(e) A ~~Ne~~ benefit may not be reduced for the purpose of  
 1214 preserving the member's eligibility for a federal program.

1215 (g)-(f) The division shall adopt rules establishing  
 1216 procedures for determining that ~~the~~ persons to whom benefits are  
 1217 being paid are still living. The division shall suspend the  
 1218 benefits being paid to any payee if ~~when~~ it is unable to contact  
 1219 such payee and to confirm that he or she is still living.

1220 Section 5. Sections 121.093 and 121.094, Florida Statutes,  
 1221 are repealed.

1222 Section 6. Section 121.122, Florida Statutes, is amended  
 1223 to read:

1224 121.122 Renewed membership in system.--

1225 (1) Any retiree of a state-administered retirement system  
 1226 who is initially reemployed on or after January 1, 2009, shall  
 1227 not be eligible for renewed membership.

1228 (2) Except as provided in s. 121.053, effective July 1,  
 1229 1991, through December 31, 2008, any retiree of a state-  
 1230 administered retirement system who is initially reemployed  
 1231 ~~employed~~ in a regularly established position with a covered  
 1232 employer shall be enrolled as a compulsory member of the Regular  
 1233 Class of the Florida Retirement System or, effective July 1,  
 1234 1997, through December 31, 2008, any retiree of a state-  
 1235 administered retirement system who is initially reemployed  
 1236 ~~employed~~ in a position included in the Senior Management Service  
 1237 Class shall be enrolled as a compulsory member of the Senior  
 1238 Management Service Class of the Florida Retirement System as  
 1239 provided in s. 121.055, and shall be entitled to receive an  
 1240 additional retirement benefit, subject to the following  
 1241 conditions:

1242 ~~(1)~~(a) Such member shall resatisfy the age and service  
 1243 requirements as provided in this chapter for initial membership  
 1244 under the system, unless such member elects to participate in  
 1245 the Senior Management Service Optional Annuity Program in lieu  
 1246 of the Senior Management Service Class, as provided in s.  
 1247 121.055(6).

1248 (b) Such member shall not be entitled to disability  
 1249 benefits as provided in s. 121.091(4).

1250 (c) Such member must meet the reemployment after  
 1251 retirement limitations as provided in s. 121.091(9), as  
 1252 applicable.

1253 (3)~~(2)~~ Upon renewed membership or reemployment of a  
 1254 retiree, the employer of such member shall pay the applicable  
 1255 employer contributions as required by ss. 121.71, 121.74,  
 1256 121.76, and 112.363 ~~121.055(3) and 121.071(1)(a) and (4)~~.

1257 (4)~~(3)~~ The retiree of a state-administered retirement  
 1258 system who is initially reemployed before January 1, 2009, Such  
 1259 ~~member~~ shall be entitled to purchase additional retirement  
 1260 credit in the Regular Class or the Senior Management Service  
 1261 Class, as applicable, for any postretirement service performed  
 1262 in a regularly established position as follows:

1263 (a) For regular class service prior to July 1, 1991, by  
 1264 paying the Regular Class applicable employee and employer  
 1265 contributions for the period being claimed, plus 4 percent  
 1266 interest compounded annually from first year of service claimed  
 1267 until July 1, 1975, and 6.5 percent interest compounded  
 1268 thereafter, until full payment is made to the Florida Retirement  
 1269 System Trust Fund; or

1270 (b) For Senior Management Service Class prior to June 1,  
 1271 1997, as provided in s. 121.055(1)(j).

1272  
 1273 The contribution for postretirement service between July 1,  
 1274 1985, and July 1, 1991, for which the reemployed retiree  
 1275 contribution was paid, shall be the difference between such  
 1276 contribution and the total applicable contribution for the  
 1277 period being claimed, plus interest. The employer of such member

1278 may pay the applicable employer contribution in lieu of the  
 1279 member. If a member does not wish to claim credit for all of the  
 1280 postretirement service for which he or she is eligible, the  
 1281 service the member claims must be the most recent service.

1282 (5)~~(4)~~ No creditable service for which credit was  
 1283 received, or which remained unclaimed, at retirement may be  
 1284 claimed or applied toward service credit earned following  
 1285 renewed membership. However, for retirees initially reemployed  
 1286 before January 1, 2009, service earned as an elected officer  
 1287 with renewed membership in the Elected Officers' Class may be  
 1288 used in conjunction with creditable service earned under this  
 1289 section, provided the applicable vesting requirements and other  
 1290 existing statutory conditions required by this chapter are met.

1291 (6)~~(5)~~ Notwithstanding any other limitations provided in  
 1292 this section, a participant of the State University System  
 1293 Optional Retirement Program or the Senior Management Service  
 1294 Optional Annuity Program who terminated employment and received  
 1295 a distribution ~~commenced receiving an annuity~~ under the  
 1296 provisions of the optional program, who initially renews  
 1297 membership before January 1, 2009, ~~in the Regular Class~~ as  
 1298 required by this section upon reemployment after retirement, and  
 1299 who had previously earned creditable Florida Retirement System  
 1300 service that was not included in any retirement benefit may  
 1301 include such previous service toward vesting and service credit  
 1302 in the second career benefit provided under renewed membership.

1303 (7)~~(6)~~ Any renewed member who is not receiving the maximum  
 1304 health insurance subsidy provided in s. 112.363 shall be  
 1305 entitled to earn additional credit toward the maximum health

1306 insurance subsidy. Any additional subsidy due because of such  
 1307 additional credit shall be received only at the time of payment  
 1308 of the second career retirement benefit. In no case shall the  
 1309 total health insurance subsidy received by a retiree receiving  
 1310 benefits from initial and renewed membership exceed the maximum  
 1311 allowed in s. 112.363.

1312 Section 7. Paragraph (e) of subsection (5) of section  
 1313 121.35, Florida Statutes, is amended to read:

1314 121.35 Optional retirement program for the State  
 1315 University System.--

1316 (5) BENEFITS.--

1317 (e) A participant who chooses to receive his or her  
 1318 benefits upon termination of employment as defined in s.  
 1319 121.021(39) shall have responsibility to notify the provider  
 1320 company of the date on which he or she wishes benefits funded by  
 1321 employer contributions to begin. Benefits may be deferred until  
 1322 such time as the participant chooses to make such application.

1323 Section 8. Section 121.45, Florida Statutes, is repealed.

1324 Section 9. Paragraph (f) of subsection (2) of section  
 1325 121.4501, Florida Statutes, is amended to read:

1326 121.4501 Public Employee Optional Retirement Program.--

1327 (2) DEFINITIONS.--As used in this part, the term:

1328 (f) "Eligible employee" means an officer or employee, as  
 1329 defined in s. 121.021(11), who:

- 1330 1. Is a member of, or is eligible for membership in, the
- 1331 Florida Retirement System, including any renewed member of the
- 1332 Florida Retirement System initially enrolled before January 1,
- 1333 2009; or



1334           2. Participates in, or is eligible to participate in, the  
 1335 Senior Management Service Optional Annuity Program as  
 1336 established under s. 121.055(6), the State Community College  
 1337 Optional Retirement Program as established under s.  
 1338 121.051(2)(c), or the State University System Optional  
 1339 Retirement Program established under s. 121.35.

1340  
 1341 The term does not include any member participating in the  
 1342 Deferred Retirement Option Program established under s.  
 1343 121.091(13), a retiree of a state-administered retirement system  
 1344 initially reemployed on or after January 1, 2009, or a mandatory  
 1345 participant of the State University System Optional Retirement  
 1346 Program established under s. 121.35.

1347           Section 10. Paragraph (b) of subsection (1) of section  
 1348 121.591, Florida Statutes, is amended to read:

1349           121.591 Benefits payable under the Public Employee  
 1350 Optional Retirement Program of the Florida Retirement  
 1351 System.--Benefits may not be paid under this section unless the  
 1352 member has terminated employment as provided in s.  
 1353 121.021(39)(a) or is deceased and a proper application has been  
 1354 filed in the manner prescribed by the state board or the  
 1355 department. The state board or department, as appropriate, may  
 1356 cancel an application for retirement benefits when the member or  
 1357 beneficiary fails to timely provide the information and  
 1358 documents required by this chapter and the rules of the state  
 1359 board and department. In accordance with their respective  
 1360 responsibilities as provided herein, the State Board of  
 1361 Administration and the Department of Management Services shall

1362 adopt rules establishing procedures for application for  
 1363 retirement benefits and for the cancellation of such application  
 1364 when the required information or documents are not received. The  
 1365 State Board of Administration and the Department of Management  
 1366 Services, as appropriate, are authorized to cash out a de  
 1367 minimis account of a participant who has been terminated from  
 1368 Florida Retirement System covered employment for a minimum of 6  
 1369 calendar months. A de minimis account is an account containing  
 1370 employer contributions and accumulated earnings of not more than  
 1371 \$5,000 made under the provisions of this chapter. Such cash-out  
 1372 must either be a complete lump-sum liquidation of the account  
 1373 balance, subject to the provisions of the Internal Revenue Code,  
 1374 or a lump-sum direct rollover distribution paid directly to the  
 1375 custodian of an eligible retirement plan, as defined by the  
 1376 Internal Revenue Code, on behalf of the participant. If any  
 1377 financial instrument issued for the payment of retirement  
 1378 benefits under this section is not presented for payment within  
 1379 180 days after the last day of the month in which it was  
 1380 originally issued, the third-party administrator or other duly  
 1381 authorized agent of the State Board of Administration shall  
 1382 cancel the instrument and credit the amount of the instrument to  
 1383 the suspense account of the Public Employee Optional Retirement  
 1384 Program Trust Fund authorized under s. 121.4501(6). Any such  
 1385 amounts transferred to the suspense account are payable upon a  
 1386 proper application, not to include earnings thereon, as provided  
 1387 in this section, within 10 years after the last day of the month  
 1388 in which the instrument was originally issued, after which time  
 1389 such amounts and any earnings thereon shall be forfeited. Any

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1390 such forfeited amounts are assets of the Public Employee  
1391 Optional Retirement Program Trust Fund and are not subject to  
1392 the provisions of chapter 717.

1393 (1) NORMAL BENEFITS.--Under the Public Employee Optional  
1394 Retirement Program:

1395 (b) If a participant elects to receive his or her benefits  
1396 upon termination of employment as defined in s. 121.021(39), the  
1397 participant must submit a written application or an equivalent  
1398 form to the third-party administrator indicating his or her  
1399 preferred distribution date and selecting an authorized method  
1400 of distribution as provided in paragraph (c). The participant  
1401 may defer receipt of benefits until he or she chooses to make  
1402 such application, subject to federal requirements.

1403 Section 11. This act shall take effect January 1, 2009.