

By Senator Margolis

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1                   A bill to be entitled  
2           An act relating to an elected officer's retirement  
3           benefits; amending s. 121.091, F.S.; revising provision  
4           relating to the deferment of election to participate in  
5           the DROP by an elected officer reaching normal retirement  
6           date; authorizing certain elected officials to elect to  
7           participate in the DROP during a specified period;  
8           providing an effective date.

9  
10   Be It Enacted by the Legislature of the State of Florida:

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12           Section 1. Paragraph (b) of subsection (13) of section  
13   121.091, Florida Statutes, is amended to read:

14           121.091 Benefits payable under the system.--Benefits may  
15   not be paid under this section unless the member has terminated  
16   employment as provided in s. 121.021(39) (a) or begun  
17   participation in the Deferred Retirement Option Program as  
18   provided in subsection (13), and a proper application has been  
19   filed in the manner prescribed by the department. The department  
20   may cancel an application for retirement benefits when the member  
21   or beneficiary fails to timely provide the information and  
22   documents required by this chapter and the department's rules.  
23   The department shall adopt rules establishing procedures for  
24   application for retirement benefits and for the cancellation of  
25   such application when the required information or documents are  
26   not received.

27           (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and  
28   subject to the provisions of this section, the Deferred  
29   Retirement Option Program, hereinafter referred to as the DROP,

35-03470A-08

20082844\_\_

30 is a program under which an eligible member of the Florida  
31 Retirement System may elect to participate, deferring receipt of  
32 retirement benefits while continuing employment with his or her  
33 Florida Retirement System employer. The deferred monthly benefits  
34 shall accrue in the System Trust Fund on behalf of the  
35 participant, plus interest compounded monthly, for the specified  
36 period of the DROP participation, as provided in paragraph (c).  
37 Upon termination of employment, the participant shall receive the  
38 total DROP benefits and begin to receive the previously  
39 determined normal retirement benefits. Participation in the DROP  
40 does not guarantee employment for the specified period of DROP.  
41 Participation in the DROP by an eligible member beyond the  
42 initial 60-month period as authorized in this subsection shall be  
43 on an annual contractual basis for all participants.

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

45 1. An eligible member may elect to participate in the DROP  
46 for a period not to exceed a maximum of 60 calendar months or,  
47 with respect to members who are instructional personnel employed  
48 by the Florida School for the Deaf and the Blind and who have  
49 received authorization by the Board of Trustees of the Florida  
50 School for the Deaf and the Blind to participate in the DROP  
51 beyond 60 months, or who are instructional personnel as defined  
52 in s. 1012.01(2)(a)-(d) in grades K-12 and who have received  
53 authorization by the district school superintendent to  
54 participate in the DROP beyond 60 calendar months, 96 calendar  
55 months immediately following the date on which the member first  
56 reaches his or her normal retirement date or the date to which he  
57 or she is eligible to defer his or her election to participate as  
58 provided in subparagraph (a)2. However, a member who has reached

35-03470A-08

20082844\_\_

59 | normal retirement date prior to the effective date of the DROP  
60 | shall be eligible to participate in the DROP for a period of time  
61 | not to exceed 60 calendar months or, with respect to members who  
62 | are instructional personnel employed by the Florida School for  
63 | the Deaf and the Blind and who have received authorization by the  
64 | Board of Trustees of the Florida School for the Deaf and the  
65 | Blind to participate in the DROP beyond 60 months, or who are  
66 | instructional personnel as defined in s. 1012.01(2)(a)-(d) in  
67 | grades K-12 and who have received authorization by the district  
68 | school superintendent to participate in the DROP beyond 60  
69 | calendar months, 96 calendar months immediately following the  
70 | effective date of the DROP, except a member of the Special Risk  
71 | Class who has reached normal retirement date prior to the  
72 | effective date of the DROP and whose total accrued value exceeds  
73 | 75 percent of average final compensation as of his or her  
74 | effective date of retirement shall be eligible to participate in  
75 | the DROP for no more than 36 calendar months immediately  
76 | following the effective date of the DROP.

77 |       2. Upon deciding to participate in the DROP, the member  
78 | shall submit, on forms required by the division:

79 |       a. A written election to participate in the DROP;

80 |       b. Selection of the DROP participation and termination  
81 | dates, which satisfy the limitations stated in paragraph (a) and  
82 | subparagraph 1. Such termination date shall be in a binding  
83 | letter of resignation with the employer, establishing a deferred  
84 | termination date. The member may change the termination date  
85 | within the limitations of subparagraph 1., but only with the  
86 | written approval of his or her employer;

35-03470A-08

20082844\_\_

87 c. A properly completed DROP application for service  
88 retirement as provided in this section; and

89 d. Any other information required by the division.

90 3. The DROP participant shall be a retiree under the  
91 Florida Retirement System for all purposes, except for paragraph  
92 (5) (f) and subsection (9) and ss. 112.3173, 112.363, 121.053, and  
93 121.122. However, participation in the DROP does not alter the  
94 participant's employment status and such employee shall not be  
95 deemed retired from employment until his or her deferred  
96 resignation is effective and termination occurs as provided in s.  
97 121.021(39).

98 4. Elected officers shall be eligible to participate in the  
99 DROP subject to the following:

100 a. (I) An elected officer who reaches normal retirement date  
101 during a term of office may defer the election to participate in  
102 the DROP to any consecutively elected ~~until the next~~ succeeding  
103 term, or part thereof, in that office. Such elected officer who  
104 exercises this option may participate in the DROP for up to 60  
105 calendar months or a period of no longer than such succeeding  
106 term of office, whichever is less.

107 (II) An elected officer whose original opportunity to elect  
108 to participate in DROP occurred subject to general law requiring  
109 termination of employment following a DROP period, and who has  
110 been continuously elected to that same office to date, shall have  
111 the option, during a 45-day period commencing July 1, 2008, to  
112 elect to participate in the DROP as provided in sub-sub-  
113 subparagraph (I).

114 b. An elected or a nonelected participant may run for a  
115 term of office while participating in DROP and, if elected,

35-03470A-08

20082844\_\_

116 extend the DROP termination date accordingly, except, however, if  
117 such additional term of office exceeds the 60-month limitation  
118 established in subparagraph 1., and the officer does not resign  
119 from office within such 60-month limitation, the retirement and  
120 the participant's DROP shall be null and void as provided in sub-  
121 subparagraph (c)5.d.

122 c. An elected officer who is dually employed and elects to  
123 participate in DROP shall be required to satisfy the definition  
124 of termination within the 60-month or, with respect to members  
125 who are instructional personnel employed by the Florida School  
126 for the Deaf and the Blind and who have received authorization by  
127 the Board of Trustees of the Florida School for the Deaf and the  
128 Blind to participate in the DROP beyond 60 months, or who are  
129 instructional personnel as defined in s. 1012.01(2)(a)-(d) in  
130 grades K-12 and who have received authorization by the district  
131 school superintendent to participate in the DROP beyond 60  
132 months, the 96-month limitation period as provided in  
133 subparagraph 1. for the nonelected position and may continue  
134 employment as an elected officer as provided in s. 121.053. The  
135 elected officer will be enrolled as a renewed member in the  
136 Elected Officers' Class or the Regular Class, as provided in ss.  
137 121.053 and 121.122, on the first day of the month after  
138 termination of employment in the nonelected position and  
139 termination of DROP. Distribution of the DROP benefits shall be  
140 made as provided in paragraph (c).

141 Section 2. This act shall take effect July 1, 2008.