

Amendment No.

CHAMBER ACTION

Senate

House

.

1 Representative Needelman offered the following:

2
3 **Amendment to Amendment (197813)**

4 Remove lines 108-2010 and insert:

5 1. For retirements effective before July 1, 2009, a member
6 ceases all employment relationships with employers under this
7 system, as defined in subsection (10), but in the event a member
8 should be employed by any such employer within the next calendar
9 month, termination shall be deemed not to have occurred. A leave
10 of absence shall constitute a continuation of the employment
11 relationship, except that a leave of absence without pay due to
12 disability may constitute termination for a member, if such
13 member makes application for and is approved for disability
14 retirement in accordance with s. 121.091(4). The department or
15 board may require other evidence of termination as it deems
16 necessary.

130237

4/29/2008 8:27 AM

Amendment No.

17 2. For retirements effective on or after July 1, 2009, a
18 member ceases all employment relationships with employers under
19 this system, as defined in subsection (10), but in the event a
20 member should be employed by any such employer within the next
21 12 calendar months, termination shall be deemed not to have
22 occurred. A leave of absence shall constitute a continuation of
23 the employment relationship, except that a leave of absence
24 without pay due to disability may constitute termination for a
25 member, if such member makes application for and is approved for
26 disability retirement in accordance with s. 121.091(4). The
27 department or board may require other evidence of termination as
28 it deems necessary.

29 (b) "Termination" for a member electing to participate
30 under the Deferred Retirement Option Program occurs when the
31 Deferred Retirement Option Program participant ceases all
32 employment relationships with employers under this system in
33 accordance with s. 121.091(13), but:

34 1. For DROP termination dates before July 1, 2009, in the
35 event the Deferred Retirement Option Program participant should
36 be employed by any such employer within the next calendar month,
37 termination will be deemed not to have occurred, except as
38 provided in s. 121.091(13)(b)4.c. A leave of absence shall
39 constitute a continuation of the employment relationship.

40 2. For DROP termination dates on or after July 1, 2009, in
41 the event the DROP participant should be employed by any such
42 employer within the next 12 calendar months, termination will be
43 deemed not to have occurred, except as provided in s.

130237

4/29/2008 8:27 AM

Amendment No.

44 121.091(13)(b)4.c. A leave of absence shall constitute a
45 continuation of the employment relationship.

46 (52) "Regularly established position" is defined as
47 follows:

48 (a) With respect to employment for ~~In~~ a state employer
49 agency, the term means a position that ~~which~~ is authorized and
50 established pursuant to law and is compensated from a salaries
51 appropriation pursuant to s. 216.011(1)(dd), or an established
52 position which is authorized pursuant to s. 216.262(1)(a) and
53 (b) and is compensated from a salaries account as provided by
54 rule.

55 (b) With respect to employment for ~~In~~ a local employer
56 agency (district school board, county agency, community college,
57 city, metropolitan planning organization, or special district),
58 the term means a regularly established position that ~~which~~ will
59 be in existence for a period beyond 6 consecutive months, except
60 as provided by rule.

61 (53) "Temporary position" is defined as follows:

62 (a) With respect to employment for ~~In~~ a state employer
63 agency, the term means an employment position that ~~which~~ is
64 compensated from an other personal services (OPS) account, as
65 provided for in s. 216.011(1)(dd).

66 (b) With respect to employment for ~~In~~ a local employer
67 agency, the term means an employment position that ~~which~~ will
68 exist for less than 6 consecutive months, or other employment
69 position as determined by rule of the division, regardless of
70 whether it will exist for 6 consecutive months or longer.

130237

4/29/2008 8:27 AM

Amendment No.

71 (63) "State board" or "board" means the State Board of
72 Administration.

73 (64) "Trustees" means the Board of Trustees of the State
74 Board of Administration.

75 Section 2. Subsection (6) is added to section 121.031,
76 Florida Statutes, to read:

77 121.031 Administration of system; appropriation; oaths;
78 actuarial studies; public records.--

79 (6) Unless prior written approval is obtained from the
80 department or state board, any promotional materials or
81 advertisements that, directly or indirectly, refer to the
82 Florida Retirement System or the FRS, must contain a disclaimer
83 that the information is not approved or endorsed by the Florida
84 Retirement System.

85 Section 3. Paragraph (a) of subsection (1) and paragraph
86 (f) of subsection (2) of section 121.051, Florida Statutes, are
87 amended, and subsection (10) is added to that section, to read:

88 121.051 Participation in the system.--

89 (1) COMPULSORY PARTICIPATION.--

90 (a) The provisions of this law are ~~shall be~~ compulsory as
91 to all officers and employees, except elected officers who meet
92 the requirements of s. 121.052(3), who are employed on or after
93 December 1, 1970, by ~~of~~ an employer other than those referred to
94 in paragraph (2)(b), and each officer or employee, as a
95 condition of employment, shall become a member of the system as
96 of his or her date of employment, except that a person who is
97 retired from any state retirement system and is reemployed on or
98 after December 1, 1970, may ~~shall not be permitted to~~ renew his
130237

4/29/2008 8:27 AM

Amendment No.

99 or her membership in any state retirement system except as
100 provided in s. 121.091(4) (h) for a person who recovers from
101 disability, and as provided in s. 121.091(9) (b)10. ~~s.~~
102 ~~121.091(9) (b)8.~~ for a person who is elected to public office,
103 and, effective July 1, 1991, as provided in s. 121.122 for all
104 other retirees. Officers and employees of the University
105 Athletic Association, Inc., a nonprofit association connected
106 with the University of Florida, employed on and after July 1,
107 1979, may ~~shall~~ not participate in any state-supported
108 retirement system.

109 1.a. Any person appointed on or after July 1, 1989, to a
110 faculty position in a college at the J. Hillis Miller Health
111 Center at the University of Florida or the Medical Center at the
112 University of South Florida which has a faculty practice plan
113 adopted ~~provided~~ by rule may ~~adopted by the Board of Regents~~
114 ~~shall~~ not participate in the Florida Retirement System.
115 Effective July 1, 2008, any person appointed thereafter to a
116 faculty position, including clinical faculty, in a college at a
117 state university that has a faculty practice plan authorized by
118 the Board of Governors may not participate in the Florida
119 Retirement System. A faculty member so appointed shall
120 participate in the optional retirement program for the State
121 University System ~~on the basis of his or her state funded~~
122 ~~compensation,~~ notwithstanding the provisions of s. 121.35(2) (a).

123 b. For purposes of this subparagraph, the term "faculty
124 position" is defined as a position assigned the principal
125 responsibility of teaching, research, or public service
126 activities or administrative responsibility directly related to

130237

4/29/2008 8:27 AM

Amendment No.

127 the academic mission of the college. The term "clinical faculty"
128 is defined as a faculty position appointment in conjunction with
129 a professional position in a hospital or other clinical
130 environment at a college. The term "faculty practice plan"
131 includes professional services to patients, institutions, or
132 other parties which are rendered by the clinical faculty employed
133 by a college that has a faculty practice plan at a state
134 university authorized by the Board of Governors.

135 (2) OPTIONAL PARTICIPATION.--

136 (f)1. If ~~Whenever~~ an employer that participates in the
137 Florida Retirement System undertakes the transfer, merger, or
138 consolidation of governmental services or assumes the functions
139 or activities of an employing governmental entity that was not
140 an employer under the system, the employer must notify the
141 department at least 60 days prior to such action and ~~shall~~
142 provide documentation as required by the department. The
143 transfer, merger, or consolidation of governmental services or
144 assumption of governmental functions and activities must occur
145 between public employers. The current or former employer may pay
146 the employees' past service cost unless prohibited under this
147 chapter. This paragraph does not apply to the transfer, merger,
148 or consolidation of governmental services or assumption of
149 functions and activities of a public entity under a leasing
150 agreement having a co-employer relationship. Employers and
151 employees of a public governmental employer whose service is
152 covered by a leasing agreement under s. 110.191, other leasing
153 agreement, or a co-employer relationship are not eligible to
154 participate in the Florida Retirement System.

130237

4/29/2008 8:27 AM

Amendment No.

155 2. ~~If~~ ~~When~~ the agency to which a member's employing unit
156 is transferred, merged, or consolidated does not participate in
157 the Florida Retirement System, a member may ~~shall~~ elect in
158 writing to remain in the Florida Retirement System or to
159 transfer to the local retirement system operated by the ~~such~~
160 agency. If such agency does not participate in a local
161 retirement system, the member shall continue membership in the
162 Florida Retirement System. In either case, ~~the~~ membership
163 continues ~~shall continue~~ for as long as the member is employed
164 by the agency to which his or her unit was transferred, merged,
165 or consolidated.

166 (10) PROHIBITED PARTICIPATION.--A person who is an inmate
167 or prisoner at the time the work is performed is prohibited from
168 participating in, or receiving benefits from, any part of the
169 Florida Retirement System based on such work.

170 Section 4. Paragraph (e) of subsection (3) of section
171 121.052, Florida Statutes, is amended to read:

172 121.052 Membership class of elected officers.--

173 (3) PARTICIPATION AND WITHDRAWAL, GENERALLY.--Effective
174 July 1, 1990, participation in the Elected Officers' Class shall
175 be compulsory for elected officers listed in paragraphs (2)(a)-
176 (d) and (f) assuming office on or after said date, unless the
177 elected officer elects membership in another class or withdraws
178 from the Florida Retirement System as provided in paragraphs
179 (3)(a)-(d):

180 (e) Effective July 1, 2008 ~~July 1, 2001~~, the governing
181 body of a municipality or special district may, by majority
182 vote, elect to designate all its elected positions for inclusion

130237

4/29/2008 8:27 AM

Amendment No.

183 in the Elected Officers' Class. Such election shall be made
184 between July 1, 2008, and June 30, 2009 ~~July 1, 2001, and~~
185 ~~December 31, 2001,~~ and shall be irrevocable. The designation of
186 such positions shall be effective the first day of the month
187 following receipt by the department of the ordinance or
188 resolution passed by the governing body.

189 Section 5. Subsections (1) and (2) of section 121.053,
190 Florida Statutes, are amended to read:

191 121.053 Participation in the Elected Officers' Class for
192 retired members.--

193 (1) (a) 1. Any retiree of a state-administered retirement
194 system who initially serves in an elective office in a regularly
195 established position with a covered employer on or after July 1,
196 2009, shall not be enrolled in the Florida Retirement System.

197 2. An elected officer who is elected or appointed to an
198 elective office and is participating in the Deferred Retirement
199 Option Program is subject to termination as provided in s.
200 121.021(39)(b), and reemployment limitations as provided in s.
201 121.091(9), upon completion of his or her DROP participation
202 period.

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

130237

4/29/2008 8:27 AM

Amendment No.

210 1. Upon completion of 6 or more years of creditable
211 service in an office covered by the Elected Officers' Class, s.
212 121.052, such member shall notify the administrator of his or
213 her intent to purchase elected officer service prior to July 1,
214 1990, and shall pay the member contribution applicable for the
215 period being claimed, plus 4 percent interest compounded
216 annually from the first year of service claimed until July 1,
217 1975, and 6.5 percent interest compounded annually thereafter,
218 until full payment is made to the Florida Retirement System
219 Trust Fund; however, such member may purchase retirement credit
220 under the Elected Officers' Class only for such service as an
221 elected officer.

222 2. Upon payment of the amount specified in subparagraph
223 1., the employer shall pay into the Florida Retirement System
224 Trust Fund the applicable employer contribution for the period
225 of elected officer service prior to July 1, 1990, being claimed
226 by the member, plus 4 percent interest compounded annually from
227 the first year of service claimed until July 1, 1975, and 6.5
228 percent interest compounded annually thereafter, until full
229 payment is made to the Florida Retirement System Trust Fund.

230 (c) ~~(b)~~ Any retired member of the Florida Retirement
231 System, or any existing system as defined in s. 121.021(2), who,
232 on or after July 1, 1990, through June 30, 2009, is serving in,
233 or is elected or appointed to, an elective office covered by the
234 Elected Officers' Class shall be enrolled in the appropriate
235 subclass of the Elected Officers' Class of the Florida
236 Retirement System, and applicable contributions shall be paid

130237

4/29/2008 8:27 AM

Amendment No.

237 into the Florida Retirement System Trust Fund as provided in s.
238 121.052(7). Pursuant thereto:

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

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

247 3. Such member shall be entitled to purchase additional
248 retirement credit in the Elected Officers' Class for any
249 postretirement service performed in an elected position eligible
250 for the Elected Officers' Class prior to July 1, 1990, or in the
251 Regular Class for any postretirement service performed in any
252 other regularly established position prior to July 1, 1991, by
253 paying the applicable Elected Officers' Class or Regular Class
254 employee and employer contributions for the period being
255 claimed, plus 4 percent interest compounded annually from the
256 first year of service claimed until July 1, 1975, and 6.5
257 percent interest compounded thereafter, until full payment is
258 made to the Florida Retirement System Trust Fund. The
259 contribution for postretirement Regular Class service between
260 July 1, 1985, and July 1, 1991, for which the reemployed retiree
261 contribution was paid, shall be the difference between such
262 contribution and the total applicable contribution for the
263 period being claimed, plus interest. The employer of such member
264 may pay the applicable employer contribution in lieu of the

130237

4/29/2008 8:27 AM

Amendment No.

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

268 4. Creditable service for which credit was received, or
269 which remained unclaimed, at retirement may not be claimed or
270 applied toward service credit earned following renewed
271 membership. However, service earned in accordance with the
272 renewed membership provisions in s. 121.122 may be used in
273 conjunction with creditable service earned under this paragraph,
274 provided applicable vesting requirements and other existing
275 statutory conditions required by this chapter are met.

276 5. An elected officer who is elected or appointed to an
277 elective office and is participating in the Deferred Retirement
278 Option Program before July 1, 2009, is not subject to
279 termination as provided in s. 121.021(39)(b), or reemployment
280 limitations as provided in s. 121.091(9), until the end of his
281 or her current term of office or, if the officer is
282 consecutively elected or reelected to an elective office
283 eligible for coverage under the Florida Retirement System, until
284 he or she no longer holds such an elective office, as follows:

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

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

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

130237

4/29/2008 8:27 AM

Amendment No.

292 b. Nothing herein shall prevent an elected officer from
293 voluntarily terminating his or her elective office at any time
294 and electing to receive his or her DROP proceeds. However, until
295 termination requirements are fulfilled as provided in s.
296 121.021(39), any elected officer whose termination limitations
297 are extended by this section shall be ineligible for renewed
298 membership in the system and shall receive no pension payments,
299 DROP lump sum payments, or any other state payment other than
300 the statutorily determined salary, travel, and per diem for the
301 elective office.

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

306
307 However, an officer electing to participate in the Deferred
308 Retirement Option Program on or before June 30, 2002, shall not
309 be required to terminate and shall remain subject to the
310 provisions of this subparagraph as adopted in section 1 of
311 chapter 2001-235, Laws of Florida.

312 (2) Upon attaining his or her normal retirement date and
313 payment of the amount specified in paragraphs (1)(b) and (c)
314 ~~(1)(a) and (b)~~, and upon application to the administrator of the
315 intent to retire, the member shall receive a monthly benefit
316 under this section, in addition to any benefits already being
317 received, which shall commence on the last day of the month of
318 retirement and be payable on the last day of the month
319 thereafter during his or her lifetime. The amount of such

130237

4/29/2008 8:27 AM

Amendment No.

320 monthly benefit shall be the total percentage of retirement
321 credit purchased under this section multiplied by the member's
322 average monthly compensation as an elected officer, adjusted
323 according to the option selected at retirement under s.
324 121.091(6).

325 Section 6. Paragraph (f) of subsection (1) and paragraph
326 (c) of subsection (6) of section 121.055, Florida Statutes, are
327 amended to read:

328 121.055 Senior Management Service Class.--There is hereby
329 established a separate class of membership within the Florida
330 Retirement System to be known as the "Senior Management Service
331 Class," which shall become effective February 1, 1987.

332 (1)

333 (f) Effective July 1, 1997:

334 1. Except as provided in subparagraph 3., any elected
335 state officer eligible for membership in the Elected Officers'
336 Class under s. 121.052(2)(a), (b), or (c) who elects membership
337 in the Senior Management Service Class under s. 121.052(3)(c)
338 may, within 6 months after assuming office or within 6 months
339 after this act becomes a law for serving elected state officers,
340 elect to participate in the Senior Management Service Optional
341 Annuity Program, as provided in subsection (6), in lieu of
342 membership in the Senior Management Service Class.

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

130237

4/29/2008 8:27 AM

Amendment No.

348 becomes a law for serving elected county officers, elect to
349 withdraw from the Florida Retirement System ~~participate in a~~
350 ~~lifetime monthly annuity program~~, as provided in subparagraph
351 (b)2., in lieu of membership in the Senior Management Service
352 Class.

353 3. Any retiree of a state-administered retirement system
354 who is initially reemployed on or after July 1, 2009, as an
355 elected official eligible for Elected Officers' Class membership
356 shall not be eligible for renewed membership in the Senior
357 Management Service Optional Annuity Program as provided in
358 subsection (6) or to withdraw from the Florida Retirement System
359 as a renewed member as provided in subparagraph (b)2., as
360 applicable, in lieu of Senior Management Service Class
361 membership.

362 (6)

363 (c) Participation.--

364 1. Any eligible employee who is employed on or before
365 February 1, 1987, may elect to participate in the optional
366 annuity program in lieu of participation in the Senior
367 Management Service Class. Such election shall be made in writing
368 and filed with the department and the personnel officer of the
369 employer on or before May 1, 1987. Any eligible employee who is
370 employed on or before February 1, 1987, and who fails to make an
371 election to participate in the optional annuity program by May
372 1, 1987, shall be deemed to have elected membership in the
373 Senior Management Service Class.

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

130237

4/29/2008 8:27 AM

Amendment No.

376 by reason of initial employment commencing after February 1,
377 1987, may, within 90 days after the date of commencement of
378 employment, elect to participate in the optional annuity
379 program. Such election shall be made in writing and filed with
380 the personnel officer of the employer. Any eligible employee who
381 does not within 90 days after commencement of such employment
382 elect to participate in the optional annuity program shall be
383 deemed to have elected membership in the Senior Management
384 Service Class.

385 3. A person who is appointed to a position in the Senior
386 Management Service Class and who is a member of an existing
387 retirement system or the Special Risk or Special Risk
388 Administrative Support Classes of the Florida Retirement System
389 may elect to remain in such system or class in lieu of
390 participation in the Senior Management Service Class or optional
391 annuity program. Such election shall be made in writing and
392 filed with the department and the personnel officer of the
393 employer within 90 days of such appointment. Any eligible
394 employee who fails to make an election to participate in the
395 existing system, the Special Risk Class of the Florida
396 Retirement System, the Special Risk Administrative Support Class
397 of the Florida Retirement System, or the optional annuity
398 program shall be deemed to have elected membership in the Senior
399 Management Service Class.

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

130237

4/29/2008 8:27 AM

Amendment No.

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

405 5. Effective from July 1, 2002, through September 30,
406 2002, any active employee in a regularly established position
407 who has elected to participate in the Senior Management Service
408 Optional Annuity Program has one opportunity to choose to move
409 from the Senior Management Service Optional Annuity Program to
410 the Florida Retirement System defined benefit program.

411 a. The election must be made in writing and must be filed
412 with the department and the personnel officer of the employer
413 before October 1, 2002, or, in the case of an active employee
414 who is on a leave of absence on July 1, 2002, within 90 days
415 after the conclusion of the leave of absence. This election is
416 irrevocable.

417 b. The employee will receive service credit under the
418 defined benefit program of the Florida Retirement System equal
419 to his or her years of service under the Senior Management
420 Service Optional Annuity Program. The cost for such credit shall
421 be an amount representing the present value of that employee's
422 accumulated benefit obligation for the affected period of
423 service.

424 c. The employee must transfer the total accumulated
425 employer contributions and earnings on deposit in his or her
426 Senior Management Service Optional Annuity Program account. If
427 the transferred amount is not sufficient to pay the amount due,
428 the employee must pay a sum representing the remainder of the
429 amount due. In no case may the employee retain any employer

130237
4/29/2008 8:27 AM

Amendment No.

430 contributions or earnings thereon from the Senior Management
431 Service Optional Annuity Program account.

432 6. Any retiree of a state-administered retirement system
433 who is initially reemployed on or after July 1, 2009, shall not
434 be eligible for renewed membership in the Senior Management
435 Service Optional Annuity Program.

436 Section 7. Paragraph (a) of subsection (6) of section
437 121.071, Florida Statutes, is amended to read:

438 121.071 Contributions.--Contributions to the system shall
439 be made as follows:

440 (6) (a) Required employee contributions for all service
441 other than current service, including, but not limited to, prior
442 service, past service, military service, leave-of-absence
443 service, out-of-state service, and certain non-Florida
444 Retirement System in-state service, shall be paid by cash,
445 personal check, cashier's check, ~~or~~ money order, or a direct
446 rollover or transfer from a qualified plan as provided under the
447 Internal Revenue Code. The payment must ~~only, shall~~ be
448 accompanied by a statement identifying the service for which
449 payment is made, + and shall be made in a lump sum for the total
450 amount due or in annual payments of not less than \$100, except
451 for the final payment if less than \$100, unless another method
452 of payment is authorized by law or rule.

453 Section 8. Paragraphs (f) and (h) of subsection (1) of
454 section 121.081, Florida Statutes, are amended to read:

455 121.081 Past service; prior service;
456 contributions.--Conditions under which past service or prior
457 service may be claimed and credited are:

130237

4/29/2008 8:27 AM

Amendment No.

458 (1)

459 (f) ~~If~~ ~~When~~ any person, ~~either prior to this act or~~
460 ~~hereafter~~, becomes entitled to and participates ~~does participate~~
461 in one of the retirement systems under ~~consolidated within or~~
462 ~~created by~~ this chapter through the consolidation or merger of
463 governments or the transfer of functions between units of
464 government, ~~either~~ at the state or local level or between state
465 and local units, or through the assumption of functions or
466 activities by a state or local unit from an employing
467 governmental entity that ~~which~~ was not an employer under the
468 system, and such person becomes a member of the Florida
469 Retirement System, such person is ~~shall be~~ entitled to receive
470 past-service credit ~~as defined in s. 121.021(18)~~ for the time
471 the ~~such~~ person performed services for, and was an employee of,
472 such state or local unit or other governmental employing entity
473 prior to the transfer, merger, consolidation, or assumption of
474 functions and activities. Past-service credit allowed by this
475 paragraph is ~~shall~~ also be available to any person who becomes a
476 member of an existing system, ~~as defined in s. 121.021(2)~~, prior
477 to December 1, 1970, through the transfer, merger,
478 consolidation, or assumption of functions and activities set
479 forth in this paragraph and who subsequently becomes a member of
480 the Florida Retirement System. However, credit for the past
481 service may not be granted until contributions are made in the
482 manner provided in this subsection. If a person rejected Florida
483 Retirement System membership at the time of the transfer,
484 merger, ~~or~~ consolidation, or assumption the required
485 contributions shall be at total actuarial cost as specified in

130237

4/29/2008 8:27 AM

Amendment No.

486 paragraph (e). Such contributions or accrued interest may not be
487 paid from any public state funds.

488 (h) The following provisions apply to the purchase of past
489 service:

490 1. Notwithstanding any of the provisions of this
491 subsection, past-service credit may not be purchased under this
492 chapter for any service that is used to obtain a pension or
493 benefit from a ~~any~~ local retirement system. Eligibility to
494 receive or the receipt of contributions to a retirement plan
495 made by the employer on behalf of the employee is considered a
496 benefit.

497 2. A member may not receive past service credit under
498 paragraphs (a), (b), (e), or (f) for any leaves of absence
499 without pay, except that credit for active military service
500 leaves of absence may be claimed under paragraphs (a), (b), and
501 (f), in accordance with s. 121.111(1).

502 3. A member may not receive past service credit for co-
503 employer service. Co-employer service or a co-employer
504 relationship is employment in a single position simultaneously
505 covered and reported by both a public employer and a private
506 employer.

507 ~~4.3.~~ If a member does not want ~~desire~~ to receive credit
508 for all of his or her past service, the period the member claims
509 must be the most recent past service prior to his or her
510 participation in the Florida Retirement System.

511 ~~5.4.~~ The cost of past service purchased by an employing
512 agency for its employees may be amortized over the such period
513 of time ~~as is~~ provided in the agreement, but not to exceed 15

130237

4/29/2008 8:27 AM

Amendment No.

514 years, calculated in accordance with rule 60S-1.007(5)(f),
515 Florida Administrative Code.

516 ~~6.5-~~ The retirement account of each member for whom past
517 service is being provided by his or her employer shall be
518 credited with all past service the employer agrees to purchase
519 as soon as the agreement between the employer and the department
520 is executed. ~~Pursuant thereto-~~

521 a. Each ~~such~~ member's account shall also be posted with
522 the total contribution his or her employer agrees to make on ~~in~~
523 the member's behalf for past service earned prior to October 1,
524 1975, excluding those contributions representing the employer's
525 matching share and the compound interest calculation on the
526 total contribution. However, a portion of any contributions paid
527 by an employer for past service credit earned on and after
528 October 1, 1975, may not be posted to the ~~a~~ member's account.

529 b. A refund of contributions payable after an employer has
530 made a written agreement to purchase past service for employees
531 of the covered group includes ~~shall include~~ contributions for
532 past service which are posted to a member's account. However,
533 contributions for past service earned on and after October 1,
534 1975, are not refundable.

535 Section 9. Subsections (9), (13), and (14) of section
536 121.091, Florida Statutes, are amended to read:

537 121.091 Benefits payable under the system.--Benefits may
538 not be paid under this section unless the member has terminated
539 employment as provided in s. 121.021(39)(a) or begun
540 participation in the Deferred Retirement Option Program as
541 provided in subsection (13), and a proper application has been

130237

4/29/2008 8:27 AM

Amendment No.

542 filed in the manner prescribed by the department. The department
543 may cancel an application for retirement benefits when the
544 member or beneficiary fails to timely provide the information
545 and documents required by this chapter and the department's
546 rules. The department shall adopt rules establishing procedures
547 for application for retirement benefits and for the cancellation
548 of such application when the required information or documents
549 are not received.

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

551 (a) Any person who is retired under this chapter, except
552 under the disability retirement provisions of subsection (4),
553 may be employed by an employer that does not participate in a
554 state-administered retirement system and may receive
555 compensation from that employment without limiting or
556 restricting in any way the retirement benefits payable to that
557 person.

558 (b)1.a. Any person who is retired under this chapter,
559 except under the disability retirement provisions of subsection
560 (4), may be reemployed by any private or public employer after
561 retirement and receive retirement benefits and compensation from
562 the his or her employer without limitation ~~any limitations~~,
563 except that the a person may not receive ~~both~~ a salary from
564 reemployment with any agency participating in the Florida
565 Retirement System and retirement benefits under this chapter for
566 ~~a period of~~ 12 calendar months immediately after ~~subsequent to~~
567 the calendar month that termination is met as defined in s.
568 121.021(39), except as provided in sub-subparagraph b. date of
569 ~~retirement~~. However, a DROP participant may ~~shall~~ continue

130237

4/29/2008 8:27 AM

Amendment No.

570 employment and receive a salary during the period of
571 participation in DROP ~~the Deferred Retirement Option Program~~, as
572 provided in subsection (13).

573 b. Any person who is retired under a state-administered
574 retirement system may not receive a retirement benefit if he or
575 she receives compensation totaling \$100,000 or more from an
576 employer participating in the Florida Retirement System. This
577 limitation begins immediately upon employment if the annualized
578 compensation meets or exceeds the limit, or in the month that
579 reported compensation meets or exceeds the limit during the plan
580 year, and continues for as long as the expected payments equal
581 or exceed \$100,000. This limitation includes payments as defined
582 in s. 121.021(22) for work performed in regularly established
583 positions. The employer is responsible for notifying the
584 Division of Retirement when this occurs, either at employment or
585 if salary increases lead to the level specified. Any person
586 employed in violation of this sub-subparagraph and any employing
587 agency that knowingly employs or appoints such person without
588 notifying the Division of Retirement to suspend retirement
589 benefits shall be jointly and severally liable for reimbursement
590 to the Florida Retirement System Trust Fund of any benefits paid
591 during the reemployment limitation period.

592 2. Any person to whom the limitation in subparagraph 1.
593 applies who ~~violates such reemployment limitation and who is~~
594 reemployed with any agency participating in the Florida
595 Retirement System after he or she has been retired and met the
596 definition of termination in s. 121.021(39), but before
597 completion of the 12-month limitation period must ~~shall~~ give

130237

4/29/2008 8:27 AM

Amendment No.

598 timely notice of this fact in writing to the employer and to the
599 Division of Retirement and shall have his or her retirement
600 benefits suspended while employed during for the balance of the
601 12-month limitation period unless the person exceeds the 780-
602 hour limitation in subparagraph 4., subparagraph 5., or
603 subparagraph 12. Any person employed in violation of this
604 paragraph and any employing agency that ~~which~~ knowingly employs
605 or appoints such person without notifying the division ~~of~~
606 ~~Retirement~~ to suspend retirement benefits are ~~shall be~~ jointly
607 and severally liable for ~~reimbursement to the retirement trust~~
608 ~~fund of~~ any benefits paid during the reemployment limitation
609 period. To avoid liability, the ~~such~~ employing agency must ~~shall~~
610 have a written statement from the retiree that he or she is not
611 retired from a state-administered retirement system. Any
612 retirement benefits received while reemployed during this
613 reemployment limitation period must ~~shall~~ be repaid to the
614 Florida Retirement System Trust Fund, and retirement benefits
615 ~~shall~~ remain suspended until such repayment has been made.
616 Benefits suspended beyond the reemployment limitation shall
617 apply toward repayment of benefits received in violation of the
618 reemployment limitation.

619 3. A district school board may reemploy a retired member
620 as a substitute or hourly teacher, education paraprofessional,
621 transportation assistant, bus driver, or food service worker on
622 a noncontractual basis after he or she has been retired and met
623 the definition of termination for 1 calendar month, in
624 accordance with s. 121.021(39). A district school board may
625 reemploy a retired member as instructional personnel, as defined

130237

4/29/2008 8:27 AM

Amendment No.

626 in s. 1012.01(2)(a), on an annual contractual basis after he or
627 she has been retired for 1 calendar month, in accordance with s.
628 121.021(39). Any other retired member who is reemployed before
629 meeting the definition of termination voids ~~within 1 calendar~~
630 ~~month after retirement shall void~~ his or her application for
631 retirement benefits. District school boards reemploying such
632 teachers, education paraprofessionals, transportation
633 assistants, bus drivers, or food service workers are subject to
634 the retirement contribution required by subparagraph 9. 7.

635 4. A community college board of trustees may reemploy a
636 retired member as an adjunct instructor, ~~that is, an instructor~~
637 ~~who is noncontractual and part time,~~ or as a participant in a
638 phased retirement program within the Florida Community College
639 System, after he or she has been retired and met the definition
640 of termination ~~for 1 calendar month,~~ in accordance with s.
641 121.021(39). Any retired member who is reemployed before meeting
642 the definition of termination voids ~~within 1 calendar month~~
643 ~~after retirement shall void~~ his or her application for
644 retirement benefits. Boards of trustees reemploying such
645 instructors are subject to the retirement contribution required
646 in subparagraph 7. A retired member may be reemployed as an
647 adjunct instructor for no more than 780 hours during the first
648 12 calendar months after meeting the definition of termination
649 ~~of retirement.~~ Any retired member reemployed for more than 780
650 hours during the first 12 months of retirement must ~~shall~~ give
651 timely notice in writing to the employer and to the Division of
652 Retirement of the date he or she will exceed the limitation. The
653 division shall suspend his or her retirement benefits for the

130237

4/29/2008 8:27 AM

Amendment No.

654 remainder of the 12-month limitation period ~~first 12 months of~~
655 ~~retirement~~. Any person employed in violation of this
656 subparagraph and any employing agency that ~~which~~ knowingly
657 employs or appoints such person without notifying the division
658 ~~of Retirement~~ to suspend retirement benefits are ~~shall be~~
659 jointly and severally liable for ~~reimbursement to the retirement~~
660 ~~trust fund of~~ any benefits paid during the reemployment
661 limitation period. To avoid liability, the ~~such~~ employing agency
662 must ~~shall~~ have a written statement from the retiree that he or
663 she is not retired from a state-administered retirement system.
664 Any retirement benefits received by a retired member while
665 reemployed in excess of 780 hours during the 12-month limitation
666 period must ~~first 12 months of retirement shall~~ be repaid to the
667 Florida Retirement System Trust Fund, and retirement benefits
668 ~~shall~~ remain suspended until repayment is made. Benefits
669 suspended beyond the end of the 12-month limitation period
670 ~~retired member's first 12 months of retirement~~ shall apply
671 toward repayment of benefits received in violation of the 780-
672 hour reemployment limitation.

673 5. The State University System may reemploy a retired
674 member as an adjunct faculty member or as a participant in a
675 phased retirement program within the State University System
676 after the retired member has met the definition of termination
677 ~~been retired for 1 calendar month~~, in accordance with s.
678 121.021(39). A ~~Any~~ retired member who is reemployed before
679 meeting the definition of termination voids ~~within 1 calendar~~
680 ~~month after retirement shall void~~ his or her application for
681 retirement benefits. The State University System is subject to

130237

4/29/2008 8:27 AM

Amendment No.

682 the retired contribution required in subparagraph 9. 7-, as
683 appropriate. A retired member may be reemployed as an adjunct
684 faculty member or a participant in a phased retirement program
685 for no more than 780 hours during the first 12 calendar months
686 after meeting the definition of termination of his or her
687 retirement. Any retired member reemployed for more than 780
688 hours during the 12-month limitation period ~~first 12 months of~~
689 ~~retirement~~ shall give timely notice in writing to the employer
690 and to the Division of Retirement of the date he or she will
691 exceed the limitation. The division shall suspend his or her
692 retirement benefits for the remainder of the 12-month limitation
693 period ~~first 12 months of retirement~~. Any person employed in
694 violation of this subparagraph and any employing agency that
695 ~~which~~ knowingly employs or appoints such person without
696 notifying the division ~~of Retirement~~ to suspend retirement
697 benefits are ~~shall be~~ jointly and severally liable for
698 ~~reimbursement to the retirement trust fund of~~ any benefits paid
699 during the reemployment limitation period. To avoid liability,
700 such employing agency must ~~shall~~ have a written statement from
701 the retiree that he or she is not retired from a state-
702 administered retirement system. Any retirement benefits received
703 by a retired member while reemployed in excess of 780 hours
704 during the first 12 months of retirement must ~~shall~~ be repaid to
705 the Florida Retirement System Trust Fund, and retirement
706 benefits ~~shall~~ remain suspended until repayment is made.
707 Benefits suspended beyond the end of the retired member's 12-
708 month limitation period ~~first 12 months of retirement~~ shall

130237

4/29/2008 8:27 AM

Amendment No.

709 apply toward repayment of benefits received in violation of the
710 780-hour reemployment limitation.

711 6. The Board of Trustees of the Florida School for the
712 Deaf and the Blind may reemploy a retired member as a substitute
713 teacher, substitute residential instructor, or substitute nurse
714 on a noncontractual basis after he or she has met the definition
715 of termination ~~been retired for 1 calendar month,~~ in accordance
716 ~~with~~ s. 121.021(39). The Board of Trustees of the Florida School
717 for the Deaf and the Blind may reemploy a retired member as
718 instructional personnel, as defined in s. 1012.01(2)(a), on an
719 annual contractual basis after he or she has been retired and
720 met the definition of termination in s. 121.021(39). Any retired
721 member who is reemployed before meeting the definition of
722 termination voids ~~within 1 calendar month after retirement shall~~
723 ~~void~~ his or her application for retirement benefits. The Board
724 of Trustees of the Florida School for the Deaf and the Blind
725 reemploying such teachers, residential instructors, or nurses is
726 subject to the retirement contribution required by subparagraph
727 9. ~~7. Reemployment of a retired member as a substitute teacher,~~
728 ~~substitute residential instructor, or substitute nurse is~~
729 ~~limited to 780 hours during the first 12 months of his or her~~
730 ~~retirement. Any retired member reemployed for more than 780~~
731 ~~hours during the first 12 months of retirement shall give timely~~
732 ~~notice in writing to the employer and to the division of the~~
733 ~~date he or she will exceed the limitation. The division shall~~
734 ~~suspend his or her retirement benefits for the remainder of the~~
735 ~~first 12 months of retirement. Any person employed in violation~~
736 ~~of this subparagraph and any employing agency which knowingly~~

130237

4/29/2008 8:27 AM

Amendment No.

737 ~~employs or appoints such person without notifying the Division~~
738 ~~of Retirement to suspend retirement benefits shall be jointly~~
739 ~~and severally liable for reimbursement to the retirement trust~~
740 ~~fund of any benefits paid during the reemployment limitation~~
741 ~~period. To avoid liability, such employing agency shall have a~~
742 ~~written statement from the retiree that he or she is not retired~~
743 ~~from a state administered retirement system. Any retirement~~
744 ~~benefits received by a retired member while reemployed in excess~~
745 ~~of 780 hours during the first 12 months of retirement shall be~~
746 ~~repaid to the Retirement System Trust Fund, and his or her~~
747 ~~retirement benefits shall remain suspended until payment is~~
748 ~~made. Benefits suspended beyond the end of the retired member's~~
749 ~~first 12 months of retirement shall apply toward repayment of~~
750 ~~benefits received in violation of the 780 hour reemployment~~
751 ~~limitation.~~

752 7. A developmental research school may reemploy a retired
753 member as a substitute or hourly teacher or an education
754 paraprofessional as defined in s. 1012.01(2) on a noncontractual
755 basis after he or she has been retired for 1 calendar month, in
756 accordance with s. 121.021(39). A developmental research school
757 may reemploy a retired member as instructional personnel, as
758 defined in s. 1012.01(2)(a), on an annual contractual basis
759 after he or she has been retired for 1 calendar month, in
760 accordance with s. 121.021(39). Any other retired member who is
761 reemployed within 1 calendar month after retirement voids his or
762 her application for retirement benefits. A developmental
763 research school that reemploys retired teachers and education

130237
4/29/2008 8:27 AM

Amendment No.

764 paraprofessionals are subject to the retirement contribution
765 required by subparagraph 9.

766 8. A charter school may reemploy a retired member as a
767 substitute or hourly teacher on a noncontractual basis after he
768 or she has been retired for 1 calendar month, in accordance with
769 s. 121.021(39). A charter school may reemploy a retired member
770 as instructional personnel, as defined in s. 1012.01(2(a), on an
771 annual contractual basis after he or she has been retired for 1
772 calendar month, in accordance with s. 121.021(39). Any other
773 retired member who is reemployed within 1 calendar month after
774 retirement voids his or her application for retirement benefits.
775 A charter school that reemploys such teachers is subject to the
776 retirement contribution required by subparagraph 9.

777 9.a.7- The employment ~~by an employer~~ of a ~~any~~ retiree or
778 DROP participant of a ~~any~~ state-administered retirement system
779 does not affect ~~shall have no effect~~ on the average final
780 compensation or years of creditable service of the retiree or
781 DROP participant.

782 b. Prior to July 1, 1991, and for initial enrollment as a
783 renewed member through June 30, 2009, upon employment of any
784 person, other than an elected officer as provided in s. 121.053,
785 who is ~~has been~~ retired under a ~~any~~ state-administered
786 retirement program, the employer shall pay retirement
787 contributions in an amount equal to the unfunded actuarial
788 liability portion of the employer contribution which would be
789 required for regular members of the Florida Retirement System.
790 Effective July 1, 1991, contributions shall be made as provided
791 in s. 121.122 for retirees who have ~~with~~ renewed membership or,
130237

4/29/2008 8:27 AM

Amendment No.

792 as provided in subsection (13), ~~for with respect to~~ DROP
793 participants.

794 c. Any person who is retired under a state-administered
795 retirement program and who is initially reemployed on or after
796 July 1, 2009, may not renew membership in the Florida Retirement
797 System. The employer shall pay retirement contributions in an
798 amount equal to the unfunded actuarial liability portion of the
799 employer contribution that would be required for active members
800 of the Florida Retirement System in addition to the
801 contributions required by s. 121.76.

802 ~~10.8.~~ Any person who has ~~previously~~ retired and who is
803 holding an elective public office or an appointment to an
804 elective public office initially eligible for the Elected
805 Officers' Class on or after July 1, 1990, through June 30, 2009,
806 shall be enrolled in the Florida Retirement System as provided
807 in s. 121.053(1) (c) ~~(b)~~ or, if holding an elective public office
808 that does not qualify for the Elected Officers' Class on or
809 after July 1, 1991, through June 30, 2009, shall be enrolled in
810 the Florida Retirement System as provided in s. 121.122, and
811 shall continue to receive retirement benefits as well as
812 compensation for the elected officer's service for as long as he
813 or she remains in elective office. However, any retired member
814 who served in an elective office prior to July 1, 1990,
815 suspended his or her retirement benefit, and had his or her
816 Florida Retirement System membership reinstated shall, upon
817 retirement from such office, have his or her retirement benefit
818 recalculated to include the additional service and compensation
819 earned.

130237

4/29/2008 8:27 AM

Amendment No.

820 b. Any person who has retired and who is holding an
821 elective public office or an appointment to an elective public
822 office initially eligible for the Elected Officers' Class on or
823 after July 1, 2009, shall not be enrolled in the Florida
824 Retirement System as provided in s. 121.053(1)(c) or, if holding
825 an elective public office that does not qualify for the Elected
826 Officers' Class and is initially eligible on or after July 1,
827 2009, shall not be enrolled in the Florida Retirement System as
828 provided in s. 121.122, and shall not continue to receive
829 retirement benefits during the first 12 calendar months after
830 meeting the definition of termination in s. 121.021(39).

831 11.a.9. Any person who is holding an elective public
832 office which is covered by the Florida Retirement System and who
833 is concurrently employed in nonelected covered employment before
834 July 1, 2009, may elect to retire while continuing employment in
835 the elective public office, if ~~provided that~~ he or she
836 ~~terminates shall be required to terminate~~ his or her nonelected
837 covered employment. Any person who exercises this election shall
838 receive his or her retirement benefits in addition to the
839 compensation of the elective office without regard to the time
840 limitations otherwise provided in this subsection. A ~~No~~ person
841 who seeks to exercise the provisions of this subparagraph, as
842 they the same existed prior to May 3, 1984, may not ~~shall~~ be
843 deemed to be retired under those provisions, unless such person
844 is eligible to retire under the provisions of this subparagraph,
845 as amended by chapter 84-11, Laws of Florida.

846 b. Any person who is holding an elective public office
847 which is covered by the Florida Retirement System and who is

130237

4/29/2008 8:27 AM

Amendment No.

848 concurrently employed in nonelected covered employment on or
849 after July 1, 2009, may not elect to retire while continuing
850 employment in the elective public office. Such person must meet
851 the definition of termination in s. 121.021(39) and is subject
852 to the limitations provided in this section.

853 12.10. The limitations of this paragraph apply to
854 reemployment in any capacity with an "employer" as defined in s.
855 121.021(10), irrespective of the category of funds from which
856 the person is compensated-

857 13. A developmental research school may reemploy a retired
858 member as a substitute or hourly teacher or an education
859 paraprofessional, as defined in s. 1012.01(2), on a
860 noncontractual basis after he or she has been retired and met
861 the definition of termination in s. 121.021(39). A developmental
862 research school may reemploy a retired member as instructional
863 personnel, as defined in s. 1012.01(2)(a), on an annual
864 contractual basis after he or she has been retired and met the
865 definition of termination in s. 121.021(39). Any other retired
866 member who is reemployed within 12 calendar months after
867 retirement voids his or her application for retirement benefits.
868 A developmental research school that reemploys retired teachers
869 and education paraprofessionals are subject to the retirement
870 contribution required by subparagraph 7.

871 14. A charter school may reemploy a retired member as a
872 substitute or hourly teacher on a noncontractual basis after he
873 or she has been retired and met the definition of termination in
874 s. 121.021(39). A charter school may reemploy a retired member
875 as instructional personnel, as defined in s. 1012.01(2)(a), on

130237

4/29/2008 8:27 AM

Amendment No.

876 an annual contractual basis after he or she has been retired and
877 met the definition of termination in s. 121.021(39). Any other
878 retired member who is reemployed within 12 calendar months after
879 retirement voids his or her application for retirement benefits.
880 A charter school that reemploys such teachers is subject to the
881 retirement contribution required by subparagraph 7.

882 15. The limitations of this paragraph apply to
883 reemployment in any capacity with an employer, as defined in s.
884 121.021, irrespective of the category of funds from which the
885 person is compensated.

886 16. The reemployment after retirement provisions of this
887 paragraph apply to DROP participants effective upon termination
888 from employment and the end of DROP participation.

889 ~~11. An employing agency may reemploy a retired member as a~~
890 ~~firefighter or paramedic after the retired member has been~~
891 ~~retired for 1 calendar month, in accordance with s. 121.021(39).~~
892 ~~Any retired member who is reemployed within 1 calendar month~~
893 ~~after retirement shall void his or her application for~~
894 ~~retirement benefits. The employing agency reemploying such~~
895 ~~firefighter or paramedic is subject to the retired contribution~~
896 ~~required in subparagraph 8. Reemployment of a retired~~
897 ~~firefighter or paramedic is limited to no more than 780 hours~~
898 ~~during the first 12 months of his or her retirement. Any retired~~
899 ~~member reemployed for more than 780 hours during the first 12~~
900 ~~months of retirement shall give timely notice in writing to the~~
901 ~~employer and to the Division of the date he or she will exceed~~
902 ~~the limitation. The division shall suspend his or her retirement~~
903 ~~benefits for the remainder of the first 12 months of retirement.~~

130237

4/29/2008 8:27 AM

Amendment No.

904 ~~Any person employed in violation of this subparagraph and any~~
905 ~~employing agency which knowingly employs or appoints such person~~
906 ~~without notifying the division of Retirement to suspend~~
907 ~~retirement benefits shall be jointly and severally liable for~~
908 ~~reimbursement to the Retirement System Trust Fund of any~~
909 ~~benefits paid during the reemployment limitation period. To~~
910 ~~avoid liability, such employing agency shall have a written~~
911 ~~statement from the retiree that he or she is not retired from a~~
912 ~~state administered retirement system. Any retirement benefits~~
913 ~~received by a retired member while reemployed in excess of 780~~
914 ~~hours during the first 12 months of retirement shall be repaid~~
915 ~~to the Retirement System Trust Fund, and retirement benefits~~
916 ~~shall remain suspended until repayment is made. Benefits~~
917 ~~suspended beyond the end of the retired member's first 12 months~~
918 ~~of retirement shall apply toward repayment of benefits received~~
919 ~~in violation of the 780-hour reemployment~~
920 ~~limitation.~~

921 15. The limitations of this paragraph apply to
922 reemployment in any capacity with an employer, as defined in s.
923 121.021, irrespective of the category of funds from which the
924 person is compensated.

925 16. The reemployment after retirement provisions of this
926 paragraph apply to DROP participants effective upon termination
927 from employment and the end of DROP participation.

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

130237

4/29/2008 8:27 AM

Amendment No.

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

938 2. Such retiree employed in violation of this subsection
939 and any employing agency that knowingly employs or appoints such
940 person shall be jointly and severally liable for reimbursement
941 of any benefits paid to the retirement trust fund from which the
942 benefits were paid, including the Retirement System Trust Fund
943 and the Public Employee Optional Retirement Program Trust Fund,
944 as appropriate. To avoid liability, such employing agency must
945 have a written statement from the retiree that he or she is not
946 retired from a state-administered retirement system.

947 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and
948 subject to the provisions of this section, the Deferred
949 Retirement Option Program, hereinafter referred to as the DROP,
950 is a program under which an eligible member of the Florida
951 Retirement System may elect to participate, deferring receipt of
952 retirement benefits while continuing employment with his or her
953 Florida Retirement System employer. The deferred monthly
954 benefits shall accrue in the System Trust Fund on behalf of the
955 participant, plus interest compounded monthly, for the specified
956 period of the DROP participation, as provided in paragraph (c).
957 Upon termination of employment as required in s. 121.021(39)(b),
958 the participant shall receive the total DROP benefits and begin
959 to receive the previously determined normal retirement benefits.

130237

4/29/2008 8:27 AM

Amendment No.

960 Participation in the DROP does not guarantee employment for the
961 specified period of DROP. Participation in the DROP by an
962 eligible member beyond the initial 60-month period as authorized
963 in this subsection shall be on an annual contractual basis for
964 all participants.

965 (a) Eligibility of member to participate in ~~the~~ DROP.--All
966 active Florida Retirement System members in a regularly
967 established position, and all active members of ~~either~~ the
968 Teachers' Retirement System established in chapter 238 or the
969 State and County Officers' and Employees' Retirement System
970 established in chapter 122, which systems are consolidated
971 within the Florida Retirement System under s. 121.011, are
972 eligible to elect participation in ~~the~~ DROP if provided that:

973 1. The member is not a renewed member ~~of the Florida~~
974 ~~Retirement System~~ under s. 121.122, or a member or renewed
975 member of the State Community College System Optional Retirement
976 Program under s. 121.051, the Senior Management Service Optional
977 Annuity Program under s. 121.055, or the optional retirement
978 program for the State University System under s. 121.35.

979 2. Except as provided in subparagraph 6., election to
980 participate is made within 12 months immediately following the
981 date on which the member first reaches normal retirement date,
982 or, for a member who reaches normal retirement date ~~based on~~
983 ~~service~~ before he or she reaches age 62, or age 55 for Special
984 Risk Class members, election to participate may be deferred to
985 the 12 months immediately following the date the member attains
986 57, or age 52 for Special Risk Class members. ~~For a member who~~
987 ~~first reached normal retirement date or the deferred eligibility~~

130237

4/29/2008 8:27 AM

Amendment No.

988 ~~date described above prior to the effective date of this~~
989 ~~section, election to participate shall be made within 12 months~~
990 ~~after the effective date of this section. A member who fails to~~
991 ~~make an election within the ~~such~~ 12-month limitation period~~
992 ~~forfeits ~~shall forfeit~~ all rights to participate in ~~the~~ DROP.~~
993 The member shall advise his or her employer and the division in
994 writing of the date ~~on which the~~ DROP begins ~~shall begin~~. The
995 ~~Such~~ beginning date may be subsequent to the 12-month election
996 period, but must be within the original 60-month participation
997 ~~or, with respect to members who are instructional personnel~~
998 ~~employed by the Florida School for the Deaf and the Blind and~~
999 ~~who have received authorization by the Board of Trustees of the~~
1000 ~~Florida School for the Deaf and the Blind to participate in the~~
1001 ~~DROP beyond 60 months, or who are instructional personnel as~~
1002 ~~defined in s. 1012.01(2)(a) (d) in grades K 12 and who have~~
1003 ~~received authorization by the district school superintendent to~~
1004 ~~participate in the DROP beyond 60 months, the 96 month~~
1005 ~~limitation period as provided in subparagraph (b)1. When~~
1006 ~~establishing eligibility of the member to participate in the~~
1007 ~~DROP for the 60 month or, with respect to members who are~~
1008 ~~instructional personnel employed by the Florida School for the~~
1009 ~~Deaf and the Blind and who have received authorization by the~~
1010 ~~Board of Trustees of the Florida School for the Deaf and the~~
1011 ~~Blind to participate in the DROP beyond 60 months, or who are~~
1012 ~~instructional personnel as defined in s. 1012.01(2)(a) (d) in~~
1013 ~~grades K 12 and who have received authorization by the district~~
1014 ~~school superintendent to participate in the DROP beyond 60~~
1015 ~~months, the 96 month maximum participation period, the member~~

130237

4/29/2008 8:27 AM

Amendment No.

1016 may elect to include or exclude any optional service credit
1017 purchased by the member from the total service used to establish
1018 the normal retirement date. A member who has ~~with~~ dual normal
1019 retirement dates is ~~shall be~~ eligible to elect to participate in
1020 DROP within 12 months after attaining normal retirement date in
1021 either class.

1022 3. The employer of a member electing to participate in ~~the~~
1023 DROP, or employers if dually employed, shall acknowledge in
1024 writing to the division the date the member's participation in
1025 the DROP begins and the date the member's employment and DROP
1026 participation will terminate.

1027 4. Simultaneous employment of a participant by additional
1028 Florida Retirement System employers subsequent to the
1029 commencement of participation in ~~the~~ DROP is ~~shall be~~
1030 permissible if provided such employers acknowledge in writing a
1031 DROP termination date no later than the participant's existing
1032 termination date or the maximum participation 60-month
1033 ~~limitation~~ period as provided in subparagraph (b)1.

1034 5. A DROP participant may change employers while
1035 participating in ~~the~~ DROP, subject to the following:

1036 a. A change of employment must take place without a break
1037 in service so that the member receives salary for each month of
1038 continuous DROP participation. If a member receives no salary
1039 during a month, DROP participation shall cease unless the
1040 employer verifies a continuation of the employment relationship
1041 for such participant pursuant to s. 121.021(39)(b).

130237

4/29/2008 8:27 AM

Amendment No.

1042 b. Such participant and new employer shall notify the
1043 division of the identity of the new employer on forms required
1044 by the division ~~as to the identity of the new employer.~~

1045 c. The new employer shall acknowledge, in writing, the
1046 participant's DROP termination date, which may be extended but
1047 not beyond the original 60-month maximum participation ~~or, with~~
1048 ~~respect to members who are instructional personnel employed by~~
1049 ~~the Florida School for the Deaf and the Blind and who have~~
1050 ~~received authorization by the Board of Trustees of the Florida~~
1051 ~~School for the Deaf and the Blind to participate in the DROP~~
1052 ~~beyond 60 months, or who are instructional personnel as defined~~
1053 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~
1054 ~~authorization by the district school superintendent to~~
1055 ~~participate in the DROP beyond 60 months, the 96 month period~~
1056 provided in subparagraph (b)1., shall acknowledge liability for
1057 any additional retirement contributions and interest required if
1058 the participant fails to timely terminate employment, and is
1059 ~~shall be~~ subject to the adjustment required in sub-subparagraph
1060 (c)5.d.

1061 6. Effective July 1, 2001, for instructional personnel as
1062 defined in s. 1012.01(2), election to participate in ~~the~~ DROP
1063 may ~~shall~~ be made at any time following the date on which the
1064 member first reaches normal retirement date. The member shall
1065 advise his or her employer and the division in writing of the
1066 date on which DROP begins ~~the Deferred Retirement Option Program~~
1067 ~~shall begin~~. When establishing eligibility of the member to
1068 participate in ~~the~~ DROP for the 60-month ~~or, with respect to~~
1069 ~~members who are instructional personnel employed by the Florida~~

130237

4/29/2008 8:27 AM

Amendment No.

1070 ~~School for the Deaf and the Blind and who have received~~
1071 ~~authorization by the Board of Trustees of the Florida School for~~
1072 ~~the Deaf and the Blind to participate in the DROP beyond 60~~
1073 ~~months, or who are instructional personnel as defined in s.~~
1074 ~~1012.01(2) (a) - (d) in grades K-12 and who have received~~
1075 ~~authorization by the district school superintendent to~~
1076 ~~participate in the DROP beyond 60 months, the 96 month maximum~~
1077 ~~participation period, as provided in sub-subparagraph (b) (1) a.~~
1078 ~~subparagraph (b) 1., the member may elect to include or exclude~~
1079 ~~any optional service credit purchased by the member from the~~
1080 ~~total service used to establish the normal retirement date. A~~
1081 ~~member who has with dual normal retirement dates is shall be~~
1082 ~~eligible to elect to participate in either class.~~

1083 (b) Participation in ~~the~~ DROP.--

1084 1.a. Except as provided in sub-subparagraph b., an
1085 eligible member may elect to participate in ~~the~~ DROP for a
1086 period not to exceed a maximum of 60 calendar months except as
1087 provided in subparagraph b. ~~or, with respect to~~

1088 b. Members who are instructional personnel employed by the
1089 Florida School for the Deaf and the Blind and who are authorized
1090 ~~have received authorization~~ by the Board of Trustees of the
1091 Florida School for the Deaf and the Blind ~~to participate in the~~
1092 ~~DROP beyond 60 months,~~ or who are instructional personnel as
1093 defined in s. 1012.01(2) (a) - (d) in grades K-12 and authorized
1094 who are authorized ~~have received authorization~~ by the district
1095 school superintendent ~~to participate in the DROP beyond 60~~
1096 ~~calendar months,~~ or who are instructional personnel, as defined
1097 in s. 1012.01(2) (a) - (d), employed by a developmental research

130237

4/29/2008 8:27 AM

Amendment No.

1098 school and who are authorized by the school's principal, to
1099 participate in DROP beyond the original 60-month period, for up
1100 to 36 96-calendar months immediately following the DROP
1101 termination date elected for participation in sub-subparagraph
1102 a. date on which the member first reaches his or her normal
1103 retirement date or the date to which he or she is eligible to
1104 defer his or her election to participate as provided in
1105 subparagraph (a)2. However, a member who has reached normal
1106 retirement date prior to the effective date of the DROP shall be
1107 eligible to participate in the DROP for a period of time not to
1108 exceed 60 calendar months or, with respect to members who are
1109 instructional personnel employed by the Florida School for the
1110 Deaf and the Blind and who have received authorization by the
1111 Board of Trustees of the Florida School for the Deaf and the
1112 Blind to participate in the DROP beyond 60 months, or who are
1113 instructional personnel as defined in s. 1012.01(2) (a) - (d) in
1114 grades K-12 and who have received authorization by the district
1115 school superintendent to participate in the DROP beyond 60
1116 calendar months, 96 calendar months immediately following the
1117 effective date of the DROP, except a member of the Special Risk
1118 Class who has reached normal retirement date prior to the
1119 effective date of the DROP and whose total accrued value exceeds
1120 75 percent of average final compensation as of his or her
1121 effective date of retirement shall be eligible to participate in
1122 the DROP for no more than 36 calendar months immediately
1123 following the effective date of the DROP.

1124 2. Upon deciding to participate in the DROP, the member
1125 shall submit, on forms required by the division:

130237

4/29/2008 8:27 AM

Amendment No.

- 1126 a. A written election to participate in ~~the~~ DROP;
- 1127 b. Selection of ~~the~~ DROP participation and termination
- 1128 dates, which satisfy the limitations stated in paragraph (a) and
- 1129 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a
- 1130 binding letter of resignation to ~~with~~ the employer, establishing
- 1131 a deferred termination date. The member may change the
- 1132 termination date within the limitations of subparagraph 1., but
- 1133 only with the written approval of the ~~his or her~~ employer;
- 1134 c. A properly completed DROP application for service
- 1135 retirement as provided in this section; and
- 1136 d. Any other information required by the division.
- 1137 3. The DROP participant is ~~shall be~~ a retiree under the
- 1138 Florida Retirement System for all purposes, except for paragraph
- 1139 (5)(f) and subsection (9) and ss. 112.3173, 112.363, 121.053,
- 1140 and 121.122. DROP participation is final and cannot be canceled
- 1141 by the participant after the first payment is credited during
- 1142 the DROP participation period. However, participation in ~~the~~
- 1143 DROP does not alter the participant's employment status and the
- 1144 member is ~~such employee shall not be~~ deemed retired from
- 1145 employment until his or her deferred resignation is effective
- 1146 and termination occurs as provided in s. 121.021(39).
- 1147 4. Elected officers are ~~shall be~~ eligible to participate
- 1148 in the DROP subject to the following:
- 1149 a. An elected officer who reaches normal retirement date
- 1150 during a term of office may defer the election to participate in
- 1151 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~
- 1152 elected officer who exercises this option may participate in ~~the~~

130237

4/29/2008 8:27 AM

Amendment No.

1153 DROP for up to 60 calendar months or a period of no longer than
1154 the ~~such~~ succeeding term of office, whichever is less.

1155 b. An elected or a nonelected participant may run for a
1156 term of office while participating in DROP and, if elected,
1157 extend the DROP termination date accordingly, except, however,
1158 if such additional term of office exceeds the 60-month
1159 limitation established in subparagraph 1., and the officer does
1160 not resign from office within such 60-month limitation, the
1161 retirement and the participant's DROP is ~~shall be~~ null and void
1162 as provided in sub-subparagraph (c)5.d.

1163 c.(I) For DROP participation ending before July 1, 2009,
1164 an elected officer who is dually employed and elects to
1165 participate in DROP must ~~shall be required to~~ satisfy the
1166 definition of termination within the original 60-month period or
1167 maximum participation ~~or, with respect to members who are~~
1168 ~~instructional personnel employed by the Florida School for the~~
1169 ~~Deaf and the Blind and who have received authorization by the~~
1170 ~~Board of Trustees of the Florida School for the Deaf and the~~
1171 ~~Blind to participate in the DROP beyond 60 months, or who are~~
1172 ~~instructional personnel as defined in s. 1012.01(2)(a) (d) in~~
1173 ~~grades K-12 and who have received authorization by the district~~
1174 ~~school superintendent to participate in the DROP beyond 60~~
1175 ~~months, the 96 month limitation~~ period as provided in
1176 subparagraph 1. for the nonelected position and may continue
1177 employment as an elected officer as provided in s. 121.053. The
1178 elected officer shall ~~will~~ be enrolled as a renewed member in
1179 the Elected Officers' Class or the Regular Class, as provided in
1180 ss. 121.053 and 121.122, on the first day of the month after

130237

4/29/2008 8:27 AM

Amendment No.

1181 termination of employment in the nonelected position and
1182 termination of DROP. Distribution of ~~the~~ DROP benefits shall be
1183 made as provided in paragraph (c).

1184 (II) For DROP participation ending on or after July 1,
1185 2009, an elected officer who is dually employed and elects to
1186 participate in DROP must satisfy the definition of termination
1187 in s. 121.021(39) within the original 60-month period or maximum
1188 period as provided in subparagraph 1.

1189 (c) Benefits payable under ~~the~~ DROP.--

1190 1. Effective on ~~with~~ the date of DROP participation, the
1191 member's initial normal monthly benefit, including creditable
1192 service, optional form of payment, and average final
1193 compensation, and the effective date of retirement are ~~shall be~~
1194 fixed. The beneficiary established under the Florida Retirement
1195 System shall be the beneficiary eligible to receive any DROP
1196 benefits payable if the DROP participant dies prior to the
1197 completion of the period of DROP participation. If ~~In the event~~
1198 a joint annuitant predeceases the member, the member may name a
1199 beneficiary to receive accumulated DROP benefits payable. The
1200 ~~Such~~ retirement benefit, the annual cost of living adjustments
1201 provided in s. 121.101, and interest shall accrue monthly in the
1202 Florida Retirement System Trust Fund. The ~~Such~~ interest shall
1203 accrue at an effective annual rate of 6.5 percent compounded
1204 monthly, on the prior month's accumulated ending balance, up to
1205 the month of termination or death.

1206 2. Each employee who elects to participate in ~~the~~ DROP may
1207 ~~shall be allowed to~~ elect to receive a lump-sum payment for
1208 accrued annual leave earned in accordance with agency policy

130237

4/29/2008 8:27 AM

Amendment No.

1209 upon beginning participation in ~~the~~ DROP. ~~The~~ ~~Such~~ accumulated
1210 leave payment certified to the division upon commencement of
1211 DROP shall be included in the calculation of the member's
1212 average final compensation. The employee electing the ~~such~~ lump-
1213 sum payment is ~~upon beginning participation in~~ DROP will not be
1214 eligible to receive a second lump-sum payment upon termination,
1215 except to the extent the employee has earned additional annual
1216 leave which, combined with the original payment, does not exceed
1217 the maximum lump-sum payment allowed by the employing agency's
1218 policy or rules. An ~~Such~~ early lump-sum payment shall be based
1219 on the hourly wage of the employee at the time he or she begins
1220 participation in ~~the~~ DROP. If the member elects to wait and
1221 receive a ~~such~~ lump-sum payment upon termination of DROP and
1222 termination of employment with the employer, any accumulated
1223 leave payment made at that time may not ~~cannot~~ be included in
1224 the member's retirement benefit, which was determined and fixed
1225 by law when the employee elected to participate in ~~the~~ DROP.

1226 3. The effective date of DROP participation and the
1227 effective date of retirement of a DROP participant shall be the
1228 first day of the month selected by the member to begin
1229 participation in the DROP, provided such date is properly
1230 established, with the written confirmation of the employer, and
1231 the approval of the division, on forms required by the division.

1232 4. Normal retirement benefits and any interest ~~thereon~~
1233 shall continue to accrue in ~~the~~ DROP until the established
1234 termination date of ~~the~~ DROP, or until the participant
1235 terminates employment or dies prior to such date. Although
1236 individual DROP accounts shall not be established, a separate

130237

4/29/2008 8:27 AM

Amendment No.

1237 accounting of each participant's accrued benefits under ~~the~~ DROP
1238 shall be calculated and provided to participants.

1239 5. At the conclusion of the participant's DROP, the
1240 division shall distribute the participant's total accumulated
1241 DROP benefits, subject to the following provisions:

1242 a. The division shall receive verification by the
1243 participant's employer or employers that the ~~such~~ participant
1244 has terminated employment as provided in s. 121.021(39)(b).

1245 b. The terminated DROP participant or, if deceased, the
1246 ~~such~~ participant's named beneficiary, shall elect on forms
1247 provided by the division to receive payment of ~~the~~ DROP benefits
1248 in accordance with one of the options listed below. If ~~For~~ a
1249 participant or beneficiary ~~who~~ fails to elect a method of
1250 payment within 60 days of termination of ~~the~~ DROP, the division
1251 shall ~~will~~ pay a lump sum as provided in sub-sub-subparagraph
1252 (I).

1253 (I) Lump sum.--All accrued DROP benefits, plus interest,
1254 less withholding taxes remitted to the Internal Revenue Service,
1255 shall be paid to the DROP participant or surviving beneficiary.

1256 (II) Direct rollover.--All accrued DROP benefits, plus
1257 interest, shall be paid from ~~the~~ DROP directly to the custodian
1258 of an eligible retirement plan as defined in s. 402(c)(8)(B) of
1259 the Internal Revenue Code. However, in the case of an eligible
1260 rollover distribution to the surviving spouse of a deceased
1261 participant, an eligible retirement plan is an individual
1262 retirement account or an individual retirement annuity as
1263 described in s. 402(c)(9) of the Internal Revenue Code.

130237

4/29/2008 8:27 AM

Amendment No.

1264 (III) Partial lump sum.--A portion of the accrued DROP
1265 benefits shall be paid to the DROP participant or surviving
1266 spouse, less withholding taxes remitted to the Internal Revenue
1267 Service, and the remaining DROP benefits shall be transferred
1268 directly to the custodian of an eligible retirement plan as
1269 defined in s. 402(c)(8)(B) of the Internal Revenue Code.
1270 However, in the case of an eligible rollover distribution to the
1271 surviving spouse of a deceased participant, an eligible
1272 retirement plan is an individual retirement account or an
1273 individual retirement annuity as described in s. 402(c)(9) of
1274 the Internal Revenue Code. The proportions shall be specified by
1275 the DROP participant or surviving beneficiary.

1276 c. The form of payment selected by the DROP participant or
1277 surviving beneficiary must comply ~~complies~~ with the minimum
1278 distribution requirements of the Internal Revenue Code.

1279 d. A DROP participant who fails to terminate employment as
1280 defined in s. 121.021(39)(b) shall be deemed as ~~to be~~
1281 retired, and the DROP election is ~~shall be~~ null and void.
1282 Florida Retirement System membership shall be reestablished
1283 retroactively to the date of the commencement of ~~the~~ DROP, and
1284 each employer with whom the participant continues employment
1285 must ~~shall be required to~~ pay to the Florida Retirement System
1286 Trust Fund the difference between the DROP contributions paid in
1287 paragraph (i) and the contributions required for the applicable
1288 Florida Retirement System class of membership during the period
1289 the member participated in the DROP, plus 6.5 percent interest
1290 compounded annually.

130237
4/29/2008 8:27 AM

Amendment No.

1291 6. The retirement benefits of any DROP participant who
1292 meets the definition of termination in s. 121.021(39)(b), but is
1293 in violation of the reemployment provisions as provided in
1294 subsection (9), shall be suspended during those months in which
1295 the member is in violation. Any member employed in violation of
1296 this subparagraph and any employing agency that knowingly
1297 employs or appoints such member without notifying the Division
1298 of Retirement to suspend retirement benefits are jointly and
1299 severally liable for any benefits paid during the reemployment
1300 limitation period. To avoid liability, the employing agency must
1301 have a written statement from the retiree that he or she is not
1302 retired from a state-administered retirement system. Any
1303 retirement benefits received by a retired member while employed
1304 in violation of the reemployment limitations during the first 12
1305 months of retirement must be repaid to the Florida Retirement
1306 System Trust Fund, and his or her retirement benefits shall
1307 remain suspended until payment is made. Benefits suspended
1308 beyond the end of the retired member's first 12 calendar months
1309 after meeting the definition of termination in s. 121.021(39)(b)
1310 shall apply toward repayment of benefits received in violation
1311 of the reemployment limitations.

1312 7.6- The accrued benefits of any DROP participant, and any
1313 contributions accumulated under the such program, are shall not
1314 ~~be~~ subject to assignment, execution, attachment, or to any legal
1315 process whatsoever, except for qualified domestic relations
1316 orders by a court of competent jurisdiction, income deduction
1317 orders as provided in s. 61.1301, and federal income tax levies.

130237

4/29/2008 8:27 AM

Amendment No.

1318 ~~8.7-~~ DROP participants are ~~shall~~ not be eligible for
1319 disability retirement benefits as provided in subsection (4).

1320 (d) Death benefits under ~~the~~ DROP.--

1321 1. Upon the death of a DROP participant, the named
1322 beneficiary shall be entitled to apply for and receive the
1323 accrued benefits in ~~the~~ DROP as provided in sub-subparagraph
1324 (c)5.b.

1325 2. The normal retirement benefit accrued to ~~the~~ DROP
1326 during the month of a participant's death shall be the final
1327 monthly benefit credited for such DROP participant.

1328 3. Eligibility to participate in ~~the~~ DROP terminates upon
1329 death of the participant. If the participant dies on or after
1330 the effective date of enrollment in ~~the~~ DROP, but prior to the
1331 first monthly benefit being credited to ~~the~~ DROP, Florida
1332 Retirement System benefits shall be paid in accordance with
1333 subparagraph (7)(c)1. or subparagraph 2.

1334 4. A DROP participants' survivors shall not be eligible to
1335 receive Florida Retirement System death benefits as provided in
1336 paragraph (7)(d).

1337 (e) Cost-of-living adjustment.--On each July 1, the
1338 participants' normal retirement benefit shall be increased as
1339 provided in s. 121.101.

1340 (f) Retiree health insurance subsidy.--DROP participants
1341 are not eligible to apply for the retiree health insurance
1342 subsidy payments as provided in s. 112.363 until such
1343 participants have terminated employment and participation in ~~the~~
1344 DROP.

130237

4/29/2008 8:27 AM

Amendment No.

1345 (g) Renewed membership.--DROP participants must meet the
1346 definition of termination in s. 121.021(39)(b) and must meet
1347 eligibility requirements ~~shall not be eligible~~ for renewed
1348 membership in the Florida Retirement System under ss. 121.053
1349 and 121.122 ~~until termination of employment is effectuated as~~
1350 ~~provided in s. 121.021(39)(b).~~

1351 (h) Employment limitation after DROP participation.--Upon
1352 satisfying the definition of termination of employment as
1353 provided in s. 121.021(39)(b), DROP participants shall be
1354 subject to such reemployment limitations as other retirees.
1355 Reemployment restrictions applicable to retirees as provided in
1356 subsection (9) shall not apply to DROP participants until their
1357 employment and participation in ~~the~~ DROP are terminated.

1358 (i) Contributions.--

1359 1. All employers paying the salary of a DROP participant
1360 filling a regularly established position shall contribute 8.0
1361 percent of such participant's gross compensation for the period
1362 of July 1, 2002, through June 30, 2003, and 11.56 percent of
1363 such compensation thereafter, which shall constitute the entire
1364 employer DROP contribution with respect to such participant.
1365 Such contributions, payable to the System Trust Fund in the same
1366 manner as required in s. 121.071, shall be made as appropriate
1367 for each pay period and are in addition to contributions
1368 required for social security and the Retiree Health Insurance
1369 Subsidy Trust Fund. Such employer, social security, and health
1370 insurance subsidy contributions are not included in ~~the~~ DROP.

1371 2. The employer shall, in addition to subparagraph 1.,
1372 also withhold one-half of the entire social security

130237

4/29/2008 8:27 AM

Amendment No.

1373 contribution required for the participant. Contributions for
1374 social security by each participant and each employer, in the
1375 amount required for social security coverage as now or hereafter
1376 provided by the federal Social Security Act, shall be in
1377 addition to contributions specified in subparagraph 1.

1378 3. All employers paying the salary of a DROP participant
1379 filling a regularly established position shall contribute the
1380 percent of such participant's gross compensation required in s.
1381 121.071(4), which shall constitute the employer's health
1382 insurance subsidy contribution with respect to such participant.
1383 Such contributions shall be deposited by the administrator in
1384 the Retiree Health Insurance Subsidy Trust Fund.

1385 (j) Forfeiture of retirement benefits.--Nothing in this
1386 section shall be construed to remove DROP participants from the
1387 scope of s. 8(d), Art. II of the State Constitution, s.
1388 112.3173, and paragraph (5)(f). DROP participants who commit a
1389 specified felony offense while employed will be subject to
1390 forfeiture of all retirement benefits, including DROP benefits,
1391 pursuant to those provisions of law.

1392 (k) Administration of program.--The division shall make
1393 such rules as are necessary for the effective and efficient
1394 administration of this subsection. The division shall not be
1395 required to advise members of the federal tax consequences of an
1396 election related to ~~the~~ DROP but may advise members to seek
1397 independent advice.

1398 (14) PAYMENT OF BENEFITS.--This subsection applies to the
1399 payment of benefits to a payee (retiree or beneficiary) under
1400 the Florida Retirement System:

130237

4/29/2008 8:27 AM

Amendment No.

1401 (a) Federal income tax shall be withheld in accordance
1402 with federal law, unless the payee elects otherwise on Form W-
1403 4P. The division shall prepare and distribute to each recipient
1404 of monthly retirement benefits an appropriate income tax form
1405 that reflects the recipient's income and federal income tax
1406 withheld for the calendar year just ended.

1407 (b) Subject to approval by the division in accordance with
1408 rule 60S-4.015, Florida Administrative Code, a payee receiving
1409 retirement benefits under the ~~Florida Retirement~~ system may also
1410 have the following payments deducted from his or her monthly
1411 benefit:

1412 1. Premiums for life and health-related insurance policies
1413 from approved companies.

1414 2. Life insurance premiums for the State Group Life
1415 Insurance Plan, if authorized in writing by the payee and by the
1416 department of ~~Management Services~~.

1417 3. Repayment of overpayments from the Florida Retirement
1418 System Trust Fund, the State Employees' Health Insurance Trust
1419 Fund, or the State Employees' Life Insurance Trust Fund, upon
1420 notification of the payee.

1421 4. Payments to an alternate payee for alimony or, child
1422 support pursuant to an income deduction order under s. 61.1301,
1423 or division of marital assets pursuant to a qualified domestic
1424 relations order under s. 222.21 ~~or an income deduction order~~
1425 ~~under s. 61.1301.~~

1426 5. Payments to the Internal Revenue Service for federal
1427 income tax levies, upon notification of the division by the
1428 Internal Revenue Service.

130237

4/29/2008 8:27 AM

Amendment No.

1429 (c) A payee must ~~shall~~ notify the division of any change
1430 in his or her address. The division may suspend benefit payments
1431 to a payee if correspondence sent to the payee's mailing address
1432 is returned due to an incorrect address. Benefit payments shall
1433 be resumed upon notification to the division of the payee's new
1434 address.

1435 (d) A payee whose retirement benefits are reduced by the
1436 application of maximum benefit limits under s. 415(b) of the
1437 Internal Revenue Code, as specified in s. 121.30(5), shall have
1438 the portion of his or her calculated benefit in the Florida
1439 Retirement System defined benefit plan which exceeds such
1440 federal limitation paid through the Florida Retirement System
1441 Preservation of Benefits Plan, as provided in s. 121.1001.

1442 (e). The division may issue retirement benefits payable
1443 for division of marital assets pursuant to a qualified domestic
1444 relations order directly to the alternate payee, any court order
1445 to the contrary notwithstanding, in order to meet Internal
1446 Revenue Code requirements.

1447 (f)-(e) A ~~No~~ benefit may not be reduced for the purpose of
1448 preserving the member's eligibility for a federal program.

1449 (g)-(f) The division shall adopt rules establishing
1450 procedures for determining that ~~the~~ persons to whom benefits are
1451 being paid are still living. The division shall suspend the
1452 benefits being paid to any payee if ~~when~~ it is unable to contact
1453 such payee and to confirm that he or she is still living.

1454 Section 10. Sections 121.093 and 121.094, Florida
1455 Statutes, are repealed.

130237

4/29/2008 8:27 AM

Amendment No.

1456 Section 11. Section 121.1115, Florida Statutes, is amended
1457 to read:

1458 121.1115 Purchase of retirement credit for out-of-state or
1459 ~~and~~ federal service.--Effective January 1, 1995, a member ~~of the~~
1460 ~~Florida Retirement System~~ may purchase creditable service for
1461 periods of public employment in another state and receive
1462 creditable service for such periods of employment. Service with
1463 the Federal Government, including any active military service,
1464 may be claimed. Upon completion of each year of service earned
1465 under the Florida Retirement System, a member may purchase up to
1466 1 year of retirement credit for his or her out-of-state service,
1467 subject to the following provisions:

1468 (1) LIMITATIONS AND CONDITIONS.--To receive credit for the
1469 out-of-state service:

1470 (a) The out-of-state service ~~being claimed~~ must have been:

1471 1. Performed in a position of employment with the state or
1472 a political subdivision thereof or with the Federal Government;

1473 2. Covered by a retirement or pension plan provided by the
1474 state or political subdivision, or by the Federal Government, as
1475 appropriate; and

1476 3. Performed prior to a period of membership in the
1477 Florida Retirement System.

1478 (b) The member must have completed a minimum of 6 years of
1479 creditable service under the Florida Retirement System,
1480 excluding out-of-state service and in-state service claimed and
1481 purchased under s. 121.1122.

Amendment No.

1482 (c) Not more than 5 years of creditable service may be
1483 claimed for creditable service aggregated under the provisions
1484 of this section and s. 121.1122.

1485 (d) The out-of-state service credit ~~claimed under this~~
1486 ~~section~~ shall be credited only as service in the Regular Class
1487 ~~of membership~~, and any benefit or pension based thereon ~~is shall~~
1488 ~~be~~ subject to the limitations and restrictions of s. 112.65.

1489 (e) The member is not eligible for and may not receive a
1490 pension or benefit from a retirement or pension plan based on or
1491 including the out-of-state service. Eligibility for or the
1492 receipt of contributions to a retirement plan made by the
1493 employer on behalf of the employee is considered a benefit.

1494 (f)-(e) To receive A member shall be eligible to receive
1495 service credit for out-of-state service performed after leaving
1496 the Florida Retirement System, the member must complete only
1497 upon return to membership and completion of at least 1 year of
1498 creditable service in the Florida Retirement System following
1499 the out-of-state service.

1500 (2) COST.--For each year claimed, the member must pay into
1501 the Florida Retirement System Trust Fund an amount equal to 20
1502 percent of the member's annual compensation for the first full
1503 work year of creditable service earned under the Florida
1504 Retirement System, but not less than \$12,000, plus interest at
1505 6.5 percent compounded annually from the date of first annual
1506 salary earned until full payment is made. The employer may pay
1507 all or a portion of the cost of this service credit.

1508 Section 12. Subsection (2) of section 121.1122, Florida
1509 Statutes, is amended to read:

130237

4/29/2008 8:27 AM

Amendment No.

1510 121.1122 Purchase of retirement credit for in-state public
1511 service and in-state service in accredited nonpublic schools and
1512 colleges, including charter schools and charter technical career
1513 centers.--Effective January 1, 1998, a member of the Florida
1514 Retirement System may purchase creditable service for periods of
1515 certain public or nonpublic employment performed in this state,
1516 as provided in this section.

1517 (2) LIMITATIONS AND CONDITIONS.--

1518 (a) A member is not eligible to receive credit for in-
1519 state service under this section until he or she has completed 6
1520 years of creditable service under the Florida Retirement System,
1521 excluding service purchased under this section and out-of-state
1522 service claimed and purchased under s. 121.1115.

1523 (b) A member may not purchase and receive credit for more
1524 than 5 years of creditable service aggregated under ~~the~~
1525 ~~provisions of~~ this section and s. 121.1115.

1526 (c) Service credit claimed under this section shall be
1527 credited only as service in the Regular Class ~~of membership~~ and
1528 is shall be subject to ~~the provisions of~~ s. 112.65.

1529 (d) Service credit may not be purchased under this section
1530 if the member is eligible to receive or is receiving a pension
1531 or benefit from a retirement or pension plan based on or
1532 including the service. Eligibility for or the receipt of
1533 contributions to a retirement plan made by the employer on
1534 behalf of the employee is considered a benefit.

1535 ~~(e)-(d)~~ A member is ~~shall be~~ eligible to receive service
1536 credit for in-state service performed after leaving the Florida
1537 Retirement System only after ~~upon returning to membership and~~

130237

4/29/2008 8:27 AM

Amendment No.

1538 completing at least 1 year of creditable service in the Florida
1539 Retirement System following the in-state service.

1540 ~~(f)~~(e) The service claimed must have been service covered
1541 by a retirement or pension plan provided by the employer.

1542 Section 13. Section 121.122, Florida Statutes, is amended
1543 to read:

1544 121.122 Renewed membership in system.--

1545 (1) Any retiree of a state-administered retirement system
1546 who is initially reemployed on or after July 1, 2009, shall not
1547 be eligible for renewed membership.

1548 (2) Except as provided in s. 121.053, effective July 1,
1549 1991, through June 30, 2009, any retiree of a state-administered
1550 retirement system who is initially reemployed ~~employed~~ in a
1551 regularly established position with a covered employer shall be
1552 enrolled as a compulsory member of the Regular Class of the
1553 Florida Retirement System or, effective July 1, 1997, through
1554 June 30, 2009, any retiree of a state-administered retirement
1555 system who is initially reemployed ~~employed~~ in a position
1556 included in the Senior Management Service Class shall be
1557 enrolled as a compulsory member of the Senior Management Service
1558 Class of the Florida Retirement System as provided in s.
1559 121.055, and shall be entitled to receive an additional
1560 retirement benefit, subject to the following conditions:

1561 ~~(1)~~(a) Such member shall resatisfy the age and service
1562 requirements as provided in this chapter for initial membership
1563 under the system, unless such member elects to participate in
1564 the Senior Management Service Optional Annuity Program in lieu

130237

4/29/2008 8:27 AM

Amendment No.

1565 of the Senior Management Service Class, as provided in s.
1566 121.055(6).

1567 (b) Such member shall not be entitled to disability
1568 benefits as provided in s. 121.091(4).

1569 (c) Such member must meet the reemployment after
1570 retirement limitations as provided in s. 121.091(9), as
1571 applicable.

1572 ~~(3)~~ (2) Upon renewed membership or reemployment of a
1573 retiree, the employer of such member shall pay the applicable
1574 employer contributions as required by ss. 121.71, 121.74,
1575 121.76, and 112.363 ~~121.055(3) and 121.071(1)(a) and (4)~~.

1576 ~~(4)~~ (3) The retiree of a state-administered retirement
1577 system who is initially reemployed before July 1, 2009, Such
1578 ~~member~~ shall be entitled to purchase additional retirement
1579 credit in the Regular Class or the Senior Management Service
1580 Class, as applicable, for any postretirement service performed
1581 in a regularly established position as follows:

1582 (a) For regular class service prior to July 1, 1991, by
1583 paying the Regular Class applicable employee and employer
1584 contributions for the period being claimed, plus 4 percent
1585 interest compounded annually from first year of service claimed
1586 until July 1, 1975, and 6.5 percent interest compounded
1587 thereafter, until full payment is made to the Florida Retirement
1588 System Trust Fund; or

1589 (b) For Senior Management Service Class prior to June 1,
1590 1997, as provided in s. 121.055(1)(j).

1591

130237
4/29/2008 8:27 AM

Amendment No.

1592 The contribution for postretirement service between July 1,
1593 1985, and July 1, 1991, for which the reemployed retiree
1594 contribution was paid, shall be the difference between such
1595 contribution and the total applicable contribution for the
1596 period being claimed, plus interest. The employer of such member
1597 may pay the applicable employer contribution in lieu of the
1598 member. If a member does not wish to claim credit for all of the
1599 postretirement service for which he or she is eligible, the
1600 service the member claims must be the most recent service.

1601 ~~(5)(4)~~ No creditable service for which credit was
1602 received, or which remained unclaimed, at retirement may be
1603 claimed or applied toward service credit earned following
1604 renewed membership. However, for retirees initially reemployed
1605 before July 1, 2009, service earned as an elected officer with
1606 renewed membership in the Elected Officers' Class may be used in
1607 conjunction with creditable service earned under this section,
1608 provided the applicable vesting requirements and other existing
1609 statutory conditions required by this chapter are met.

1610 ~~(6)(5)~~ Notwithstanding any other limitations provided in
1611 this section, a participant of the State University System
1612 Optional Retirement Program or the Senior Management Service
1613 Optional Annuity Program who terminated employment and received
1614 a distribution ~~commenced receiving an annuity~~ under the
1615 provisions of the optional program, who initially renews
1616 membership before July 1, 2009, ~~in the Regular Class~~ as required
1617 by this section upon reemployment after retirement, and who had
1618 previously earned creditable Florida Retirement System service
1619 that was not included in any retirement benefit may include such

130237

4/29/2008 8:27 AM

Amendment No.

1620 previous service toward vesting and service credit in the second
1621 career benefit provided under renewed membership.

1622 ~~(7)-(6)~~ Any renewed member who is not receiving the maximum
1623 health insurance subsidy provided in s. 112.363 shall be
1624 entitled to earn additional credit toward the maximum health
1625 insurance subsidy. Any additional subsidy due because of such
1626 additional credit shall be received only at the time of payment
1627 of the second career retirement benefit. In no case shall the
1628 total health insurance subsidy received by a retiree receiving
1629 benefits from initial and renewed membership exceed the maximum
1630 allowed in s. 112.363.

1631 Section 14. Section 121.136, Florida Statutes, is amended
1632 to read:

1633 121.136 Annual benefit statement to members.--~~Beginning~~
1634 ~~January 1, 1993, and~~ Each January thereafter, the department
1635 shall provide each active member of the Florida Retirement
1636 System with 5 or more years of creditable service an annual
1637 statement of benefits which provides. ~~Such statement should~~
1638 ~~provide~~ the member with basic data about the member's retirement
1639 account. At a minimum ~~Minimally~~, it must ~~shall~~ include the
1640 member's retirement plan, accrued service credit ~~the amount of~~
1641 ~~funds on deposit in the retirement account~~, and an estimate of
1642 retirement benefits.

1643 Section 15. Section 121.1905, Florida Statutes, is amended
1644 to read:

1645 121.1905 Division of Retirement; creation.--

1646 ~~(1)~~ There is created the Division of Retirement within the
1647 Department of Management Services.

130237

4/29/2008 8:27 AM

Amendment No.

1648 ~~(2) The mission of the Division of Retirement is to~~
1649 ~~provide quality and cost-effective retirement services as~~
1650 ~~measured by member satisfaction and by comparison with~~
1651 ~~administrative costs of comparable retirement systems.~~

1652 Section 16. Paragraph (a) of subsection (2) of section
1653 121.23, Florida Statutes, is amended to read:

1654 121.23 Disability retirement and special risk membership
1655 applications; Retirement Commission; powers and duties; judicial
1656 review.--The provisions of this section apply to all proceedings
1657 in which the administrator has made a written final decision on
1658 the merits respecting applications for disability retirement,
1659 reexamination of retired members receiving disability benefits,
1660 applications for special risk membership, and reexamination of
1661 special risk members in the Florida Retirement System. The
1662 jurisdiction of the State Retirement Commission under this
1663 section shall be limited to written final decisions of the
1664 administrator on the merits.

1665 (2) A member shall be entitled to a hearing before the
1666 State Retirement Commission pursuant to ss. 120.569 and
1667 120.57(1) on the merits of any written adverse decision of the
1668 administrator, if he or she files with the commission a written
1669 request for such hearing within 21 days after receipt of such
1670 written decision from the administrator. For the purpose of such
1671 hearings, the commission shall be an "agency head" as defined by
1672 s. 120.52.

1673 (a) The commission ~~may shall have the authority to~~ issue
1674 orders as a result of the a hearing that are ~~shall be~~ binding on
1675 all parties to the dispute and. ~~The commission~~ may order any

130237

4/29/2008 8:27 AM

Amendment No.

1676 action that it deems appropriate. Any disability retirement
1677 order of the commission ~~issued pursuant to this subsection~~ which
1678 sustains the application of the member may include an amount, to
1679 be determined by the commission, for reasonable attorney's fees
1680 and taxable costs, which shall be calculated in accordance with
1681 the statewide uniform guidelines for taxation of costs in civil
1682 actions. The amount of the attorney's fee may not exceed 50
1683 percent of the initial yearly benefit awarded under s.
1684 121.091(4). In cases involving disability retirement, the ~~State~~
1685 ~~Retirement~~ commission shall require the member to present
1686 competent substantial medical evidence and meet the requirements
1687 of s. 121.091(4)(c)2. and 3., and may require vocational
1688 evidence, before awarding disability retirement benefits.

1689 Section 17. Paragraph (a) of subsection (1) of section
1690 121.24, Florida Statutes, is amended to read:

1691 121.24 Conduct of commission business; legal and other
1692 assistance; compensation.--

1693 (1) The commission shall conduct its business within the
1694 following guidelines:

1695 (a) For purposes of hearing appeals under s. 121.23, the
1696 commission may meet in panels ~~consisting of no not~~ no fewer than
1697 three members. ~~For the purpose of meeting in these panels, a~~
1698 ~~quorum shall be not fewer than two members. For all other~~
1699 ~~purposes,~~ A quorum shall consist of three members. The
1700 concurring vote of a majority of the members present is ~~shall be~~
1701 required to reach a decision, issue orders, and conduct the
1702 business of the commission.

130237

4/29/2008 8:27 AM

Amendment No.

1703 Section 18. Paragraph (e) of subsection (5) of section
1704 121.35, Florida Statutes, is amended to read:

1705 121.35 Optional retirement program for the State
1706 University System.--

1707 (5) BENEFITS.--

1708 (e) A participant who chooses to receive his or her
1709 benefits upon termination of employment as defined in s.
1710 121.021(39) shall have responsibility to notify the provider
1711 company of the date on which he or she wishes benefits funded by
1712 employer contributions to begin. Benefits may be deferred until
1713 such time as the participant chooses to make such application.

1714 Section 19. Section 121.45, Florida Statutes, is repealed.

1715 Section 20. Paragraph (f) of subsection (2) of section
1716 121.4501, Florida Statutes, is amended to read:

1717 121.4501 Public Employee Optional Retirement Program.--

1718 (2) DEFINITIONS.--As used in this part, the term:

1719 (f) "Eligible employee" means an officer or employee, as
1720 defined in s. 121.021(11), who:

1721 1. Is a member of, or is eligible for membership in, the
1722 Florida Retirement System, including any renewed member of the
1723 Florida Retirement System initially enrolled before July 1,
1724 2009; or

1725 2. Participates in, or is eligible to participate in, the
1726 Senior Management Service Optional Annuity Program as
1727 established under s. 121.055(6), the State Community College
1728 Optional Retirement Program as established under s.
1729 121.051(2)(c), or the State University System Optional
1730 Retirement Program established under s. 121.35.

130237

4/29/2008 8:27 AM

Amendment No.

1731
1732 The term does not include any member participating in the
1733 Deferred Retirement Option Program established under s.
1734 121.091(13), a retiree of a state-administered retirement system
1735 initially reemployed on or after July 1, 2009, or a mandatory
1736 participant of the State University System Optional Retirement
1737 Program established under s. 121.35.

1738 Section 21. Paragraph (b) of subsection (1) of section
1739 121.591, Florida Statutes, is amended to read:

1740 121.591 Benefits payable under the Public Employee
1741 Optional Retirement Program of the Florida Retirement
1742 System.--Benefits may not be paid under this section unless the
1743 member has terminated employment as provided in s.
1744 121.021(39)(a) or is deceased and a proper application has been
1745 filed in the manner prescribed by the state board or the
1746 department. The state board or department, as appropriate, may
1747 cancel an application for retirement benefits when the member or
1748 beneficiary fails to timely provide the information and
1749 documents required by this chapter and the rules of the state
1750 board and department. In accordance with their respective
1751 responsibilities as provided herein, the State Board of
1752 Administration and the Department of Management Services shall
1753 adopt rules establishing procedures for application for
1754 retirement benefits and for the cancellation of such application
1755 when the required information or documents are not received. The
1756 State Board of Administration and the Department of Management
1757 Services, as appropriate, are authorized to cash out a de
1758 minimis account of a participant who has been terminated from
130237

4/29/2008 8:27 AM

HOUSE AMENDMENT

Bill No. CS/CS/SB 2848

Amendment No.

1759 Florida Retirement System covered employment for a minimum of 6
1760 calendar months. A de minimis account is an account containing
1761 employer contributions and accumulated earnings of not more than
1762 \$5,000 made under the provisions of this chapter. Such cash-out
1763 must either be a complete lump-sum liquidation of the account
1764 balance, subject to the provisions of the Internal Revenue Code,
1765 or a lump-sum direct rollover distribution paid directly to the
1766 custodian of an eligible retirement plan, as defined by the
1767 Internal Revenue Code, on behalf of the participant. If any
1768 financial instrument issued for the payment of retirement
1769 benefits under this section is not presented for payment within
1770 180 days after the last day of the month in which it was
1771 originally issued, the third-party administrator or other duly
1772 authorized agent of the State Board of Administration shall
1773 cancel the instrument and credit the amount of the instrument to
1774 the suspense account of the Public Employee Optional Retirement
1775 Program Trust Fund authorized under s. 121.4501(6). Any such
1776 amounts transferred to the suspense account are payable upon a
1777 proper application, not to include earnings thereon, as provided
1778 in this section, within 10 years after the last day of the month
1779 in which the instrument was originally issued, after which time
1780 such amounts and any earnings thereon shall be forfeited. Any
1781 such forfeited amounts are assets of the Public Employee
1782 Optional Retirement Program Trust Fund and are not subject to
1783 the provisions of chapter 717.

1784 (1) NORMAL BENEFITS.--Under the Public Employee Optional
1785 Retirement Program:

130237

4/29/2008 8:27 AM

Amendment No.

1786 (b) If a participant elects to receive his or her benefits
1787 upon termination of employment as defined in s. 121.021(39), the
1788 participant must submit a written application or an equivalent
1789 form to the third-party administrator indicating his or her
1790 preferred distribution date and selecting an authorized method
1791 of distribution as provided in paragraph (c). The participant
1792 may defer receipt of benefits until he or she chooses to make
1793 such application, subject to federal requirements.

1794 Section 22. Subsection (8) of section 1012.33, Florida
1795 Statutes, is amended to read:

1796 1012.33 Contracts with instructional staff, supervisors,
1797 and school principals.--

1798 (8) Notwithstanding any other provision of law, a retired
1799 ~~any member who has retired~~ may interrupt retirement and be
1800 reemployed in any public school. A ~~Any~~ member ~~so~~ reemployed by
1801 the same district from which he or she retired may be employed
1802 on a probationary contractual basis as provided in subsection
1803 (1); ~~however, no regular retirement employee shall be eligible~~
1804 ~~to renew membership under a retirement system created by chapter~~
1805 ~~121 or chapter 238.~~

1806 Section 23. Paragraph (a) of subsection (4) of section
1807 121.35, Florida Statutes, is amended, and paragraph (g) is added
1808 to that subsection, to read:

1809 121.35 Optional retirement program for the State
1810 University System.--

1811 (4) CONTRIBUTIONS.--

1812 (a) Through June 30, 2001, each employer shall contribute
1813 on behalf of each participant in the optional retirement program
130237

4/29/2008 8:27 AM

Amendment No.

1814 an amount equal to the normal cost portion of the employer
1815 retirement contribution which would be required if the
1816 participant were a regular member of the Florida Retirement
1817 System defined benefit program, plus the portion of the
1818 contribution rate required in s. 112.363(8) that would otherwise
1819 be assigned to the Retiree Health Insurance Subsidy Trust Fund.
1820 Effective July 1, 2001, each employer shall contribute on behalf
1821 of each participant in the optional program an amount equal to
1822 10.43 percent of the participant's gross monthly compensation.
1823 The department shall deduct an amount approved by the
1824 Legislature to provide for the administration of this program.
1825 The payment of the contributions to the optional program which
1826 is required by this paragraph for each participant shall be made
1827 by the employer to the department, which shall forward the
1828 contributions to the designated company or companies contracting
1829 for payment of benefits for the participant under the program.
1830 However, such contributions paid on behalf of an employee
1831 described in paragraph (3)(c) shall not be forwarded to a
1832 company and shall not begin to accrue interest until the
1833 employee has executed a ~~an annuity~~ contract and notified the
1834 department.

1835 (g) Effective July 1, 2008, for purposes of paragraph (a)
1836 and notwithstanding s. 121.021(22)(b)1., the term "participant's
1837 gross monthly compensation" includes salary payments made to
1838 eligible clinical faculty from a state university using funds
1839 provided by a faculty practice plan authorized by the Board of
1840 Governors of the State University System if:

130237

4/29/2008 8:27 AM

Amendment No.

1841 1. There is not any employer contribution from the state
1842 university to any other retirement program with respect to such
1843 salary payments; and

1844 2. The employer contribution on behalf of the participant
1845 in the optional retirement program with respect to such salary
1846 payments is made using funds provided by the faculty practice
1847 plan.

1848 Section 24. Section 121.355, Florida Statutes, is created
1849 to read:

1850 121.355 Community College Optional Retirement Program and
1851 State University System Optional Retirement Program member
1852 transfer.--Effective July 1, 2009, through December 31, 2009, an
1853 employee who is a former participant in the Community College
1854 Optional Retirement Program or the State University System
1855 Optional Retirement Program and present mandatory participant in
1856 the Florida Retirement System defined benefit plan may receive
1857 service credit equal to his or her years of service under the
1858 Community College Optional Retirement Program or the State
1859 University System Optional Retirement Program under the
1860 following conditions:

1861 (1) The cost for such credit shall be an amount
1862 representing the actuarial accrued liability for the affected
1863 period of service. The cost shall be calculated using the
1864 discount rate and other relevant actuarial assumptions that were
1865 used to value the Florida Retirement System defined benefit plan
1866 liabilities in the most recent actuarial valuation. The
1867 calculation shall include any service already maintained under
1868 the defined benefit plan in addition to the years under the

130237

4/29/2008 8:27 AM

Amendment No.

1869 Community College Optional Retirement Program or the State
1870 University System Optional Retirement Program. The actuarial
1871 accrued liability of any service already maintained under the
1872 defined benefit plan shall be applied as a credit to total cost
1873 resulting from the calculation. The division shall ensure that
1874 the transfer sum is prepared using a formula and methodology
1875 certified by an enrolled actuary.

1876 (2) The employee must transfer from his or her Community
1877 College Optional Retirement Program account or State University
1878 System Optional Retirement Program account, subject to the terms
1879 of the applicable optional retirement program contract, and from
1880 other employee moneys as necessary, a sum representing the
1881 actuarial accrued liability immediately following the time of
1882 such movement, determined assuming that attained service equals
1883 the sum of service in the defined benefit program and service in
1884 the Community College Optional Retirement Program or State
1885 University System Optional Retirement Program.

1886 (3) The employee may not receive service credit for a
1887 period of mandatory participation in the State University
1888 Optional Retirement Program or for a period for which a
1889 distribution was received from the Community College Optional
1890 Retirement Program or State University System Optional
1891 Retirement Program.

1892 Section 25. Sections 121.093, 121.094, and 121.45, Florida
1893 Statutes, are repealed.

1894 Section 26. The Legislature finds that a proper and
1895 legitimate state purpose is served when employees and retirees
1896 of the state and its political subdivisions, as well as the

130237

4/29/2008 8:27 AM

Amendment No.

1897 dependents, survivors, and beneficiaries of such employees and
1898 retiree, are extended the basic protections afforded by
1899 governmental retirement systems that provide fair and adequate
1900 benefits and that are managed, administered, and funded in an
1901 actuarially sound manner as required by s. 14, Art. X of the
1902 State Constitution, and part VII of chapter 112, Florida
1903 Statutes. Therefore, the Legislature determines and declares
1904 that the amendment of s. 121.091, Florida Statutes, by this act
1905 fulfills an important state interest.

1906 Section 27. This act shall take effect July 1, 2009.

1907
1908
1909
1910
1911
1912