

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Schenck offered the following:

2  
3 **Amendment (with title amendment)**

4 Remove line 1397 and insert:

5 Section 19. Effective January 1, 2009, subsection (39) of  
6 section 121.021, Florida Statutes, is amended to read:

7 121.021 Definitions.--The following words and phrases as  
8 used in this chapter have the respective meanings set forth  
9 unless a different meaning is plainly required by the context:

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

12 1. For retirements effective before January 1, 2009, a  
13 member ceases all employment relationships with employers under  
14 this system, as defined in subsection (10), but in the event a  
15 member should be employed by any such employer within the next  
16 calendar month, termination shall be deemed not to have

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17 occurred. A leave of absence shall constitute a continuation of  
18 the employment relationship, except that a leave of absence  
19 without pay due to disability may constitute termination for a  
20 member, if such member makes application for and is approved for  
21 disability retirement in accordance with s. 121.091(4). The  
22 department or board may require other evidence of termination as  
23 it deems necessary.

24 2. For retirements effective on or after January 1, 2009,  
25 a member ceases all employment relationships with employers  
26 under this system, as defined in subsection (10), but in the  
27 event a member should be employed by any such employer within  
28 the next 12 calendar months, termination shall be deemed not to  
29 have occurred. A leave of absence shall constitute a  
30 continuation of the employment relationship, except that a leave  
31 of absence without pay due to disability may constitute  
32 termination for a member, if such member makes application for  
33 and is approved for disability retirement in accordance with s.  
34 121.091(4). The department or board may require other evidence  
35 of termination as it deems necessary.

36 (b) "Termination" for a member electing to participate  
37 under the Deferred Retirement Option Program occurs when the  
38 Deferred Retirement Option Program participant ceases all  
39 employment relationships with employers under this system in  
40 accordance with s. 121.091(13), but:

41 1. For DROP termination dates before January 1, 2009, in  
42 the event the Deferred Retirement Option Program participant  
43 should be employed by any such employer within the next calendar  
44 month, termination will be deemed not to have occurred, except

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45 as provided in s. 121.091(13)(b)4.c. A leave of absence shall  
46 constitute a continuation of the employment relationship.

47 2. For DROP termination dates on or after January 1, 2009,  
48 in the event the DROP participant should be employed by any such  
49 employer within the next 12 calendar months, termination will be  
50 deemed not to have occurred, except as provided in s.  
51 121.091(13)(b)4.c. A leave of absence shall constitute a  
52 continuation of the employment relationship.

53 Section 20. Effective January 1, 2009, subsection (1) and  
54 subsection (2) of section 121.053, Florida Statutes, are amended  
55 to read:

56 121.053 Participation in the Elected Officers' Class for  
57 retired members.--

58 (1)(a)1. Any retiree of a state-administered retirement  
59 system who initially serves in an elective office in a regularly  
60 established position with a covered employer on or after January  
61 1, 2009, shall not be enrolled in the Florida Retirement System.

62 2. An elected officer who is elected or appointed to an  
63 elective office and is participating in the Deferred Retirement  
64 Option Program is subject to termination as provided in s.  
65 121.021(39)(b), and reemployment limitations as provided in s.  
66 121.091(9), upon completion of his or her DROP participation  
67 period.

68 (b) Before January 1, 2009, any member who retired under  
69 any existing system as defined in s. 121.021(2), and receives a  
70 benefit thereof, and who serves in an office covered by the  
71 Elected Officers' Class for a period of at least 6 years, shall  
72 be entitled to receive an additional retirement benefit for such

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73 elected officer service prior to July 1, 1990, under the Elected  
74 Officers' Class of the Florida Retirement System, as follows:

75 1. Upon completion of 6 or more years of creditable  
76 service in an office covered by the Elected Officers' Class, s.  
77 121.052, such member shall notify the administrator of his or  
78 her intent to purchase elected officer service prior to July 1,  
79 1990, and shall pay the member contribution applicable for the  
80 period being claimed, plus 4 percent interest compounded  
81 annually from the first year of service claimed until July 1,  
82 1975, and 6.5 percent interest compounded annually thereafter,  
83 until full payment is made to the Florida Retirement System  
84 Trust Fund; however, such member may purchase retirement credit  
85 under the Elected Officers' Class only for such service as an  
86 elected officer.

87 2. Upon payment of the amount specified in subparagraph  
88 1., the employer shall pay into the Florida Retirement System  
89 Trust Fund the applicable employer contribution for the period  
90 of elected officer service prior to July 1, 1990, being claimed  
91 by the member, plus 4 percent interest compounded annually from  
92 the first year of service claimed until July 1, 1975, and 6.5  
93 percent interest compounded annually thereafter, until full  
94 payment is made to the Florida Retirement System Trust Fund.

95 (c) ~~(b)~~ Any retired member of the Florida Retirement  
96 System, or any existing system as defined in s. 121.021(2), who,  
97 on or after July 1, 1990 through December 31, 2008, is serving  
98 in, or is elected or appointed to, an elective office covered by  
99 the Elected Officers' Class shall be enrolled in the appropriate  
100 subclass of the Elected Officers' Class of the Florida

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101 Retirement System, and applicable contributions shall be paid  
102 into the Florida Retirement System Trust Fund as provided in s.  
103 121.052(7). Pursuant thereto:

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

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

112 3. Such member shall be entitled to purchase additional  
113 retirement credit in the Elected Officers' Class for any  
114 postretirement service performed in an elected position eligible  
115 for the Elected Officers' Class prior to July 1, 1990, or in the  
116 Regular Class for any postretirement service performed in any  
117 other regularly established position prior to July 1, 1991, by  
118 paying the applicable Elected Officers' Class or Regular Class  
119 employee and employer contributions for the period being  
120 claimed, plus 4 percent interest compounded annually from the  
121 first year of service claimed until July 1, 1975, and 6.5  
122 percent interest compounded thereafter, until full payment is  
123 made to the Florida Retirement System Trust Fund. The  
124 contribution for postretirement Regular Class service between  
125 July 1, 1985, and July 1, 1991, for which the reemployed retiree  
126 contribution was paid, shall be the difference between such  
127 contribution and the total applicable contribution for the  
128 period being claimed, plus interest. The employer of such member  
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129 may pay the applicable employer contribution in lieu of the  
130 member. If a member does not wish to claim credit for all of the  
131 postretirement service for which he or she is eligible, the  
132 service the member claims must be the most recent service.

133 4. Creditable service for which credit was received, or  
134 which remained unclaimed, at retirement may not be claimed or  
135 applied toward service credit earned following renewed  
136 membership. However, service earned in accordance with the  
137 renewed membership provisions in s. 121.122 may be used in  
138 conjunction with creditable service earned under this paragraph,  
139 provided applicable vesting requirements and other existing  
140 statutory conditions required by this chapter are met.

141 5. An elected officer who is elected or appointed to an  
142 elective office and is participating in the Deferred Retirement  
143 Option Program before January 1, 2009, is not subject to  
144 termination as provided in s. 121.021(39)(b), or reemployment  
145 limitations as provided in s. 121.091(9), until the end of his  
146 or her current term of office or, if the officer is  
147 consecutively elected or reelected to an elective office  
148 eligible for coverage under the Florida Retirement System, until  
149 he or she no longer holds such an elective office, as follows:

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

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

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

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157           b. Nothing herein shall prevent an elected officer from  
158 voluntarily terminating his or her elective office at any time  
159 and electing to receive his or her DROP proceeds. However, until  
160 termination requirements are fulfilled as provided in s.

161 121.021(39), any elected officer whose termination limitations  
162 are extended by this section shall be ineligible for renewed  
163 membership in the system and shall receive no pension payments,  
164 DROP lump sum payments, or any other state payment other than  
165 the statutorily determined salary, travel, and per diem for the  
166 elective office.

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

171  
172 However, an officer electing to participate in the Deferred  
173 Retirement Option Program on or before June 30, 2002, shall not  
174 be required to terminate and shall remain subject to the  
175 provisions of this subparagraph as adopted in section 1 of  
176 chapter 2001-235, Laws of Florida.

177           (2) Upon attaining his or her normal retirement date and  
178 payment of the amount specified in paragraphs (1) ~~(b)-(a)~~ and  
179 ~~(c)-(b)~~, and upon application to the administrator of the intent  
180 to retire, the member shall receive a monthly benefit under this  
181 section, in addition to any benefits already being received,  
182 which shall commence on the last day of the month of retirement  
183 and be payable on the last day of the month thereafter during  
184 his or her lifetime. The amount of such monthly benefit shall be

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185 the total percentage of retirement credit purchased under this  
186 section multiplied by the member's average monthly compensation  
187 as an elected officer, adjusted according to the option selected  
188 at retirement under s. 121.091(6).

189 Section 21. Effective January 1, 2009, paragraph (f) of  
190 subsection (1) and paragraph (c) of subsection (6) of section  
191 121.055, Florida Statutes, are amended to read:

192 121.055 Senior Management Service Class.--There is hereby  
193 established a separate class of membership within the Florida  
194 Retirement System to be known as the "Senior Management Service  
195 Class," which shall become effective February 1, 1987.

196 (1)

197 (f) Effective July 1, 1997:

198 1. Except as provided in subparagraph 3., any elected  
199 state officer eligible for membership in the Elected Officers'  
200 Class under s. 121.052(2)(a), (b), or (c) who elects membership  
201 in the Senior Management Service Class under s. 121.052(3)(c)  
202 may, within 6 months after assuming office or within 6 months  
203 after this act becomes a law for serving elected state officers,  
204 elect to participate in the Senior Management Service Optional  
205 Annuity Program, as provided in subsection (6), in lieu of  
206 membership in the Senior Management Service Class.

207 2. Except as provided in subparagraph 3., any elected  
208 county officer eligible for membership in the Elected Officers'  
209 Class under s. 121.052(2)(d) who elects membership in the Senior  
210 Management Service Class under s. 121.052(3)(c) may, within 6  
211 months after assuming office, or within 6 months after this act  
212 becomes a law for serving elected county officers, elect to

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213 ~~withdraw from the Florida Retirement System participate in a~~  
214 ~~lifetime monthly annuity program~~, as provided in subparagraph  
215 (b)2., in lieu of membership in the Senior Management Service  
216 Class.

217 3. Any retiree of a state-administered retirement system  
218 who is initially reemployed on or after January 1, 2009, as an  
219 elected official eligible for Elected Officers' Class  
220 membership, shall not be eligible for renewed membership in the  
221 Senior Management Service Optional Annuity Program as provided  
222 in subsection (6) or to withdraw from the Florida Retirement  
223 System as a renewed member as provided in subparagraph (b)2., as  
224 applicable, in lieu of Senior Management Service Class  
225 membership.

226 (6)

227 (c) Participation.--

228 1. Any eligible employee who is employed on or before  
229 February 1, 1987, may elect to participate in the optional  
230 annuity program in lieu of participation in the Senior  
231 Management Service Class. Such election shall be made in writing  
232 and filed with the department and the personnel officer of the  
233 employer on or before May 1, 1987. Any eligible employee who is  
234 employed on or before February 1, 1987, and who fails to make an  
235 election to participate in the optional annuity program by May  
236 1, 1987, shall be deemed to have elected membership in the  
237 Senior Management Service Class.

238 2. Except as provided in subparagraph 6., any employee who  
239 becomes eligible to participate in the optional annuity program  
240 by reason of initial employment commencing after February 1,

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241 1987, may, within 90 days after the date of commencement of  
242 employment, elect to participate in the optional annuity  
243 program. Such election shall be made in writing and filed with  
244 the personnel officer of the employer. Any eligible employee who  
245 does not within 90 days after commencement of such employment  
246 elect to participate in the optional annuity program shall be  
247 deemed to have elected membership in the Senior Management  
248 Service Class.

249 3. A person who is appointed to a position in the Senior  
250 Management Service Class and who is a member of an existing  
251 retirement system or the Special Risk or Special Risk  
252 Administrative Support Classes of the Florida Retirement System  
253 may elect to remain in such system or class in lieu of  
254 participation in the Senior Management Service Class or optional  
255 annuity program. Such election shall be made in writing and  
256 filed with the department and the personnel officer of the  
257 employer within 90 days of such appointment. Any eligible  
258 employee who fails to make an election to participate in the  
259 existing system, the Special Risk Class of the Florida  
260 Retirement System, the Special Risk Administrative Support Class  
261 of the Florida Retirement System, or the optional annuity  
262 program shall be deemed to have elected membership in the Senior  
263 Management Service Class.

264 4. Except as provided in subparagraph 5., an employee's  
265 election to participate in the optional annuity program is  
266 irrevocable as long as such employee continues to be employed in  
267 an eligible position and continues to meet the eligibility  
268 requirements set forth in this paragraph.

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269           5. Effective from July 1, 2002, through September 30,  
270 2002, any active employee in a regularly established position  
271 who has elected to participate in the Senior Management Service  
272 Optional Annuity Program has one opportunity to choose to move  
273 from the Senior Management Service Optional Annuity Program to  
274 the Florida Retirement System defined benefit program.

275           a. The election must be made in writing and must be filed  
276 with the department and the personnel officer of the employer  
277 before October 1, 2002, or, in the case of an active employee  
278 who is on a leave of absence on July 1, 2002, within 90 days  
279 after the conclusion of the leave of absence. This election is  
280 irrevocable.

281           b. The employee will receive service credit under the  
282 defined benefit program of the Florida Retirement System equal  
283 to his or her years of service under the Senior Management  
284 Service Optional Annuity Program. The cost for such credit shall  
285 be an amount representing the present value of that employee's  
286 accumulated benefit obligation for the affected period of  
287 service.

288           c. The employee must transfer the total accumulated  
289 employer contributions and earnings on deposit in his or her  
290 Senior Management Service Optional Annuity Program account. If  
291 the transferred amount is not sufficient to pay the amount due,  
292 the employee must pay a sum representing the remainder of the  
293 amount due. In no case may the employee retain any employer  
294 contributions or earnings thereon from the Senior Management  
295 Service Optional Annuity Program account.

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

300       Section 22. Effective January 1, 2009, subsection (9),  
301 subsection (13), and subsection (14) of section 121.091, Florida  
302 Statutes, are amended to read:

303       121.091 Benefits payable under the system.--Benefits may  
304 not be paid under this section unless the member has terminated  
305 employment as provided in s. 121.021(39)(a) or begun  
306 participation in the Deferred Retirement Option Program as  
307 provided in subsection (13), and a proper application has been  
308 filed in the manner prescribed by the department. The department  
309 may cancel an application for retirement benefits when the  
310 member or beneficiary fails to timely provide the information  
311 and documents required by this chapter and the department's  
312 rules. The department shall adopt rules establishing procedures  
313 for application for retirement benefits and for the cancellation  
314 of such application when the required information or documents  
315 are not received.

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

317       (a) Any person who is retired under this chapter, except  
318 under the disability retirement provisions of subsection (4),  
319 may be employed by an employer that does not participate in a  
320 state-administered retirement system and may receive  
321 compensation from that employment without limiting or  
322 restricting in any way the retirement benefits payable to that  
323 person.

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324 (b)1.a. Any person who is retired under this chapter,  
325 except under the disability retirement provisions of subsection  
326 (4), may be reemployed by any private or public employer after  
327 retirement and receive retirement benefits and compensation from  
328 the his or her employer without limitation any limitations,  
329 except that the a person may not receive ~~both~~ a salary from  
330 reemployment with any agency participating in the Florida  
331 Retirement System and retirement benefits under this chapter for  
332 ~~a period of~~ 12 calendar months immediately after ~~subsequent to~~  
333 the calendar month that termination is met as defined in s.  
334 121.021(39), except as provided in b. date of retirement.  
335 However, a DROP participant may ~~shall~~ continue employment and  
336 receive a salary during the period of participation in DROP ~~the~~  
337 ~~Deferred Retirement Option Program~~, as provided in subsection  
338 (13).

339 b. Any person who is retired under a state-administered  
340 retirement system may not receive a retirement benefit if he or  
341 she receives compensation totaling \$100,000 or more from an  
342 employer participating in the Florida Retirement System. This  
343 limitation begins immediately upon employment if the annualized  
344 compensation meets or exceeds the limit, or in the month that  
345 reported compensation meets or exceeds the limit during the plan  
346 year, and continues for as long as the expected payments equal  
347 or exceed \$100,000. This limitation includes payments as defined  
348 in s. 121.021(22) for work performed in regularly established  
349 positions. The employer is responsible for notifying the  
350 Division of Retirement when this occurs, either at employment or  
351 if salary increases lead to the level specified. Any person

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352 employed in violation of this sub-subparagraph and any employing  
353 agency that knowingly employs or appoints such person without  
354 notifying the Division of Retirement to suspend retirement  
355 benefits shall be jointly and severally liable for reimbursement  
356 to the retirement trust fund of any benefits paid during the  
357 reemployment limitation period.

358 2. Any person to whom the limitation in subparagraph 1.  
359 applies ~~who violates such reemployment limitation and~~ who is  
360 reemployed with any agency participating in the Florida  
361 Retirement System after he or she has been retired and met the  
362 definition of termination in s. 121.021(39), but before  
363 completion of the 12-month limitation period ~~must~~ shall give  
364 timely notice of this fact in writing to the employer and to the  
365 Division of Retirement ~~division~~ and shall have his or her  
366 retirement benefits suspended while employed during ~~for~~ the  
367 balance of the 12-month limitation period unless the person  
368 exceeds the 780-hour limitation in subparagraph 4. or  
369 subparagraph 5. Any person employed in violation of this  
370 paragraph and any employing agency that ~~which~~ knowingly employs  
371 or appoints such person without notifying the division ~~of~~  
372 ~~Retirement~~ to suspend retirement benefits are ~~shall be~~ jointly  
373 and severally liable for ~~reimbursement to the retirement trust~~  
374 ~~fund of~~ any benefits paid during the reemployment limitation  
375 period. To avoid liability, the ~~such~~ employing agency must ~~shall~~  
376 have a written statement from the retiree that he or she is not  
377 retired from a state-administered retirement system. Any  
378 retirement benefits received while reemployed during this  
379 reemployment limitation period must ~~shall~~ be repaid to the

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380 Florida Retirement System Trust Fund ~~retirement trust fund~~, and  
381 retirement benefits shall remain suspended until such repayment  
382 has been made. Benefits suspended beyond the reemployment  
383 limitation shall apply toward repayment of benefits received in  
384 violation of the reemployment limitation.

385 3. A district school board may reemploy a retired member  
386 as a substitute or hourly teacher, education paraprofessional,  
387 transportation assistant, bus driver, or food service worker on  
388 a noncontractual basis after he or she has been retired and met  
389 the definition of termination for 1 calendar month, in  
390 ~~accordance with~~ s. 121.021(39). A district school board may  
391 reemploy a retired member as instructional personnel, as defined  
392 in s. 1012.01(2)(a), on an annual contractual basis after he or  
393 she has been retired and met the definition of termination for 1  
394 ~~calendar month~~, in ~~accordance with~~ s. 121.021(39). Any other  
395 retired member who is reemployed before meeting the definition  
396 of termination voids within 1 calendar month after retirement  
397 ~~shall void~~ his or her application for retirement benefits.  
398 District school boards reemploying such teachers, education  
399 paraprofessionals, transportation assistants, bus drivers, or  
400 food service workers are subject to the retirement contribution  
401 required by subparagraph 7.

402 4. A community college board of trustees may reemploy a  
403 retired member as an adjunct instructor, ~~that is, an instructor~~  
404 ~~who is noncontractual and part time~~, or as a participant in a  
405 phased retirement program within the Florida Community College  
406 System, after he or she has been retired and met the definition  
407 of termination for 1 calendar month, in ~~accordance with~~ s.

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408 121.021(39). Any retired member who is reemployed before meeting  
409 the definition of termination voids within 1 calendar month  
410 ~~after retirement shall void~~ his or her application for  
411 retirement benefits. Boards of trustees reemploying such  
412 instructors are subject to the retirement contribution required  
413 in subparagraph 7. A retired member may be reemployed as an  
414 adjunct instructor for no more than 780 hours during the first  
415 12 calendar months after meeting the definition of termination  
416 ~~of retirement~~. Any retired member reemployed for more than 780  
417 hours during the first 12 months of retirement must ~~shall~~ give  
418 timely notice in writing to the employer and to the Division of  
419 Retirement ~~division~~ of the date he or she will exceed the  
420 limitation. The division shall suspend his or her retirement  
421 benefits for the remainder of the 12-month limitation period  
422 ~~first 12 months of retirement~~. Any person employed in violation  
423 of this subparagraph and any employing agency that ~~which~~  
424 knowingly employs or appoints such person without notifying the  
425 division ~~of Retirement~~ to suspend retirement benefits are ~~shall~~  
426 ~~be~~ jointly and severally liable for ~~reimbursement to the~~  
427 ~~retirement trust fund of~~ any benefits paid during the  
428 reemployment limitation period. To avoid liability, the ~~such~~  
429 employing agency must ~~shall~~ have a written statement from the  
430 retiree that he or she is not retired from a state-administered  
431 retirement system. Any retirement benefits received by a retired  
432 member while reemployed in excess of 780 hours during the 12-  
433 month limitation period must ~~first 12 months of retirement shall~~  
434 be repaid to the Florida Retirement System Trust Fund, and  
435 retirement benefits ~~shall~~ remain suspended until repayment is

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436 made. Benefits suspended beyond the end of the 12-month  
437 limitation period ~~retired member's first 12 months of retirement~~  
438 shall apply toward repayment of benefits received in violation  
439 of the 780-hour reemployment limitation.

440 5. The State University System may reemploy a retired  
441 member as an adjunct faculty member or as a participant in a  
442 phased retirement program within the State University System  
443 after the retired member has met the definition of termination  
444 ~~been retired for 1 calendar month~~, in accordance with s.  
445 121.021(39). Any retired member who is reemployed before meeting  
446 the definition of termination voids ~~within 1 calendar month~~  
447 ~~after retirement shall void~~ his or her application for  
448 retirement benefits. The State University System is subject to  
449 the retired contribution required in subparagraph 7., as  
450 appropriate. A retired member may be reemployed as an adjunct  
451 faculty member or a participant in a phased retirement program  
452 for no more than 780 hours during the first 12 calendar months  
453 after meeting the definition of termination ~~of his or her~~  
454 ~~retirement~~. Any retired member reemployed for more than 780  
455 hours during the 12-month limitation period ~~first 12 months of~~  
456 ~~retirement~~ shall give timely notice in writing to the employer  
457 and to the Division of Retirement ~~division~~ of the date he or she  
458 will exceed the limitation. The division shall suspend his or  
459 her retirement benefits for the remainder of the 12-month  
460 limitation period ~~first 12 months of retirement~~. Any person  
461 employed in violation of this subparagraph and any employing  
462 agency that ~~which~~ knowingly employs or appoints such person  
463 without notifying the division ~~Division of Retirement~~ to suspend  
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464 retirement benefits are ~~shall be~~ jointly and severally liable  
465 for ~~reimbursement to the retirement trust fund of~~ any benefits  
466 paid during the reemployment limitation period. To avoid  
467 liability, such employing agency must ~~shall~~ have a written  
468 statement from the retiree that he or she is not retired from a  
469 state-administered retirement system. Any retirement benefits  
470 received by a retired member while reemployed in excess of 780  
471 hours during the first 12 months of retirement must ~~shall~~ be  
472 repaid to the Florida Retirement System Trust Fund, and  
473 retirement benefits ~~shall~~ remain suspended until repayment is  
474 made. Benefits suspended beyond the end of the retired member's  
475 12-month limitation period ~~first 12 months of retirement~~ shall  
476 apply toward repayment of benefits received in violation of the  
477 780-hour reemployment limitation.

478 6. The Board of Trustees of the Florida School for the  
479 Deaf and the Blind may reemploy a retired member as a substitute  
480 teacher, substitute residential instructor, or substitute nurse  
481 on a noncontractual basis after he or she has met the definition  
482 of termination ~~been retired for 1 calendar month~~, in accordance  
483 ~~with~~ s. 121.021(39). The Board of Trustees of the Florida School  
484 for the Deaf and the Blind may reemploy a retired member as  
485 instructional personnel, as defined in s. 1012.01(2)(a), on an  
486 annual contractual basis after he or she has been retired and  
487 met the definition of termination in s. 121.021(39). Any retired  
488 member who is reemployed before meeting the definition of  
489 termination voids ~~within 1 calendar month after retirement~~ shall  
490 ~~void~~ his or her application for retirement benefits. The Board  
491 of Trustees of the Florida School for the Deaf and the Blind

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492 reemploying such teachers, residential instructors, or nurses is  
493 subject to the retirement contribution required by subparagraph  
494 ~~7. Reemployment of a retired member as a substitute teacher,~~  
495 ~~substitute residential instructor, or substitute nurse is~~  
496 ~~limited to 780 hours during the first 12 months of his or her~~  
497 ~~retirement. Any retired member reemployed for more than 780~~  
498 ~~hours during the first 12 months of retirement shall give timely~~  
499 ~~notice in writing to the employer and to the division of the~~  
500 ~~date he or she will exceed the limitation. The division shall~~  
501 ~~suspend his or her retirement benefits for the remainder of the~~  
502 ~~first 12 months of retirement. Any person employed in violation~~  
503 ~~of this subparagraph and any employing agency which knowingly~~  
504 ~~employs or appoints such person without notifying the Division~~  
505 ~~of Retirement to suspend retirement benefits shall be jointly~~  
506 ~~and severally liable for reimbursement to the retirement trust~~  
507 ~~fund of any benefits paid during the reemployment limitation~~  
508 ~~period. To avoid liability, such employing agency shall have a~~  
509 ~~written statement from the retiree that he or she is not retired~~  
510 ~~from a state administered retirement system. Any retirement~~  
511 ~~benefits received by a retired member while reemployed in excess~~  
512 ~~of 780 hours during the first 12 months of retirement shall be~~  
513 ~~repaid to the Retirement System Trust Fund, and his or her~~  
514 ~~retirement benefits shall remain suspended until payment is~~  
515 ~~made. Benefits suspended beyond the end of the retired member's~~  
516 ~~first 12 months of retirement shall apply toward repayment of~~  
517 ~~benefits received in violation of the 780 hour reemployment~~  
518 ~~limitation.~~

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519       7.a. The employment ~~by an employer~~ of a any retiree or  
520 DROP participant of any state-administered retirement system  
521 does not affect ~~shall have no effect on~~ the average final  
522 compensation or years of creditable service of the retiree or  
523 DROP participant.

524       b. Prior to July 1, 1991 and for initial enrollment as a  
525 renewed member through December 31, 2008, upon employment of any  
526 person, other than an elected officer as provided in s. 121.053,  
527 who is ~~has been~~ retired under a any state-administered  
528 retirement program, the employer shall pay retirement  
529 contributions in an amount equal to the unfunded actuarial  
530 liability portion of the employer contribution which would be  
531 required for regular members of the Florida Retirement System.  
532 Effective July 1, 1991, contributions shall be made as provided  
533 in s. 121.122 for retirees who have ~~with~~ renewed membership or,  
534 as provided in subsection (13) for ~~with respect to~~ DROP  
535 participants.

536       c. Any person who is retired under a state-administered  
537 retirement program and who is initially reemployed on or after  
538 January 1, 2009, will not renew membership in the Florida  
539 Retirement System. The employer shall pay retirement  
540 contributions in an amount equal to the unfunded actuarial  
541 liability portion of the employer contribution that would be  
542 required for active members of the Florida Retirement System in  
543 addition to the contributions required by s. 121.76.

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

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547 Officers' Class on or after July 1, 1990 through December 31,  
548 2008, shall be enrolled in the Florida Retirement System as  
549 provided in s. 121.053(1)(b) or, if holding an elective public  
550 office that does not qualify for the Elected Officers' Class on  
551 or after July 1, 1991 through December 31, 2008, shall be  
552 enrolled in the Florida Retirement System as provided in s.  
553 121.122, and shall continue to receive retirement benefits as  
554 well as compensation for the elected officer's service for as  
555 long as he or she remains in elective office. However, any  
556 retired member who served in an elective office prior to July 1,  
557 1990, suspended his or her retirement benefit, and had his or  
558 her Florida Retirement System membership reinstated shall, upon  
559 retirement from such office, have his or her retirement benefit  
560 recalculated to include the additional service and compensation  
561 earned.

562 b. Any person who has retired and who is holding an  
563 elective public office or an appointment to an elective public  
564 office initially eligible for the Elected Officers' Class on or  
565 after January 1, 2009, shall not be enrolled in the Florida  
566 Retirement System as provided in s. 121.053(1)(b) or, if holding  
567 an elective public office that does not qualify for the Elected  
568 Officers' Class and is initially eligible on or after January 1,  
569 2009, shall not be enrolled in the Florida Retirement System as  
570 provided in s. 121.122, and shall not continue to receive  
571 retirement benefits during the first 12 calendar months after  
572 meeting the definition of termination in s. 121.021(39).

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

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575 concurrently employed in nonelected covered employment before  
576 January 1, 2009, may elect to retire while continuing employment  
577 in the elective public office, if provided that he or she  
578 terminates shall be required to terminate his or her nonelected  
579 covered employment. Any person who exercises this election shall  
580 receive his or her retirement benefits in addition to the  
581 compensation of the elective office without regard to the time  
582 limitations otherwise provided in this subsection. A ~~No~~ person  
583 who seeks to exercise the provisions of this subparagraph, as  
584 they the same existed prior to May 3, 1984, may not shall be  
585 deemed to be retired under those provisions, unless such person  
586 is eligible to retire under the provisions of this subparagraph,  
587 as amended by chapter 84-11, Laws of Florida.

588 b. Any person who is holding an elective public office  
589 which is covered by the Florida Retirement System and who is  
590 concurrently employed in nonelected covered employment on or  
591 after January 1, 2009, may not elect to retire while continuing  
592 employment in the elective public office. Such person must meet  
593 the definition of termination in s. 121.021(39) and is subject  
594 to the limitations provided in this section.

595 10. The limitations of this paragraph apply to  
596 reemployment in any capacity with an "employer" as defined in s.  
597 121.021(10), irrespective of the category of funds from which  
598 the person is compensated.

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

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603 the definition of termination in s. 121.021(39). A developmental  
604 research school may reemploy a retired member as instructional  
605 personnel, as defined in s. 1012.01(2)(a), on an annual  
606 contractual basis after he or she has been retired and met the  
607 definition of termination in s. 121.021(39). Any other retired  
608 member who is reemployed within 12 calendar months after  
609 retirement voids his or her application for retirement benefits.  
610 A developmental research school that reemploys retired teachers  
611 and education paraprofessionals are subject to the retirement  
612 contribution required by subparagraph 7.

613 12. A charter school may reemploy a retired member as a  
614 substitute or hourly teacher on a noncontractual basis after he  
615 or she has been retired and met the definition of termination in  
616 s. 121.021(39). A charter school may reemploy a retired member  
617 as instructional personnel, as defined in s. 1012.01(2)(a), on  
618 an annual contractual basis after he or she has been retired and  
619 met the definition of termination in s. 121.021(39). Any other  
620 retired member who is reemployed within 12 calendar months after  
621 retirement voids his or her application for retirement benefits.  
622 A charter school that reemploys such teachers is subject to the  
623 retirement contribution required by subparagraph 7.

624 13. The reemployment after retirement provisions of this  
625 paragraph apply to DROP participants effective upon the end of  
626 DROP participation and meeting the definition of termination in  
627 s. 121.021(39). ~~An employing agency may reemploy a retired~~  
628 ~~member as a firefighter or paramedic after the retired member~~  
629 ~~has been retired for 1 calendar month, in accordance with s.~~  
630 ~~121.021(39). Any retired member who is reemployed within 1~~

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631 ~~calendar month after retirement shall void his or her~~  
632 ~~application for retirement benefits. The employing agency~~  
633 ~~reemploying such firefighter or paramedic is subject to the~~  
634 ~~retired contribution required in subparagraph 8. Reemployment of~~  
635 ~~a retired firefighter or paramedic is limited to no more than~~  
636 ~~780 hours during the first 12 months of his or her retirement.~~  
637 ~~Any retired member reemployed for more than 780 hours during the~~  
638 ~~first 12 months of retirement shall give timely notice in~~  
639 ~~writing to the employer and to the division of the date he or~~  
640 ~~she will exceed the limitation. The division shall suspend his~~  
641 ~~or her retirement benefits for the remainder of the first 12~~  
642 ~~months of retirement. Any person employed in violation of this~~  
643 ~~subparagraph and any employing agency which knowingly employs or~~  
644 ~~appoints such person without notifying the Division of~~  
645 ~~Retirement to suspend retirement benefits shall be jointly and~~  
646 ~~severally liable for reimbursement to the Retirement System~~  
647 ~~Trust Fund of any benefits paid during the reemployment~~  
648 ~~limitation period. To avoid liability, such employing agency~~  
649 ~~shall have a written statement from the retiree that he or she~~  
650 ~~is not retired from a state administered retirement system. Any~~  
651 ~~retirement benefits received by a retired member while~~  
652 ~~reemployed in excess of 780 hours during the first 12 months of~~  
653 ~~retirement shall be repaid to the Retirement System Trust Fund,~~  
654 ~~and retirement benefits shall remain suspended until repayment~~  
655 ~~is made. Benefits suspended beyond the end of the retired~~  
656 ~~member's first 12 months of retirement shall apply toward~~  
657 ~~repayment of benefits received in violation of the 780-hour~~  
658 ~~reemployment limitation.~~

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

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

669 2. Such retiree employed in violation of this subsection  
670 and any employing agency that knowingly employs or appoints such  
671 person shall be jointly and severally liable for reimbursement  
672 of any benefits paid to the retirement trust fund from which the  
673 benefits were paid, including the Retirement System Trust Fund  
674 and the Public Employee Optional Retirement Program Trust Fund,  
675 as appropriate. To avoid liability, such employing agency must  
676 have a written statement from the retiree that he or she is not  
677 retired from a state-administered retirement system.

678 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and  
679 subject to the provisions of this section, the Deferred  
680 Retirement Option Program, hereinafter referred to as the DROP,  
681 is a program under which an eligible member of the Florida  
682 Retirement System may elect to participate, deferring receipt of  
683 retirement benefits while continuing employment with his or her  
684 Florida Retirement System employer. The deferred monthly  
685 benefits shall accrue in the System Trust Fund on behalf of the  
686 participant, plus interest compounded monthly, for the specified

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687 period of the DROP participation, as provided in paragraph (c).  
688 Upon termination of employment as required in s. 121.021(39)(b),  
689 the participant shall receive the total DROP benefits and begin  
690 to receive the previously determined normal retirement benefits.  
691 Participation in the DROP does not guarantee employment for the  
692 specified period of DROP. Participation in the DROP by an  
693 eligible member beyond the initial 60-month period as authorized  
694 in this subsection shall be on an annual contractual basis for  
695 all participants.

696 (a) *Eligibility of member to participate in ~~the~~ DROP.*--All  
697 active Florida Retirement System members in a regularly  
698 established position, and all active members of ~~either~~ the  
699 Teachers' Retirement System established in chapter 238 or the  
700 State and County Officers' and Employees' Retirement System  
701 established in chapter 122, which systems are consolidated  
702 within the Florida Retirement System under s. 121.011, are  
703 eligible to elect participation in the DROP if provided that:

704 1. The member is not a renewed member ~~of the Florida~~  
705 ~~Retirement System~~ under s. 121.122, or a member or renewed  
706 member of the State Community College System Optional Retirement  
707 Program under s. 121.051, the Senior Management Service Optional  
708 Annuity Program under s. 121.055, or the optional retirement  
709 program for the State University System under s. 121.35.

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

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715 Risk Class members, election to participate may be deferred to  
716 the 12 months immediately following the date the member attains  
717 57, or age 52 for Special Risk Class members. ~~For a member who~~  
718 ~~first reached normal retirement date or the deferred eligibility~~  
719 ~~date described above prior to the effective date of this~~  
720 ~~section, election to participate shall be made within 12 months~~  
721 ~~after the effective date of this section.~~ A member who fails to  
722 make an election within the ~~such~~ 12-month limitation period  
723 forfeits ~~shall forfeit~~ all rights to participate in the DROP.  
724 The member shall advise his or her employer and the division in  
725 writing of the date ~~on which the DROP begins~~ shall begin. The  
726 ~~Such~~ beginning date may be subsequent to the 12-month election  
727 period, but must be within the original 60-month participation  
728 ~~or, with respect to members who are instructional personnel~~  
729 ~~employed by the Florida School for the Deaf and the Blind and~~  
730 ~~who have received authorization by the Board of Trustees of the~~  
731 ~~Florida School for the Deaf and the Blind to participate in the~~  
732 ~~DROP beyond 60 months, or who are instructional personnel as~~  
733 ~~defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have~~  
734 ~~received authorization by the district school superintendent to~~  
735 ~~participate in the DROP beyond 60 months, the 96-month~~  
736 ~~limitation period as provided in subparagraph (b)1. When~~  
737 ~~establishing eligibility of the member to participate in the~~  
738 ~~DROP for the 60-month or, with respect to members who are~~  
739 ~~instructional personnel employed by the Florida School for the~~  
740 ~~Deaf and the Blind and who have received authorization by the~~  
741 ~~Board of Trustees of the Florida School for the Deaf and the~~  
742 ~~Blind to participate in the DROP beyond 60 months, or who are~~

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743 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
744 ~~grades K-12 and who have received authorization by the district~~  
745 ~~school superintendent to participate in the DROP beyond 60~~  
746 ~~months, the 96 month maximum participation period, the member~~  
747 may elect to include or exclude any optional service credit  
748 purchased by the member from the total service used to establish  
749 the normal retirement date. A member who has ~~with~~ dual normal  
750 retirement dates is ~~shall be~~ eligible to elect to participate in  
751 DROP within 12 months after attaining normal retirement date in  
752 either class.

753 3. The employer of a member electing to participate in the  
754 DROP, or employers if dually employed, shall acknowledge in  
755 writing to the division the date the member's participation in  
756 the DROP begins and the date the member's employment and DROP  
757 participation will terminate.

758 4. Simultaneous employment of a participant by additional  
759 Florida Retirement System employers subsequent to the  
760 commencement of participation in ~~the~~ DROP is ~~shall be~~  
761 permissible if ~~provided~~ such employers acknowledge in writing a  
762 DROP termination date no later than the participant's existing  
763 termination date or the maximum participation ~~60-month~~  
764 ~~limitation~~ period as provided in subparagraph (b)1.

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

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

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

773 b. Such participant and new employer shall notify the  
774 division of the identity of the new employer on forms required  
775 by the division ~~as to the identity of the new employer.~~

776 c. The new employer shall acknowledge, in writing, the  
777 participant's DROP termination date, which may be extended but  
778 not beyond the maximum participation ~~original 60 month or, with~~  
779 ~~respect to members who are instructional personnel employed by~~  
780 ~~the Florida School for the Deaf and the Blind and who have~~  
781 ~~received authorization by the Board of Trustees of the Florida~~  
782 ~~School for the Deaf and the Blind to participate in the DROP~~  
783 ~~beyond 60 months, or who are instructional personnel as defined~~  
784 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~  
785 ~~authorization by the district school superintendent to~~  
786 ~~participate in the DROP beyond 60 months, the 96-month period~~  
787 ~~provided in subparagraph (b)1., shall acknowledge liability for~~  
788 ~~any additional retirement contributions and interest required if~~  
789 ~~the participant fails to timely terminate employment, and is~~  
790 ~~shall be~~ subject to the adjustment required in sub-subparagraph  
791 (c)5.d.

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

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799 participate in the DROP for the 60-month ~~or, with respect to~~  
800 ~~members who are instructional personnel employed by the Florida~~  
801 ~~School for the Deaf and the Blind and who have received~~  
802 ~~authorization by the Board of Trustees of the Florida School for~~  
803 ~~the Deaf and the Blind to participate in the DROP beyond 60~~  
804 ~~months, or who are instructional personnel as defined in s.~~  
805 ~~1012.01(2) (a) - (d) in grades K-12 and who have received~~  
806 ~~authorization by the district school superintendent to~~  
807 ~~participate in the DROP beyond 60 months, the 96 month maximum~~  
808 ~~participation period, as provided in subparagraph (b)1., the~~  
809 ~~member may elect to include or exclude any optional service~~  
810 ~~credit purchased by the member from the total service used to~~  
811 ~~establish the normal retirement date. A member who has with dual~~  
812 ~~normal retirement dates is shall be eligible to elect to~~  
813 ~~participate in either class.~~

814 (b) *Participation in the DROP.--*

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

818 b. Members with respect to members who are instructional  
819 personnel employed by the Florida School for the Deaf and the  
820 Blind and who are authorized ~~have received authorization~~ by the  
821 Board of Trustees of the Florida School for the Deaf and the  
822 Blind ~~to participate in the DROP beyond 60 months, or who are~~  
823 ~~instructional personnel as defined in s. 1012.01(2) (a) - (d) in~~  
824 ~~grades K-12 and who are authorized have received authorization~~  
825 ~~by the district school superintendent to participate in the DROP~~  
826 ~~beyond 60 calendar months, or who are instructional personnel as~~

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827 defined in s. 1012.01(2)(a)-(d) employed by a developmental  
828 research school and who are authorized by the school's director,  
829 or if the school has no director, by the school's principal, to  
830 participate in DROP beyond the original 60-month period, for up  
831 to 36 ~~96~~ calendar months immediately following the DROP  
832 termination date selected for participation in sub-subparagraph  
833 a. date on which the member first reaches his or her normal  
834 retirement date or the date to which he or she is eligible to  
835 defer his or her election to participate as provided in  
836 subparagraph (a)2. However, a member who has reached normal  
837 retirement date prior to the effective date of the DROP shall be  
838 eligible to participate in the DROP for a period of time not to  
839 exceed 60 calendar months or, with respect to members who are  
840 instructional personnel employed by the Florida School for the  
841 Deaf and the Blind and who have received authorization by the  
842 Board of Trustees of the Florida School for the Deaf and the  
843 Blind to participate in the DROP beyond 60 months, or who are  
844 instructional personnel as defined in s. 1012.01(2)(a)-(d) in  
845 grades K-12 and who have received authorization by the district  
846 school superintendent to participate in the DROP beyond 60  
847 calendar months, 96 calendar months immediately following the  
848 effective date of the DROP, except a member of the Special Risk  
849 Class who has reached normal retirement date prior to the  
850 effective date of the DROP and whose total accrued value exceeds  
851 75 percent of average final compensation as of his or her  
852 effective date of retirement shall be eligible to participate in  
853 the DROP for no more than 36 calendar months immediately  
854 following the effective date of the DROP.

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855           2. Upon deciding to participate in ~~the~~ DROP, the member  
856 shall submit, on forms required by the division:

857           a. A written election to participate in ~~the~~ DROP;

858           b. Selection of ~~the~~ DROP participation and termination  
859 dates, which satisfy the limitations stated in paragraph (a) and  
860 subparagraph 1. ~~The~~ ~~Such~~ termination date must ~~shall~~ be in a  
861 binding letter of resignation to ~~with~~ the employer, establishing  
862 a deferred termination date. The member may change the  
863 termination date within the limitations of subparagraph 1., but  
864 only with the written approval of the ~~his or her~~ employer;

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

867           d. Any other information required by the division.

868           3. The DROP participant is ~~shall be~~ a retiree under the  
869 Florida Retirement System for all purposes, except for paragraph  
870 (5)(f) and subsection (9) and ss. 112.3173, 112.363, 121.053,  
871 and 121.122. DROP participation is final and cannot be canceled  
872 by the participant after the first payment is credited during  
873 the DROP participation period. However, participation in ~~the~~  
874 DROP does not alter the participant's employment status and the  
875 member is ~~such employee shall not be~~ deemed retired from  
876 employment until his or her deferred resignation is effective  
877 and termination occurs as provided in s. 121.021(39).

878           4. Elected officers are ~~shall be~~ eligible to participate  
879 in the DROP subject to the following:

880           a. An elected officer who reaches normal retirement date  
881 during a term of office may defer the election to participate in  
882 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~

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

886 b. An elected or a nonelected participant may run for a  
887 term of office while participating in DROP and, if elected,  
888 extend the DROP termination date accordingly, except, however,  
889 if such additional term of office exceeds the 60-month  
890 limitation established in subparagraph 1., and the officer does  
891 not resign from office within such 60-month limitation, the  
892 retirement and the participant's DROP is ~~shall be~~ null and void  
893 as provided in sub-subparagraph (c)5.d.

894 c. (I) For DROP participation ending before January 1,  
895 2009, an elected officer who is dually employed and elects to  
896 participate in DROP must ~~shall be required to~~ satisfy the  
897 definition of termination within the original 60-month period or  
898 maximum participation, ~~with respect to members who are~~  
899 ~~instructional personnel employed by the Florida School for the~~  
900 ~~Deaf and the Blind and who have received authorization by the~~  
901 ~~Board of Trustees of the Florida School for the Deaf and the~~  
902 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
903 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
904 ~~grades K-12 and who have received authorization by the district~~  
905 ~~school superintendent to participate in the DROP beyond 60~~  
906 ~~months, the 96-month limitation period as provided in~~  
907 subparagraph 1. for the nonelected position and may continue  
908 employment as an elected officer as provided in s. 121.053. The  
909 elected officer shall ~~will~~ be enrolled as a renewed member in  
910 the Elected Officers' Class or the Regular Class, as provided in

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911 ss. 121.053 and 121.122, on the first day of the month after  
912 termination of employment in the nonelected position and  
913 termination of DROP. Distribution of ~~the~~ DROP benefits shall be  
914 made as provided in paragraph (c).

915 (II) For DROP participation ending on or after January 1,  
916 2009, an elected officer who is dually employed and elects to  
917 participate in DROP must satisfy the definition of termination  
918 in s. 121.021(39) within the original 60-month period or maximum  
919 period as provided in subparagraph 1.

920 (c) *Benefits payable under ~~the~~ DROP.--*

921 1. Effective on ~~with~~ the date of DROP participation, the  
922 member's initial normal monthly benefit, including creditable  
923 service, optional form of payment, and average final  
924 compensation, and the effective date of retirement are ~~shall be~~  
925 fixed. The beneficiary established under the Florida Retirement  
926 System shall be the beneficiary eligible to receive any DROP  
927 benefits payable if the DROP participant dies prior to the  
928 completion of the period of DROP participation. If ~~In the event~~  
929 a joint annuitant predeceases the member, the member may name a  
930 beneficiary to receive accumulated DROP benefits payable. The  
931 ~~Such~~ retirement benefit, the annual cost of living adjustments  
932 provided in s. 121.101, and interest shall accrue monthly in the  
933 System Trust Fund. The ~~Such~~ interest shall accrue at an  
934 effective annual rate of 6.5 percent compounded monthly, on the  
935 prior month's accumulated ending balance, up to the month of  
936 termination or death.

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

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939 accrued annual leave earned in accordance with agency policy  
940 upon beginning participation in ~~the~~ DROP. The ~~Such~~ accumulated  
941 leave payment certified to the division upon commencement of  
942 DROP shall be included in the calculation of the member's  
943 average final compensation. The employee electing the ~~such~~ lump-  
944 sum payment is not ~~upon beginning participation in DROP will not~~  
945 ~~be~~ eligible to receive a second lump-sum payment upon  
946 termination, except to the extent the employee has earned  
947 additional annual leave which combined with the original payment  
948 does not exceed the maximum lump-sum payment allowed by the  
949 employing agency's policy or rules. An ~~Such~~ early lump-sum  
950 payment shall be based on the hourly wage of the employee at the  
951 time he or she begins participation in ~~the~~ DROP. If the member  
952 elects to wait and receive such lump-sum payment upon  
953 termination of DROP and termination of employment with the  
954 employer, any accumulated leave payment made at that time may  
955 not ~~cannot~~ be included in the member's retirement benefit, which  
956 was determined and fixed by law when the employee elected to  
957 participate in ~~the~~ DROP.

958 3. The effective date of DROP participation and the  
959 effective date of retirement of a DROP participant shall be the  
960 first day of the month selected by the member to begin  
961 participation in ~~the~~ DROP, provided such date is properly  
962 established, with the written confirmation of the employer, and  
963 the approval of the division, on forms required by the division.

964 4. Normal retirement benefits and any interest ~~thereon~~  
965 shall continue to accrue in ~~the~~ DROP until the established  
966 termination date of ~~the~~ DROP, or until the participant

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967 terminates employment or dies prior to such date. Although  
968 individual DROP accounts shall not be established, a separate  
969 accounting of each participant's accrued benefits under ~~the~~ DROP  
970 shall be calculated and provided to participants.

971 5. At the conclusion of the participant's DROP, the  
972 division shall distribute the participant's total accumulated  
973 DROP benefits, subject to the following provisions:

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

977 b. The terminated DROP participant or, if deceased, the  
978 ~~such~~ participant's named beneficiary, shall elect on forms  
979 provided by the division to receive payment of ~~the~~ DROP benefits  
980 in accordance with one of the options listed below. If ~~For~~ a  
981 participant or beneficiary ~~who~~ fails to elect a method of  
982 payment within 60 days of termination of ~~the~~ DROP, the division  
983 shall ~~will~~ pay a lump sum as provided in sub-sub-subparagraph  
984 (I).

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

988 (II) Direct rollover.--All accrued DROP benefits, plus  
989 interest, shall be paid from ~~the~~ DROP directly to the custodian  
990 of an eligible retirement plan as defined in s. 402(c)(8)(B) of  
991 the Internal Revenue Code. However, in the case of an eligible  
992 rollover distribution to the surviving spouse of a deceased  
993 participant, an eligible retirement plan is an individual

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994 retirement account or an individual retirement annuity as  
995 described in s. 402(c)(9) of the Internal Revenue Code.

996 (III) Partial lump sum.--A portion of the accrued DROP  
997 benefits shall be paid to the DROP participant or surviving  
998 spouse, less withholding taxes remitted to the Internal Revenue  
999 Service, and the remaining DROP benefits shall be transferred  
1000 directly to the custodian of an eligible retirement plan as  
1001 defined in s. 402(c)(8)(B) of the Internal Revenue Code.

1002 However, in the case of an eligible rollover distribution to the  
1003 surviving spouse of a deceased participant, an eligible  
1004 retirement plan is an individual retirement account or an  
1005 individual retirement annuity as described in s. 402(c)(9) of  
1006 the Internal Revenue Code. The proportions shall be specified by  
1007 the DROP participant or surviving beneficiary.

1008 c. The form of payment selected by the DROP participant or  
1009 surviving beneficiary must comply ~~complies~~ with the minimum  
1010 distribution requirements of the Internal Revenue Code.

1011 d. A DROP participant who fails to terminate employment as  
1012 defined in s. 121.021(39)(b) shall be deemed not ~~to be~~ retired,  
1013 and the DROP election is ~~shall be~~ null and void. Florida  
1014 Retirement System membership shall be reestablished  
1015 retroactively to the date of the commencement of ~~the~~ DROP, and  
1016 each employer with whom the participant continues employment  
1017 must ~~shall be required to~~ pay to the Florida Retirement System  
1018 Trust Fund the difference between the DROP contributions paid in  
1019 paragraph (i) and the contributions required for the applicable  
1020 Florida Retirement System class of membership during the period

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1021 the member participated in ~~the~~ DROP, plus 6.5 percent interest  
1022 compounded annually.

1023 6. The retirement benefits of any DROP participant who  
1024 meets the definition of termination in s. 121.021(39)(b), but is  
1025 in violation of the reemployment provisions as provided in  
1026 subsection (9), shall be suspended during those months in which  
1027 the member is in violation. Any member employed in violation of  
1028 this subparagraph and any employing agency that knowingly  
1029 employs or appoints such member without notifying the Division  
1030 of Retirement to suspend retirement benefits are jointly and  
1031 severally liable for any benefits paid during the reemployment  
1032 limitation period. To avoid liability, the employing agency must  
1033 have a written statement from the retiree that he or she is not  
1034 retired from a state-administered retirement system. Any  
1035 retirement benefits received by a retired member while employed  
1036 in violation of the reemployment limitations during the first 12  
1037 months after meeting termination must be repaid to the Florida  
1038 Retirement System Trust Fund, and his or her retirement benefits  
1039 shall remain suspended until payment is made. Benefits suspended  
1040 beyond the end of the retired member's first 12 calendar months  
1041 after meeting the definition of termination in s. 121.021(39)(b)  
1042 shall apply toward repayment of benefits received in violation  
1043 of the reemployment limitations.

1044 7. The accrued benefits of any DROP participant, and any  
1045 contributions accumulated under ~~the such~~ program, ~~are shall~~ not  
1046 be subject to assignment, execution, attachment, or to any legal  
1047 process whatsoever, except for qualified domestic relations

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1048 orders by a court of competent jurisdiction, income deduction  
1049 orders as provided in s. 61.1301, and federal income tax levies.

1050 ~~8.7.~~ DROP participants are not ~~shall not be~~ eligible for  
1051 disability retirement benefits as provided in subsection (4).

1052 (d) *Death benefits under ~~the~~ DROP.*--

1053 1. Upon the death of a DROP participant, the named  
1054 beneficiary shall be entitled to apply for and receive the  
1055 accrued benefits in ~~the~~ DROP as provided in sub-subparagraph  
1056 (c)5.b.

1057 2. The normal retirement benefit accrued to ~~the~~ DROP  
1058 during the month of a participant's death shall be the final  
1059 monthly benefit credited for such DROP participant.

1060 3. Eligibility to participate in ~~the~~ DROP terminates upon  
1061 death of the participant. If the participant dies on or after  
1062 the effective date of enrollment in ~~the~~ DROP, but prior to the  
1063 first monthly benefit being credited to ~~the~~ DROP, Florida  
1064 Retirement System benefits shall be paid in accordance with  
1065 subparagraph (7)(c)1. or subparagraph 2.

1066 4. A DROP participants' survivors shall not be eligible to  
1067 receive Florida Retirement System death benefits as provided in  
1068 paragraph (7)(d).

1069 (e) *Cost-of-living adjustment.*--On each July 1, the  
1070 participants' normal retirement benefit shall be increased as  
1071 provided in s. 121.101.

1072 (f) *Retiree health insurance subsidy.*--DROP participants  
1073 are not eligible to apply for the retiree health insurance  
1074 subsidy payments as provided in s. 112.363 until such

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1075 participants have terminated employment and participation in the  
1076 DROP.

1077 (g) *Renewed membership.*--DROP participants must meet the  
1078 definition of termination in s. 121.021(39)(b) and must meet  
1079 eligibility requirements ~~shall not be eligible~~ for renewed  
1080 membership in the Florida Retirement System under ss. 121.053  
1081 and 121.122 ~~until termination of employment is effectuated as~~  
1082 ~~provided in s. 121.021(39)(b).~~

1083 (h) *Employment limitation after DROP participation.*--Upon  
1084 satisfying the definition of termination of employment as  
1085 provided in s. 121.021(39)(b), DROP participants shall be  
1086 subject to such reemployment limitations as other retirees.  
1087 Reemployment restrictions applicable to retirees as provided in  
1088 subsection (9) shall not apply to DROP participants until their  
1089 employment and participation in the DROP are terminated.

1090 (i) *Contributions.*--

1091 1. All employers paying the salary of a DROP participant  
1092 filling a regularly established position shall contribute 8.0  
1093 percent of such participant's gross compensation for the period  
1094 of July 1, 2002, through June 30, 2003, and 11.56 percent of  
1095 such compensation thereafter, which shall constitute the entire  
1096 employer DROP contribution with respect to such participant.  
1097 Such contributions, payable to the System Trust Fund in the same  
1098 manner as required in s. 121.071, shall be made as appropriate  
1099 for each pay period and are in addition to contributions  
1100 required for social security and the Retiree Health Insurance  
1101 Subsidy Trust Fund. Such employer, social security, and health  
1102 insurance subsidy contributions are not included in the DROP.

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1103           2. The employer shall, in addition to subparagraph 1.,  
1104 also withhold one-half of the entire social security  
1105 contribution required for the participant. Contributions for  
1106 social security by each participant and each employer, in the  
1107 amount required for social security coverage as now or hereafter  
1108 provided by the federal Social Security Act, shall be in  
1109 addition to contributions specified in subparagraph 1.

1110           3. All employers paying the salary of a DROP participant  
1111 filling a regularly established position shall contribute the  
1112 percent of such participant's gross compensation required in s.  
1113 121.071(4), which shall constitute the employer's health  
1114 insurance subsidy contribution with respect to such participant.  
1115 Such contributions shall be deposited by the administrator in  
1116 the Retiree Health Insurance Subsidy Trust Fund.

1117           (j) *Forfeiture of retirement benefits.*--Nothing in this  
1118 section shall be construed to remove DROP participants from the  
1119 scope of s. 8(d), Art. II of the State Constitution, s.  
1120 112.3173, and paragraph (5)(f). DROP participants who commit a  
1121 specified felony offense while employed will be subject to  
1122 forfeiture of all retirement benefits, including DROP benefits,  
1123 pursuant to those provisions of law.

1124           (k) *Administration of program.*--The division shall make  
1125 such rules as are necessary for the effective and efficient  
1126 administration of this subsection. The division shall not be  
1127 required to advise members of the federal tax consequences of an  
1128 election related to the DROP but may advise members to seek  
1129 independent advice.

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1130 (14) PAYMENT OF BENEFITS.--This subsection applies to the  
1131 payment of benefits to a payee (retiree or beneficiary) under  
1132 the Florida Retirement System:

1133 (a) Federal income tax shall be withheld in accordance  
1134 with federal law, unless the payee elects otherwise on Form W-  
1135 4P. The division shall prepare and distribute to each recipient  
1136 of monthly retirement benefits an appropriate income tax form  
1137 that reflects the recipient's income and federal income tax  
1138 withheld for the calendar year just ended.

1139 (b) Subject to approval by the division in accordance with  
1140 rule 60S-4.015, Florida Administrative Code, a payee receiving  
1141 retirement benefits under the ~~Florida Retirement~~ system may also  
1142 have the following payments deducted from his or her monthly  
1143 benefit:

1144 1. Premiums for life and health-related insurance policies  
1145 from approved companies.

1146 2. Life insurance premiums for the State Group Life  
1147 Insurance Plan, if authorized in writing by the payee and by the  
1148 department ~~of Management Services~~.

1149 3. Repayment of overpayments from the Florida Retirement  
1150 System Trust Fund, the State Employees' Health Insurance Trust  
1151 Fund, or the State Employees' Life Insurance Trust Fund, upon  
1152 notification of the payee.

1153 4. Payments to an alternate payee for alimony or, child  
1154 support pursuant to an income deduction order under s. 61.1301,  
1155 or division of marital assets pursuant to a qualified domestic  
1156 relations order under s. 222.21 ~~or an income deduction order~~  
1157 ~~under s. 61.1301.~~

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1158 5. Payments to the Internal Revenue Service for federal  
1159 income tax levies, upon notification of the division by the  
1160 Internal Revenue Service.

1161 (c) A payee must ~~shall~~ notify the division of any change  
1162 in his or her address. The division may suspend benefit payments  
1163 to a payee if correspondence sent to the payee's mailing address  
1164 is returned due to an incorrect address. Benefit payments shall  
1165 be resumed upon notification to the division of the payee's new  
1166 address.

1167 (d) A payee whose retirement benefits are reduced by the  
1168 application of maximum benefit limits under s. 415(b) of the  
1169 Internal Revenue Code, as specified in s. 121.30(5), shall have  
1170 the portion of his or her calculated benefit in the Florida  
1171 Retirement System defined benefit plan which exceeds such  
1172 federal limitation paid through the Florida Retirement System  
1173 Preservation of Benefits Plan, as provided in s. 121.1001.

1174 (e) The Division of Retirement may issue retirement  
1175 benefits payable for division of marital assets pursuant to a  
1176 qualified domestic relations order directly to the alternate  
1177 payee, any court order to the contrary notwithstanding, in order  
1178 to meet Internal Revenue Code requirements.

1179 (f)(e) A ~~Ne~~ benefit may not be reduced for the purpose of  
1180 preserving the member's eligibility for a federal program.

1181 (g)(f) The division shall adopt rules establishing  
1182 procedures for determining that ~~the~~ persons to whom benefits are  
1183 being paid are still living. The division shall suspend the  
1184 benefits being paid to any payee if ~~when~~ it is unable to contact  
1185 such payee and to confirm that he or she is still living.

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1186 Section 23. Effective January 1, 2009, section 121.093,  
1187 Florida Statutes, is repealed.

1188 Section 24. Effective January 1, 2009, section 121.094,  
1189 Florida Statutes, is repealed.

1190 Section 25. Effective January 1, 2009, section 121.122,  
1191 Florida Statutes, is amended to read:

1192 121.122 Renewed membership in system.--

1193 (1) Any retiree of a state-administered retirement system  
1194 who is initially reemployed on or after January 1, 2009, shall  
1195 not be eligible for renewed membership.

1196 (2) Except as provided in s. 121.053, effective July 1,  
1197 1991, through December 31, 2008, any retiree of a state-  
1198 administered retirement system who is initially reemployed  
1199 employed in a regularly established position with a covered  
1200 employer shall be enrolled as a compulsory member of the Regular  
1201 Class of the Florida Retirement System or, effective July 1,  
1202 1997, through December 31, 2008, any retiree of a state-  
1203 administered retirement system who is initially reemployed  
1204 employed in a position included in the Senior Management Service  
1205 Class shall be enrolled as a compulsory member of the Senior  
1206 Management Service Class of the Florida Retirement System as  
1207 provided in s. 121.055, and shall be entitled to receive an  
1208 additional retirement benefit, subject to the following  
1209 conditions:

1210 ~~(1)~~(a) Such member shall resatisfy the age and service  
1211 requirements as provided in this chapter for initial membership  
1212 under the system, unless such member elects to participate in  
1213 the Senior Management Service Optional Annuity Program in lieu

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1214 of the Senior Management Service Class, as provided in s.  
1215 121.055(6).

1216 (b) Such member shall not be entitled to disability  
1217 benefits as provided in s. 121.091(4).

1218 (c) Such member must meet the reemployment after  
1219 retirement limitations as provided in s. 121.091(9), as  
1220 applicable.

1221 ~~(3)~~ ~~(2)~~ Upon renewed membership or reemployment of a  
1222 retiree, the employer of such member shall pay the applicable  
1223 employer contributions as required by ss. 121.71, 121.74,  
1224 121.76, and 112.363 ~~121.055(3) and 121.071(1)(a) and (4)~~.

1225 ~~(4)~~ ~~(3)~~ The retiree of a state-administered retirement  
1226 system who is initially reemployed before January 1, 2009, Such  
1227 ~~member~~ shall be entitled to purchase additional retirement  
1228 credit in the Regular Class or the Senior Management Service  
1229 Class, as applicable, for any postretirement service performed  
1230 in a regularly established position as follows:

1231 (a) For regular class service prior to July 1, 1991, by  
1232 paying the Regular Class applicable employee and employer  
1233 contributions for the period being claimed, plus 4 percent  
1234 interest compounded annually from first year of service claimed  
1235 until July 1, 1975, and 6.5 percent interest compounded  
1236 thereafter, until full payment is made to the Florida Retirement  
1237 System Trust Fund; or

1238 (b) For Senior Management Service Class prior to June 1,  
1239 1997, as provided in s. 121.055(1)(j).

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1241 The contribution for postretirement service between July 1,  
1242 1985, and July 1, 1991, for which the reemployed retiree  
1243 contribution was paid, shall be the difference between such  
1244 contribution and the total applicable contribution for the  
1245 period being claimed, plus interest. The employer of such member  
1246 may pay the applicable employer contribution in lieu of the  
1247 member. If a member does not wish to claim credit for all of the  
1248 postretirement service for which he or she is eligible, the  
1249 service the member claims must be the most recent service.

1250 ~~(5)(4)~~ No creditable service for which credit was  
1251 received, or which remained unclaimed, at retirement may be  
1252 claimed or applied toward service credit earned following  
1253 renewed membership. However, for retirees initially reemployed  
1254 before January 1, 2009, service earned as an elected officer  
1255 with renewed membership in the Elected Officers' Class may be  
1256 used in conjunction with creditable service earned under this  
1257 section, provided the applicable vesting requirements and other  
1258 existing statutory conditions required by this chapter are met.

1259 ~~(6)(5)~~ Notwithstanding any other limitations provided in  
1260 this section, a participant of the State University System  
1261 Optional Retirement Program or the Senior Management Service  
1262 Optional Annuity Program who terminated employment and received  
1263 a distribution ~~commenced receiving an annuity~~ under the  
1264 provisions of the optional program, who initially renews  
1265 membership before January 1, 2009, ~~in the Regular Class~~ as  
1266 required by this section upon reemployment after retirement, and  
1267 who had previously earned creditable Florida Retirement System  
1268 service that was not included in any retirement benefit may

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1269 include such previous service toward vesting and service credit  
1270 in the second career benefit provided under renewed membership.

1271 ~~(7)-(6)~~ Any renewed member who is not receiving the maximum  
1272 health insurance subsidy provided in s. 112.363 shall be  
1273 entitled to earn additional credit toward the maximum health  
1274 insurance subsidy. Any additional subsidy due because of such  
1275 additional credit shall be received only at the time of payment  
1276 of the second career retirement benefit. In no case shall the  
1277 total health insurance subsidy received by a retiree receiving  
1278 benefits from initial and renewed membership exceed the maximum  
1279 allowed in s. 112.363.

1280 Section 26. Effective January 1, 2009, paragraph (e) of  
1281 subsection (5) of section 121.35, Florida Statutes, is amended  
1282 to read:

1283 121.35 Optional retirement program for the State  
1284 University System.--

1285 (5) BENEFITS.--

1286 (e) A participant who chooses to receive his or her  
1287 benefits upon termination of employment as defined in s.  
1288 121.021(39) shall have responsibility to notify the provider  
1289 company of the date on which he or she wishes benefits funded by  
1290 employer contributions to begin. Benefits may be deferred until  
1291 such time as the participant chooses to make such application.

1292 Section 27. Effective January 1, 2009, section 121.45,  
1293 Florida Statutes, is repealed.

1294 Section 28. Effective January 1, 2009, paragraph (f) of  
1295 subsection (2) of section 121.4501, Florida Statutes, is amended  
1296 to read:

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1297 121.4501 Public Employee Optional Retirement Program.--

1298 (2) DEFINITIONS.--As used in this part, the term:

1299 (f) "Eligible employee" means an officer or employee, as  
1300 defined in s. 121.021(11), who:

1301 1. Is a member of, or is eligible for membership in, the  
1302 Florida Retirement System, including any renewed member of the  
1303 Florida Retirement System initially enrolled before January 1,  
1304 2009; or

1305 2. Participates in, or is eligible to participate in, the  
1306 Senior Management Service Optional Annuity Program as  
1307 established under s. 121.055(6), the State Community College  
1308 Optional Retirement Program as established under s.  
1309 121.051(2)(c), or the State University System Optional  
1310 Retirement Program established under s. 121.35.

1311  
1312 The term does not include any member participating in the  
1313 Deferred Retirement Option Program established under s.  
1314 121.091(13), a retiree of a state-administered retirement system  
1315 initially reemployed on or after January 1, 2009, or a mandatory  
1316 participant of the State University System Optional Retirement  
1317 Program established under s. 121.35.

1318 Section 29. Effective January 1, 2009, subsection (1) of  
1319 section 121.591, Florida Statutes, is amended to read:

1320 121.591 Benefits payable under the Public Employee  
1321 Optional Retirement Program of the Florida Retirement  
1322 System.--Benefits may not be paid under this section unless the  
1323 member has terminated employment as provided in s.

1324 121.021(39)(a) or is deceased and a proper application has been  
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1325 filed in the manner prescribed by the state board or the  
1326 department. The state board or department, as appropriate, may  
1327 cancel an application for retirement benefits when the member or  
1328 beneficiary fails to timely provide the information and  
1329 documents required by this chapter and the rules of the state  
1330 board and department. In accordance with their respective  
1331 responsibilities as provided herein, the State Board of  
1332 Administration and the Department of Management Services shall  
1333 adopt rules establishing procedures for application for  
1334 retirement benefits and for the cancellation of such application  
1335 when the required information or documents are not received. The  
1336 State Board of Administration and the Department of Management  
1337 Services, as appropriate, are authorized to cash out a de  
1338 minimis account of a participant who has been terminated from  
1339 Florida Retirement System covered employment for a minimum of 6  
1340 calendar months. A de minimis account is an account containing  
1341 employer contributions and accumulated earnings of not more than  
1342 \$5,000 made under the provisions of this chapter. Such cash-out  
1343 must either be a complete lump-sum liquidation of the account  
1344 balance, subject to the provisions of the Internal Revenue Code,  
1345 or a lump-sum direct rollover distribution paid directly to the  
1346 custodian of an eligible retirement plan, as defined by the  
1347 Internal Revenue Code, on behalf of the participant. If any  
1348 financial instrument issued for the payment of retirement  
1349 benefits under this section is not presented for payment within  
1350 180 days after the last day of the month in which it was  
1351 originally issued, the third-party administrator or other duly  
1352 authorized agent of the State Board of Administration shall

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1353 cancel the instrument and credit the amount of the instrument to  
1354 the suspense account of the Public Employee Optional Retirement  
1355 Program Trust Fund authorized under s. 121.4501(6). Any such  
1356 amounts transferred to the suspense account are payable upon a  
1357 proper application, not to include earnings thereon, as provided  
1358 in this section, within 10 years after the last day of the month  
1359 in which the instrument was originally issued, after which time  
1360 such amounts and any earnings thereon shall be forfeited. Any  
1361 such forfeited amounts are assets of the Public Employee  
1362 Optional Retirement Program Trust Fund and are not subject to  
1363 the provisions of chapter 717.

1364 (1) NORMAL BENEFITS.--Under the Public Employee Optional  
1365 Retirement Program:

1366 (a) Benefits in the form of vested accumulations as  
1367 described in s. 121.4501(6) shall be payable under this  
1368 subsection in accordance with the following terms and  
1369 conditions:

1370 1. To the extent vested, benefits shall be payable only to  
1371 a participant.

1372 2. Benefits shall be paid by the third-party administrator  
1373 or designated approved providers in accordance with the law, the  
1374 contracts, and any applicable board rule or policy.

1375 3. To receive benefits under this subsection, the  
1376 participant must be terminated from all employment with all  
1377 Florida Retirement System employers, as provided in s.  
1378 121.021(39).

1379 4. Benefit payments may not be made until the participant  
1380 has been terminated for 3 calendar months, except that the board  
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1381 may authorize by rule for the distribution of up to 10 percent  
1382 of the participant's account after being terminated for 1  
1383 calendar month if a participant has reached the normal  
1384 retirement requirements of the defined benefit plan, as provided  
1385 in s. 121.021(29).

1386         5. If a member or former member of the Florida Retirement  
1387 System receives an invalid distribution from the Public Employee  
1388 Optional Retirement Program Trust Fund, such person shall repay  
1389 the full invalid distribution to the trust fund within 90 days  
1390 after receipt of final notification by the State Board of  
1391 Administration or the third-party administrator that the  
1392 distribution was invalid. If such person fails to repay the full  
1393 invalid distribution within 90 days after receipt of final  
1394 notification, the person may be deemed retired from the Public  
1395 Employee Optional Retirement Program by the state board, as  
1396 provided pursuant to s. 121.4501(2)(j), and shall be subject to  
1397 the provisions of s. 121.122. If such person is deemed retired  
1398 by the state board, any joint and several liability set out in  
1399 s. 121.091(9)(c)2. becomes null and void, and the state board,  
1400 the Department of Management Services, or the employing agency  
1401 is not liable for gains on payroll contributions that have not  
1402 been deposited to the person's account in the Public Employee  
1403 Optional Retirement Program, pending resolution of the invalid  
1404 distribution. The member or former member who has been deemed  
1405 retired or who has been determined by the board to have taken an  
1406 invalid distribution may appeal the agency decision through the  
1407 complaint process as provided under s. 121.4501(9)(f)3. As used  
1408 in this subparagraph, the term "invalid distribution" means any

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1409 distribution from an account in the Public Employee Optional  
1410 Retirement Program which is taken in violation of the provisions  
1411 of this section, s. 121.091(9), or s. 121.4501.

1412 (b) If a participant elects to receive his or her benefits  
1413 upon termination of employment as defined in s. 121.021(39), the  
1414 participant must submit a written application or an equivalent  
1415 form to the third-party administrator indicating his or her  
1416 preferred distribution date and selecting an authorized method  
1417 of distribution as provided in paragraph (c). The participant  
1418 may defer receipt of benefits until he or she chooses to make  
1419 such application, subject to federal requirements.

1420 (c) Upon receipt by the third-party administrator of a  
1421 properly executed application for distribution of benefits, the  
1422 total accumulated benefit shall be payable to the participant,  
1423 as:

- 1424 1. A lump-sum distribution to the participant;
- 1425 2. A lump-sum direct rollover distribution whereby all  
1426 accrued benefits, plus interest and investment earnings, are  
1427 paid from the participant's account directly to the custodian of  
1428 an eligible retirement plan, as defined in s. 402(c)(8)(B) of  
1429 the Internal Revenue Code, on behalf of the participant; or
- 1430 3. Periodic distributions, as authorized by the state  
1431 board.

1432 Section 30. Except as otherwise specifically provided in  
1433 this act, this act shall take effect July 1, 2008.

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Amendment No.

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**T I T L E   A M E N D M E N T**

Remove line 85 and insert:  
of important state interest; amending s. 121.021, F.S.;  
redefining the term "termination"; amending s. 121.053,  
F.S.; revising provisions relating to participation in the  
Elected Officers' Class; amending s. 121.055, F.S.;  
revising provisions relating to participation in the  
Senior Management Service Class; amending s. 121.091,  
F.S.; revising limitations on the payment of retirement  
contributions for certain retired persons who are  
reemployed by an employer participating in a state-  
administered retirement system; deleting a restriction on  
the reemployment of certain personnel by the Florida  
School for the Deaf and the Blind; prohibiting certain  
persons holding public office from electing to retire  
while continuing employment in that elected office;  
deleting a provision authorizing an employing agency to  
reemploy a retired member as a firefighter or paramedic  
after a specified period; providing certain limitations  
for DROP participants; clarifying that DROP participation  
cannot be cancelled; providing for the suspension of DROP  
benefits to a participant who is reemployed; authorizing  
the Division of Retirement to issue benefits directly to  
the alternate payee pursuant to a qualified domestic  
relations order; repealing s. 121.093, F.S., authorizing a  
developmental research school and the Florida School for

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Amendment No.

1465 the Deaf and the Blind to reemploy after retirement  
1466 instructional personnel; repealing s. 121.094, F.S.,  
1467 authorizing charter schools to reemploy after retirement  
1468 instructional personnel; reemployment after retirement;  
1469 amending s. 121.122, F.S.; providing that certain persons  
1470 are ineligible for renewed membership in the Florida  
1471 Retirement System; amending s. 121.35, F.S.; providing a  
1472 cross-reference; repealing s. 121.45, F.S., relating to  
1473 interstate compacts for pension portability; amending s.  
1474 121.4501, F.S.; revising the definition of the term  
1475 "eligible employee" for purposes of the Public Employee  
1476 Optional Retirement Program; amending s. 121.591, F.S.;  
1477 providing a cross-reference; providing effective dates.