

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Schenck offered the following:

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

4 Remove everything after the enacting clause and insert:

5 Section 1. Subsections (10), (11), (18), paragraph (b) of  
6 subsection (22), and subsections (29), (39), (52), and (53) of  
7 section 121.021, Florida Statutes, are amended, and subsections  
8 (63) and (64) are added to that section, to read:

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

12 (10) "Employer" means any agency, branch, department,  
13 institution, university, institution of higher education, or  
14 board of the state, or any county agency, branch, department,  
15 board, district school board, or special district of the state,  
16 or any city of the state which participates in the system for  
964519

4/30/2008 7:09 PM

Amendment No.

17 the benefit of certain of its employees, or a charter school or  
18 charter technical career center that participates as provided in  
19 s. 121.051(2)(d). Employers are not agents of the department,  
20 the state board, or the Division of Retirement, and the  
21 department, the state board, and the division are not  
22 responsible for erroneous information provided by  
23 representatives of employers.

24 (11) "Officer or employee" means any person receiving  
25 salary payments for work performed in a regularly established  
26 position and, if employed by a city, a metropolitan planning  
27 organization, or a special district, employed in a covered  
28 group. The term does not apply to:

29 (a) State employees covered by a leasing agreement under  
30 s. 110.191, other public employees covered by a leasing  
31 agreement, or to a co-employer relationship.

32 (b) A person who is an inmate or prisoner at the time the  
33 work is performed.

34 (18) "Past service" of any member, as provided in s.  
35 121.081(1), means the number of years and complete months and  
36 any fractional part of a month, recognized and credited by an  
37 employer and approved by the administrator, during which the  
38 member was in the active employ of a governmental an employer  
39 and for which the employee is not entitled to a benefit prior to  
40 his or her date of participation.

41 (22) "Compensation" means the monthly salary paid a member  
42 by his or her employer for work performed arising from that  
43 employment.

Amendment No.

44 (b) Under no circumstances shall compensation for a member  
45 participating in the defined benefit retirement program or the  
46 Public Employee Optional Retirement Program of the Florida  
47 Retirement System include:

48 1. Fees paid professional persons for special or  
49 particular services or include salary payments made from a  
50 faculty practice plan authorized by the Board of Governors of  
51 the State University System for eligible clinical faculty at a  
52 college in a state university that has ~~with~~ a faculty practice  
53 plan; ~~or~~

54 2. ~~Any~~ Bonuses or other payments prohibited from inclusion  
55 in the member's average final compensation and defined in  
56 subsection (47); or

57 3. Payment for work given to a person who is an inmate or  
58 prisoner at the time the work is performed.

59 (29) "Normal retirement date" means the ~~first day of any~~  
60 ~~month following the~~ date a member attains normal retirement age  
61 and is vested, which is determined as follows ~~one of the~~  
62 ~~following~~ statuses:

63 (a) If a Regular Class member, ~~the member~~:

64 1. The first day of the month the member completes 6 or  
65 more years of creditable service and attains age 62; or

66 2. The first day of the month following the date the  
67 member completes 30 years of creditable service, regardless of  
68 age, which may include a maximum of 4 years of military service  
69 credit as long as such credit is not claimed under any other  
70 system.

71 (b) If a Special Risk Class member, ~~the member~~:

964519

4/30/2008 7:09 PM

Amendment No.

72 1. The first day of the month the member completes 6 or  
73 more years of creditable service in the Special Risk Class and  
74 attains age 55;

75 2. The first day of the month following the date the  
76 member completes 25 years of creditable service in the Special  
77 Risk Class, regardless of age; or

78 3. The first day of the month following the date the  
79 member completes 25 years of creditable service and attains age  
80 52, which service may include a maximum of 4 years of military  
81 service credit as long as such credit is not claimed under any  
82 other system and the remaining years are in the Special Risk  
83 Class.

84 (c) If a Senior Management Service Class member, ~~the~~  
85 ~~member~~:

86 1. The first day of the month the member completes 6 years  
87 of creditable service in the Senior Management Service Class and  
88 attains age 62; or

89 2. The first day of the month following the date the  
90 member completes 30 years of any creditable service, regardless  
91 of age, which may include a maximum of 4 years of military  
92 service credit as long as such credit is not claimed under any  
93 other system.

94 (d) If an Elected Officers' Class member, ~~the member~~:

95 1. The first day of the month the member completes 6 years  
96 of creditable service in the Elected Officers' Class and attains  
97 age 62; or

98 2. The first day of the month following the date the  
99 member completes 30 years of any creditable service, regardless  
964519

4/30/2008 7:09 PM

Amendment No.

100 of age, which may include a maximum of 4 years of military  
101 service credit as long as such credit is not claimed under any  
102 other system.

103  
104 "Normal retirement age" is attained on the "normal retirement  
105 date."

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

108 1. For retirements effective before July 1, 2009, a member  
109 ceases all employment relationships with employers under this  
110 system, as defined in subsection (10), but in the event a member  
111 should be employed by any such employer within the next calendar  
112 month, termination shall be deemed not to have occurred. A leave  
113 of absence shall constitute a continuation of the employment  
114 relationship, except that a leave of absence without pay due to  
115 disability may constitute termination for a member, if such  
116 member makes application for and is approved for disability  
117 retirement in accordance with s. 121.091(4). The department or  
118 board may require other evidence of termination as it deems  
119 necessary.

120 2. For retirements effective on or after July 1, 2009, a  
121 member ceases all employment relationships with employers under  
122 this system, as defined in subsection (10), but in the event a  
123 member should be employed by any such employer within the next  
124 12 calendar months, termination shall be deemed not to have  
125 occurred. A leave of absence shall constitute a continuation of  
126 the employment relationship, except that a leave of absence  
127 without pay due to disability may constitute termination for a

964519

4/30/2008 7:09 PM

Amendment No.

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

132 (b) "Termination" for a member electing to participate  
133 under the Deferred Retirement Option Program occurs when the  
134 Deferred Retirement Option Program participant ceases all  
135 employment relationships with employers under this system in  
136 accordance with s. 121.091(13), but:

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

143 2. For DROP termination dates on or after July 1, 2009, in  
144 the event the DROP participant should be employed by any such  
145 employer within the next 12 calendar months, termination will be  
146 deemed not to have occurred, except as provided in s.  
147 121.091(13)(b)4.c. A leave of absence shall constitute a  
148 continuation of the employment relationship.

149 (52) "Regularly established position" is defined as  
150 follows:

151 (a) With respect to employment for ~~in~~ a state employer  
152 agency, the term means a position that ~~which~~ is authorized and  
153 established pursuant to law and is compensated from a salaries  
154 appropriation pursuant to s. 216.011(1)(dd), or an established  
155 position which is authorized pursuant to s. 216.262(1)(a) and  
964519

4/30/2008 7:09 PM

Amendment No.

156 (b) and is compensated from a salaries account as provided by  
157 rule.

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

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

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

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

174 (63) "State board" or "board" means the State Board of  
175 Administration.

176 (64) "Trustees" means the Board of Trustees of the State  
177 Board of Administration.

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

180 121.031 Administration of system; appropriation; oaths;  
181 actuarial studies; public records.--

182 (6) Unless prior written approval is obtained from the  
183 department or state board, any promotional materials or

964519

4/30/2008 7:09 PM

Amendment No.

184 advertisements that, directly or indirectly, refer to the  
185 Florida Retirement System or the FRS, must contain a disclaimer  
186 that the information is not approved or endorsed by the Florida  
187 Retirement System.

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

191 121.051 Participation in the system.--

192 (1) COMPULSORY PARTICIPATION.--

193 (a) The provisions of this law are ~~shall be~~ compulsory as  
194 to all officers and employees, except elected officers who meet  
195 the requirements of s. 121.052(3), who are employed on or after  
196 December 1, 1970, by ~~of~~ an employer other than those referred to  
197 in paragraph (2)(b), and each officer or employee, as a  
198 condition of employment, shall become a member of the system as  
199 of his or her date of employment, except that a person who is  
200 retired from any state retirement system and is reemployed on or  
201 after December 1, 1970, may ~~shall not be permitted to~~ renew his  
202 or her membership in any state retirement system except as  
203 provided in s. 121.091(4)(h) for a person who recovers from  
204 disability, and as provided in s. 121.091(9)(b)10. ~~s.~~  
205 ~~121.091(9)(b)8.~~ for a person who is elected to public office,  
206 and, effective July 1, 1991, as provided in s. 121.122 for all  
207 other retirees. Officers and employees of the University  
208 Athletic Association, Inc., a nonprofit association connected  
209 with the University of Florida, employed on and after July 1,  
210 1979, may ~~shall not~~ participate in any state-supported  
211 retirement system.

964519

4/30/2008 7:09 PM



Amendment No.

212        1.a. Any person appointed on or after July 1, 1989, to a  
213 faculty position in a college at the J. Hillis Miller Health  
214 Center at the University of Florida or the Medical Center at the  
215 University of South Florida which has a faculty practice plan  
216 adopted provided by rule may adopted by the Board of Regents  
217 ~~shall~~ not participate in the Florida Retirement System.  
218 Effective January 1, 2009, any person appointed thereafter to a  
219 faculty position, including clinical faculty, in a college at a  
220 state university that has a faculty practice plan authorized by  
221 the Board of Governors may not participate in the Florida  
222 Retirement System. A faculty member so appointed shall  
223 participate in the optional retirement program for the State  
224 University System on the basis of his or her state-funded  
225 compensation, notwithstanding the provisions of s. 121.35(2)(a).

226        b. For purposes of this subparagraph, the term "faculty  
227 position" is defined as a position assigned the principal  
228 responsibility of teaching, research, or public service  
229 activities or administrative responsibility directly related to  
230 the academic mission of the college. The term "clinical faculty"  
231 is defined as a faculty position appointment in conjunction with  
232 a professional position in a hospital or other clinical  
233 environment at a college. The term "faculty practice plan"  
234 includes professional services to patients, institutions, or  
235 other parties which are rendered by the clinical faculty employed  
236 by a college that has a faculty practice plan at a state  
237 university authorized by the Board of Governors.

238        (2) OPTIONAL PARTICIPATION.--

Amendment No.

239 (f)1. If ~~Whenever~~ an employer that participates in the  
240 Florida Retirement System undertakes the transfer, merger, or  
241 consolidation of governmental services or assumes the functions  
242 or activities of an employing governmental entity that was not  
243 an employer under the system, the employer must notify the  
244 department at least 60 days prior to such action and ~~shall~~  
245 provide documentation as required by the department. The  
246 transfer, merger, or consolidation of governmental services or  
247 assumption of governmental functions and activities must occur  
248 between public employers. The current or former employer may pay  
249 the employees' past service cost unless prohibited under this  
250 chapter. This paragraph does not apply to the transfer, merger,  
251 or consolidation of governmental services or assumption of  
252 functions and activities of a public entity under a leasing  
253 agreement having a co-employer relationship. Employers and  
254 employees of a public governmental employer whose service is  
255 covered by a leasing agreement under s. 110.191, other leasing  
256 agreement, or a co-employer relationship are not eligible to  
257 participate in the Florida Retirement System.

258 2. If ~~When~~ the agency to which a member's employing unit  
259 is transferred, merged, or consolidated does not participate in  
260 the Florida Retirement System, a member may ~~shall~~ elect in  
261 writing to remain in the Florida Retirement System or to  
262 transfer to the local retirement system operated by the ~~such~~  
263 agency. If such agency does not participate in a local  
264 retirement system, the member shall continue membership in the  
265 Florida Retirement System. In either case, ~~the~~ membership  
266 continues ~~shall continue~~ for as long as the member is employed

964519

4/30/2008 7:09 PM

Amendment No.

267 by the agency to which his or her unit was transferred, merged,  
268 or consolidated.

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

273 Section 4. Paragraph (e) of subsection (3) of section  
274 121.052, Florida Statutes, is amended to read:

275 121.052 Membership class of elected officers.--

276 (3) PARTICIPATION AND WITHDRAWAL, GENERALLY.--Effective  
277 July 1, 1990, participation in the Elected Officers' Class shall  
278 be compulsory for elected officers listed in paragraphs (2)(a)-  
279 (d) and (f) assuming office on or after said date, unless the  
280 elected officer elects membership in another class or withdraws  
281 from the Florida Retirement System as provided in paragraphs  
282 (3)(a)-(d):

283 (e) Effective January 1, 2009 ~~July 1, 2001~~, the governing  
284 body of a municipality or special district may, by majority  
285 vote, elect to designate all its elected positions for inclusion  
286 in the Elected Officers' Class. Such election shall be made  
287 between January 1, 2009, and June 30, 2009 ~~July 1, 2001, and~~  
288 ~~December 31, 2001~~, and shall be irrevocable. The designation of  
289 such positions shall be effective the first day of the month  
290 following receipt by the department of the ordinance or  
291 resolution passed by the governing body.

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

964519

4/30/2008 7:09 PM

Amendment No.

294 121.053 Participation in the Elected Officers' Class for  
295 retired members.--

296 (1) (a) 1. Any retiree of a state-administered retirement  
297 system who initially serves in an elective office in a regularly  
298 established position with a covered employer on or after January  
299 1, 2009, shall not be enrolled in the Florida Retirement System.

300 2. An elected officer who is elected or appointed to an  
301 elective office and is participating in the Deferred Retirement  
302 Option Program is subject to termination as provided in s.  
303 121.021(39)(b), and reemployment limitations as provided in s.  
304 121.091(9), upon completion of his or her DROP participation  
305 period.

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

313 1. Upon completion of 6 or more years of creditable  
314 service in an office covered by the Elected Officers' Class, s.  
315 121.052, such member shall notify the administrator of his or  
316 her intent to purchase elected officer service prior to July 1,  
317 1990, and shall pay the member contribution applicable for the  
318 period being claimed, plus 4 percent interest compounded  
319 annually from the first year of service claimed until July 1,  
320 1975, and 6.5 percent interest compounded annually thereafter,  
321 until full payment is made to the Florida Retirement System

964519

4/30/2008 7:09 PM

Amendment No.

322 Trust Fund; however, such member may purchase retirement credit  
323 under the Elected Officers' Class only for such service as an  
324 elected officer.

325 2. Upon payment of the amount specified in subparagraph  
326 1., the employer shall pay into the Florida Retirement System  
327 Trust Fund the applicable employer contribution for the period  
328 of elected officer service prior to July 1, 1990, being claimed  
329 by the member, plus 4 percent interest compounded annually from  
330 the first year of service claimed until July 1, 1975, and 6.5  
331 percent interest compounded annually thereafter, until full  
332 payment is made to the Florida Retirement System Trust Fund.

333 (c)~~(b)~~ Any retired member of the Florida Retirement  
334 System, or any existing system as defined in s. 121.021(2), who,  
335 on or after July 1, 1990, through June 30, 2009, is serving in,  
336 or is elected or appointed to, an elective office covered by the  
337 Elected Officers' Class shall be enrolled in the appropriate  
338 subclass of the Elected Officers' Class of the Florida  
339 Retirement System, and applicable contributions shall be paid  
340 into the Florida Retirement System Trust Fund as provided in s.  
341 121.052(7). Pursuant thereto:

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

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

964519

4/30/2008 7:09 PM

Amendment No.

350           3. Such member shall be entitled to purchase additional  
351 retirement credit in the Elected Officers' Class for any  
352 postretirement service performed in an elected position eligible  
353 for the Elected Officers' Class prior to July 1, 1990, or in the  
354 Regular Class for any postretirement service performed in any  
355 other regularly established position prior to July 1, 1991, by  
356 paying the applicable Elected Officers' Class or Regular Class  
357 employee and employer contributions for the period being  
358 claimed, plus 4 percent interest compounded annually from the  
359 first year of service claimed until July 1, 1975, and 6.5  
360 percent interest compounded thereafter, until full payment is  
361 made to the Florida Retirement System Trust Fund. The  
362 contribution for postretirement Regular Class service between  
363 July 1, 1985, and July 1, 1991, for which the reemployed retiree  
364 contribution was paid, shall be the difference between such  
365 contribution and the total applicable contribution for the  
366 period being claimed, plus interest. The employer of such member  
367 may pay the applicable employer contribution in lieu of the  
368 member. If a member does not wish to claim credit for all of the  
369 postretirement service for which he or she is eligible, the  
370 service the member claims must be the most recent service.

371           4. Creditable service for which credit was received, or  
372 which remained unclaimed, at retirement may not be claimed or  
373 applied toward service credit earned following renewed  
374 membership. However, service earned in accordance with the  
375 renewed membership provisions in s. 121.122 may be used in  
376 conjunction with creditable service earned under this paragraph,

964519  
4/30/2008 7:09 PM

Amendment No.

377 provided applicable vesting requirements and other existing  
378 statutory conditions required by this chapter are met.

379 5. An elected officer who is elected or appointed to an  
380 elective office and is participating in the Deferred Retirement  
381 Option Program before July 1, 2009, is not subject to  
382 termination as provided in s. 121.021(39)(b), or reemployment  
383 limitations as provided in s. 121.091(9), until the end of his  
384 or her current term of office or, if the officer is  
385 consecutively elected or reelected to an elective office  
386 eligible for coverage under the Florida Retirement System, until  
387 he or she no longer holds such an elective office, as follows:

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

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

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

395 b. Nothing herein shall prevent an elected officer from  
396 voluntarily terminating his or her elective office at any time  
397 and electing to receive his or her DROP proceeds. However, until  
398 termination requirements are fulfilled as provided in s.  
399 121.021(39), any elected officer whose termination limitations  
400 are extended by this section shall be ineligible for renewed  
401 membership in the system and shall receive no pension payments,  
402 DROP lump sum payments, or any other state payment other than  
403 the statutorily determined salary, travel, and per diem for the  
404 elective office.

964519

4/30/2008 7:09 PM

Amendment No.

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

409  
410 However, an officer electing to participate in the Deferred  
411 Retirement Option Program on or before June 30, 2002, shall not  
412 be required to terminate and shall remain subject to the  
413 provisions of this subparagraph as adopted in section 1 of  
414 chapter 2001-235, Laws of Florida.

415 (2) Upon attaining his or her normal retirement date and  
416 payment of the amount specified in paragraphs (1)(b) and (c)  
417 ~~(1)(a) and (b)~~, and upon application to the administrator of the  
418 intent to retire, the member shall receive a monthly benefit  
419 under this section, in addition to any benefits already being  
420 received, which shall commence on the last day of the month of  
421 retirement and be payable on the last day of the month  
422 thereafter during his or her lifetime. The amount of such  
423 monthly benefit shall be the total percentage of retirement  
424 credit purchased under this section multiplied by the member's  
425 average monthly compensation as an elected officer, adjusted  
426 according to the option selected at retirement under s.  
427 121.091(6).

428 Section 6. Paragraph (f) of subsection (1) and paragraph  
429 (c) of subsection (6) of section 121.055, Florida Statutes, are  
430 amended to read:

431 121.055 Senior Management Service Class.--There is hereby  
432 established a separate class of membership within the Florida  
964519

4/30/2008 7:09 PM



Amendment No.

433 Retirement System to be known as the "Senior Management Service  
434 Class," which shall become effective February 1, 1987.

435 (1)

436 (f) Effective July 1, 1997:

437 1. Except as provided in subparagraph 3., any elected  
438 state officer eligible for membership in the Elected Officers'  
439 Class under s. 121.052(2)(a), (b), or (c) who elects membership  
440 in the Senior Management Service Class under s. 121.052(3)(c)  
441 may, within 6 months after assuming office or within 6 months  
442 after this act becomes a law for serving elected state officers,  
443 elect to participate in the Senior Management Service Optional  
444 Annuity Program, as provided in subsection (6), in lieu of  
445 membership in the Senior Management Service Class.

446 2. Except as provided in subparagraph 3., any elected  
447 county officer eligible for membership in the Elected Officers'  
448 Class under s. 121.052(2)(d) who elects membership in the Senior  
449 Management Service Class under s. 121.052(3)(c) may, within 6  
450 months after assuming office, or within 6 months after this act  
451 becomes a law for serving elected county officers, elect to  
452 withdraw from the Florida Retirement System ~~participate in a~~  
453 ~~lifetime monthly annuity program,~~ as provided in subparagraph  
454 (b)2., in lieu of membership in the Senior Management Service  
455 Class.

456 3. Any retiree of a state-administered retirement system  
457 who is initially reemployed on or after July 1, 2009, as an  
458 elected official eligible for Elected Officers' Class membership  
459 shall not be eligible for renewed membership in the Senior  
460 Management Service Optional Annuity Program as provided in

964519

4/30/2008 7:09 PM

Amendment No.

461 subsection (6) or to withdraw from the Florida Retirement System  
462 as a renewed member as provided in subparagraph (b)2., as  
463 applicable, in lieu of Senior Management Service Class  
464 membership.

465 (6)

466 (c) Participation.--

467 1. Any eligible employee who is employed on or before  
468 February 1, 1987, may elect to participate in the optional  
469 annuity program in lieu of participation in the Senior  
470 Management Service Class. Such election shall be made in writing  
471 and filed with the department and the personnel officer of the  
472 employer on or before May 1, 1987. Any eligible employee who is  
473 employed on or before February 1, 1987, and who fails to make an  
474 election to participate in the optional annuity program by May  
475 1, 1987, shall be deemed to have elected membership in the  
476 Senior Management Service Class.

477 2. Except as provided in subparagraph 6., any employee who  
478 becomes eligible to participate in the optional annuity program  
479 by reason of initial employment commencing after February 1,  
480 1987, may, within 90 days after the date of commencement of  
481 employment, elect to participate in the optional annuity  
482 program. Such election shall be made in writing and filed with  
483 the personnel officer of the employer. Any eligible employee who  
484 does not within 90 days after commencement of such employment  
485 elect to participate in the optional annuity program shall be  
486 deemed to have elected membership in the Senior Management  
487 Service Class.

964519

4/30/2008 7:09 PM

Amendment No.

488           3. A person who is appointed to a position in the Senior  
489 Management Service Class and who is a member of an existing  
490 retirement system or the Special Risk or Special Risk  
491 Administrative Support Classes of the Florida Retirement System  
492 may elect to remain in such system or class in lieu of  
493 participation in the Senior Management Service Class or optional  
494 annuity program. Such election shall be made in writing and  
495 filed with the department and the personnel officer of the  
496 employer within 90 days of such appointment. Any eligible  
497 employee who fails to make an election to participate in the  
498 existing system, the Special Risk Class of the Florida  
499 Retirement System, the Special Risk Administrative Support Class  
500 of the Florida Retirement System, or the optional annuity  
501 program shall be deemed to have elected membership in the Senior  
502 Management Service Class.

503           4. Except as provided in subparagraph 5., an employee's  
504 election to participate in the optional annuity program is  
505 irrevocable as long as such employee continues to be employed in  
506 an eligible position and continues to meet the eligibility  
507 requirements set forth in this paragraph.

508           5. Effective from July 1, 2002, through September 30,  
509 2002, any active employee in a regularly established position  
510 who has elected to participate in the Senior Management Service  
511 Optional Annuity Program has one opportunity to choose to move  
512 from the Senior Management Service Optional Annuity Program to  
513 the Florida Retirement System defined benefit program.

514           a. The election must be made in writing and must be filed  
515 with the department and the personnel officer of the employer

964519

4/30/2008 7:09 PM

Amendment No.

516 before October 1, 2002, or, in the case of an active employee  
517 who is on a leave of absence on July 1, 2002, within 90 days  
518 after the conclusion of the leave of absence. This election is  
519 irrevocable.

520 b. The employee will receive service credit under the  
521 defined benefit program of the Florida Retirement System equal  
522 to his or her years of service under the Senior Management  
523 Service Optional Annuity Program. The cost for such credit shall  
524 be an amount representing the present value of that employee's  
525 accumulated benefit obligation for the affected period of  
526 service.

527 c. The employee must transfer the total accumulated  
528 employer contributions and earnings on deposit in his or her  
529 Senior Management Service Optional Annuity Program account. If  
530 the transferred amount is not sufficient to pay the amount due,  
531 the employee must pay a sum representing the remainder of the  
532 amount due. In no case may the employee retain any employer  
533 contributions or earnings thereon from the Senior Management  
534 Service Optional Annuity Program account.

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

539 Section 7. Paragraph (a) of subsection (6) of section  
540 121.071, Florida Statutes, is amended to read:

541 121.071 Contributions.--Contributions to the system shall  
542 be made as follows:

964519  
4/30/2008 7:09 PM

Amendment No.

543 (6) (a) Required employee contributions for all service  
544 other than current service, including, but not limited to, prior  
545 service, past service, military service, leave-of-absence  
546 service, out-of-state service, and certain non-Florida  
547 Retirement System in-state service, shall be paid by cash,  
548 personal check, cashier's check, ~~or~~ money order, or a direct  
549 rollover or transfer from a qualified plan as provided under the  
550 Internal Revenue Code. The payment must ~~only, shall~~ be  
551 accompanied by a statement identifying the service for which  
552 payment is made, + and shall be made in a lump sum for the total  
553 amount due or in annual payments of not less than \$100, except  
554 for the final payment if less than \$100, unless another method  
555 of payment is authorized by law or rule.

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

558 121.081 Past service; prior service;  
559 contributions.--Conditions under which past service or prior  
560 service may be claimed and credited are:

561 (1)

562 (f) If ~~When~~ any person, ~~either prior to this act or~~  
563 ~~hereafter,~~ becomes entitled to and participates ~~does participate~~  
564 in one of the retirement systems under ~~consolidated within or~~  
565 ~~created by~~ this chapter through the consolidation or merger of  
566 governments or the transfer of functions between units of  
567 government, ~~either~~ at the state or local level or between state  
568 and local units, or through the assumption of functions or  
569 activities by a state or local unit from an employing  
570 governmental entity that ~~which~~ was not an employer under the

964519

4/30/2008 7:09 PM

Amendment No.

571 system, and such person becomes a member of the Florida  
572 Retirement System, such person is ~~shall be~~ entitled to receive  
573 past-service credit ~~as defined in s. 121.021(18)~~ for the time  
574 the ~~such~~ person performed services for, and was an employee of,  
575 such state or local unit or other governmental employing entity  
576 prior to the transfer, merger, consolidation, or assumption of  
577 functions and activities. Past-service credit allowed by this  
578 paragraph is ~~shall~~ also ~~be~~ available to any person who becomes a  
579 member of an existing system, ~~as defined in s. 121.021(2)~~, prior  
580 to December 1, 1970, through the transfer, merger,  
581 consolidation, or assumption of functions and activities set  
582 forth in this paragraph and who subsequently becomes a member of  
583 the Florida Retirement System. However, credit for the past  
584 service may not be granted until contributions are made in the  
585 manner provided in this subsection. If a person rejected Florida  
586 Retirement System membership at the time of the transfer,  
587 merger, ~~or~~ consolidation, or assumption the required  
588 contributions shall be at total actuarial cost as specified in  
589 paragraph (e). Such contributions or accrued interest may not be  
590 paid from any public ~~state~~ funds.

591 (h) The following provisions apply to the purchase of past  
592 service:

593 1. Notwithstanding any of the provisions of this  
594 subsection, past-service credit may not be purchased under this  
595 chapter for any service that is used to obtain a pension or  
596 benefit from a ~~any~~ local retirement system. Eligibility to  
597 receive or the receipt of contributions to a retirement plan

964519  
4/30/2008 7:09 PM

Amendment No.

598 made by the employer on behalf of the employee is considered a  
599 benefit.

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

605 3. A member may not receive past service credit for co-  
606 employer service. Co-employer service or a co-employer  
607 relationship is employment in a single position simultaneously  
608 covered and reported by both a public employer and a private  
609 employer.

610 ~~4.3.~~ If a member does not want ~~desire~~ to receive credit  
611 for all of his or her past service, the period the member claims  
612 must be the most recent past service prior to his or her  
613 participation in the Florida Retirement System.

614 ~~5.4.~~ The cost of past service purchased by an employing  
615 agency for its employees may be amortized over the ~~such~~ period  
616 of time ~~as is~~ provided in the agreement, but not to exceed 15  
617 years, calculated in accordance with rule 60S-1.007(5)(f),  
618 Florida Administrative Code.

619 ~~6.5.~~ The retirement account of each member for whom past  
620 service is being provided by his or her employer shall be  
621 credited with all past service the employer agrees to purchase  
622 as soon as the agreement between the employer and the department  
623 is executed. ~~Pursuant thereto:~~

624 a. Each ~~such~~ member's account shall also be posted with  
625 the total contribution his or her employer agrees to make on ~~in~~  
964519

4/30/2008 7:09 PM

Amendment No.

626 the member's behalf for past service earned prior to October 1,  
627 1975, excluding those contributions representing the employer's  
628 matching share and the compound interest calculation on the  
629 total contribution. However, a portion of any contributions paid  
630 by an employer for past service credit earned on and after  
631 October 1, 1975, may not be posted to the a member's account.

632 b. A refund of contributions payable after an employer has  
633 made a written agreement to purchase past service for employees  
634 of the covered group includes ~~shall include~~ contributions for  
635 past service which are posted to a member's account. However,  
636 contributions for past service earned on and after October 1,  
637 1975, are not refundable.

638 Section 9. Section 121.091, Florida Statutes, is amended  
639 to read:

640 121.091 Benefits payable under the system.--Benefits may  
641 not be paid under this section until the month after the member  
642 has separated from employment as verified by the employer unless  
643 ~~the member has terminated employment as provided in s.~~  
644 ~~121.021(39) (a)~~ or begun participation in the Deferred Retirement  
645 Option Program as provided in subsection (13), and a proper  
646 application has been filed in the manner prescribed by the  
647 department. The department may cancel an application for  
648 retirement benefits when the member or beneficiary fails to  
649 timely provide the information and documents required by this  
650 chapter and the department's rules. The department shall adopt  
651 rules establishing procedures for application for retirement  
652 benefits and for the cancellation of such application when the  
653 required information or documents are not received. Benefits may

964519

4/30/2008 7:09 PM



Amendment No.

654 be paid after separation from employment and during the months  
655 required to meet the definition of termination. The application  
656 will be voided and all benefits received must be repaid to the  
657 Florida Retirement System Trust Fund if the member fails to meet  
658 the termination requirement of s. 121.021(39).

659 (1) NORMAL RETIREMENT BENEFIT.--Upon attaining his or her  
660 normal retirement date, the member, upon application to the  
661 administrator, shall receive a monthly benefit which shall begin  
662 to accrue on the first day of the month of retirement and be  
663 payable on the last day of that month and each month thereafter  
664 during his or her lifetime. The normal retirement benefit,  
665 including any past or additional retirement credit, may not  
666 exceed 100 percent of the average final compensation. The amount  
667 of monthly benefit shall be calculated as the product of A and  
668 B, subject to the adjustment of C, if applicable, as set forth  
669 below:

670 (a)1. For creditable years of Regular Class service, A is  
671 1.60 percent of the member's average final compensation, up to  
672 the member's normal retirement date. Upon completion of the  
673 first year after the normal retirement date, A is 1.63 percent  
674 of the member's average final compensation. Following the second  
675 year after the normal retirement date, A is 1.65 percent of the  
676 member's average final compensation. Following the third year  
677 after the normal retirement date, and for subsequent years, A is  
678 1.68 percent of the member's average final compensation.

679 2. For creditable years of special risk service, A is:

680 a. Two percent of the member's average final compensation  
681 for all creditable years prior to October 1, 1974;

964519

4/30/2008 7:09 PM

Amendment No.

- 682           b. Three percent of the member's average final  
683 compensation for all creditable years after September 30, 1974,  
684 and before October 1, 1978;
- 685           c. Two percent of the member's average final compensation  
686 for all creditable years after September 30, 1978, and before  
687 January 1, 1989;
- 688           d. Two and two-tenths percent of the member's final  
689 monthly compensation for all creditable years after December 31,  
690 1988, and before January 1, 1990;
- 691           e. Two and four-tenths percent of the member's average  
692 final compensation for all creditable years after December 31,  
693 1989, and before January 1, 1991;
- 694           f. Two and six-tenths percent of the member's average  
695 final compensation for all creditable years after December 31,  
696 1990, and before January 1, 1992;
- 697           g. Two and eight-tenths percent of the member's average  
698 final compensation for all creditable years after December 31,  
699 1991, and before January 1, 1993;
- 700           h. Three percent of the member's average final  
701 compensation for all creditable years after December 31, 1992;  
702 and
- 703           i. Three percent of the member's average final  
704 compensation for all creditable years of service after September  
705 30, 1978, and before January 1, 1993, for any special risk  
706 member who retires after July 1, 2000, or any member of the  
707 Special Risk Administrative Support Class entitled to retain the  
708 special risk normal retirement date who was a member of the

964519  
4/30/2008 7:09 PM

Amendment No.

709 Special Risk Class during the time period and who retires after  
710 July 1, 2000.

711 3. For creditable years of Senior Management Service Class  
712 service after January 31, 1987, A is 2 percent;

713 4. For creditable years of Elected Officers' Class service  
714 as a Supreme Court Justice, district court of appeal judge,  
715 circuit judge, or county court judge, A is  $31/3$  percent of the  
716 member's average final compensation, and for all other  
717 creditable service in such class, A is 3 percent of average  
718 final compensation;

719 (b) B is the number of the member's years and any  
720 fractional part of a year of creditable service earned  
721 subsequent to November 30, 1970; and

722 (c) C is the normal retirement benefit credit brought  
723 forward as of November 30, 1970, by a former member of an  
724 existing system. Such normal retirement benefit credit shall be  
725 determined as the product of X and Y when X is the percentage of  
726 average final compensation which the member would have been  
727 eligible to receive if the member had attained his or her normal  
728 retirement date as of November 30, 1970, all in accordance with  
729 the existing system under which the member is covered on  
730 November 30, 1970, and Y is average final compensation as  
731 defined in s. 121.021(25). However, any member of an existing  
732 retirement system who is eligible to retire and who does retire,  
733 become disabled, or die prior to April 15, 1971, may have his or  
734 her retirement benefits calculated on the basis of the best 5 of  
735 the last 10 years of service.

964519  
4/30/2008 7:09 PM

Amendment No.

736 (d) A member's average final compensation shall be  
737 determined by formula to obtain the coverage for the 5 highest  
738 fiscal years' salaries, calculated as provided by rule.

739 (2) BENEFITS PAYABLE FOR DUAL NORMAL RETIREMENT AGES.--If  
740 a member accumulates retirement benefits to commence at  
741 different normal retirement ages by virtue of having performed  
742 duties for an employer which would entitle him or her to  
743 benefits as both a member of the Special Risk Class and a member  
744 of either the Regular Class, Senior Management Service Class, or  
745 Elected Officers' Class, the amount of benefits payable shall be  
746 computed separately with respect to each such age and the sum of  
747 such computed amounts shall be paid as provided in this section.

748 (3) EARLY RETIREMENT BENEFIT.--Upon retirement on his or  
749 her early retirement date, the member shall receive an immediate  
750 monthly benefit that shall begin to accrue on the first day of  
751 the month of the retirement date and be payable on the last day  
752 of that month and each month thereafter during his or her  
753 lifetime. Such benefit shall be calculated as follows:

754 (a) The amount of each monthly payment shall be computed  
755 in the same manner as for a normal retirement benefit, in  
756 accordance with subsection (1), but shall be based on the  
757 member's average monthly compensation and creditable service as  
758 of the member's early retirement date. The benefit so computed  
759 shall be reduced by five-twelfths of 1 percent for each complete  
760 month by which the early retirement date precedes the normal  
761 retirement date of age 62 for a member of the Regular Class,  
762 Senior Management Service Class, or the Elected Officers' Class,  
763 and age 55 for a member of the Special Risk Class, or age 52 if  
964519

4/30/2008 7:09 PM

Amendment No.

764 a Special Risk member has completed 25 years of creditable  
765 service in accordance with s. 121.021(29)(b)3.

766 (b) If the employment of a member is terminated by reason  
767 of death subsequent to the completion of 20 years of creditable  
768 service, the monthly benefit payable to the member's beneficiary  
769 shall be calculated in accordance with subsection (1), but shall  
770 be based on average monthly compensation and creditable service  
771 as of the date of death. The benefit so computed shall be  
772 reduced by five-twelfths of 1 percent for each complete month by  
773 which death precedes the normal retirement date specified above  
774 or the date on which the member would have attained 30 years of  
775 creditable service had he or she survived and continued his or  
776 her employment, whichever provides a higher benefit.

777 (4) DISABILITY RETIREMENT BENEFIT.--

778 (a) Disability retirement; entitlement and effective  
779 date.--

780 1.a. A member who becomes totally and permanently  
781 disabled, as defined in paragraph (b), after completing 5 years  
782 of creditable service, or a member who becomes totally and  
783 permanently disabled in the line of duty regardless of service,  
784 shall be entitled to a monthly disability benefit; except that  
785 any member with less than 5 years of creditable service on July  
786 1, 1980, or any person who becomes a member of the Florida  
787 Retirement System on or after such date must have completed 10  
788 years of creditable service prior to becoming totally and  
789 permanently disabled in order to receive disability retirement  
790 benefits for any disability which occurs other than in the line  
791 of duty. However, if a member employed on July 1, 1980, with  
964519

4/30/2008 7:09 PM

Amendment No.

792 less than 5 years of creditable service as of that date, becomes  
793 totally and permanently disabled after completing 5 years of  
794 creditable service and is found not to have attained fully  
795 insured status for benefits under the federal Social Security  
796 Act, such member shall be entitled to a monthly disability  
797 benefit.

798         b. Effective July 1, 2001, a member of the defined benefit  
799 retirement program who becomes totally and permanently disabled,  
800 as defined in paragraph (b), after completing 8 years of  
801 creditable service, or a member who becomes totally and  
802 permanently disabled in the line of duty regardless of service,  
803 shall be entitled to a monthly disability benefit.

804         2. If the division has received from the employer the  
805 required documentation of the member's termination of  
806 employment, the effective retirement date for a member who  
807 applies and is approved for disability retirement shall be  
808 established by rule of the division.

809         3. For a member who is receiving Workers' Compensation  
810 payments, the effective disability retirement date may not  
811 precede the date the member reaches Maximum Medical Improvement  
812 (MMI), unless the member terminates employment prior to reaching  
813 MMI.

814         (b) Total and permanent disability.--A member shall be  
815 considered totally and permanently disabled if, in the opinion  
816 of the administrator, he or she is prevented, by reason of a  
817 medically determinable physical or mental impairment, from  
818 rendering useful and efficient service as an officer or  
819 employee.

964519

4/30/2008 7:09 PM

Amendment No.

820 (c) Proof of disability.--The administrator, before  
821 approving payment of any disability retirement benefit, shall  
822 require proof that the member is totally and permanently  
823 disabled as provided herein:

824 1. Such proof shall include the certification of the  
825 member's total and permanent disability by two licensed  
826 physicians of the state and such other evidence of disability as  
827 the administrator may require, including reports from vocational  
828 rehabilitation, evaluation, or testing specialists who have  
829 evaluated the applicant for employment. A member whose position  
830 with an employer requires that the member work full time outside  
831 this state in the United States may include certification by two  
832 licensed physicians of the state where the member works.

833 2. It must be documented that:

834 a. The member's medical condition occurred or became  
835 symptomatic during the time the member was employed in an  
836 employee/employer relationship with his or her employer;

837 b. The member was totally and permanently disabled at the  
838 time he or she terminated covered employment; and

839 c. The member has not been employed with any other  
840 employer after such termination.

841 3. If the application is for in-line-of-duty disability,  
842 in addition to the requirements of subparagraph 2., it must be  
843 documented by competent medical evidence that the disability was  
844 caused by a job-related illness or accident which occurred while  
845 the member was in an employee/employer relationship with his or  
846 her employer.

964519

4/30/2008 7:09 PM

Amendment No.

847 4. The unavailability of an employment position that the  
848 member is physically and mentally capable of performing will not  
849 be considered as proof of total and permanent disability.

850 (d) Election on appeal.--A member whose application for  
851 regular disability retirement has been denied and who has filed  
852 an appeal to the State Retirement Commission may, if eligible,  
853 elect to receive normal or early service retirement benefits  
854 while he or she is awaiting the decision on the appeal. However:

855 1. If the member elects to receive service retirement  
856 benefits and disability benefits are later approved as a result  
857 of the appeal, the payment option chosen by the member may not  
858 be changed.

859 2. If the member elects to receive early service  
860 retirement and the appeal is later denied, the member may not  
861 change his or her election of early retirement.

862  
863 Before such regular or early retirement benefits may be paid by  
864 the division, the member must provide to the division a written  
865 statement indicating that the member understands that such  
866 changes are not permitted after he or she begins receiving the  
867 benefits.

868 (e) Disability retirement benefit.--Upon the retirement of  
869 a member on his or her disability retirement date, the member  
870 shall receive a monthly benefit that shall begin to accrue on  
871 the first day of the month of disability retirement and shall be  
872 payable on the last day of that month and each month thereafter  
873 during his or her lifetime and continued disability.

964519  
4/30/2008 7:09 PM



Amendment No.

874 (f) Computation of disability retirement benefit.--The  
875 amount of each monthly payment shall be computed in the same  
876 manner as for a normal retirement benefit, in accordance with  
877 subsection (1), but shall be based on disability option  
878 actuarial equivalency tables and the average monthly  
879 compensation and creditable service of the member as of the  
880 disability retirement date, subject to the following conditions:

881 1. If the member's disability occurred in the line of  
882 duty, the monthly Option 1 benefit shall not be less than:

883 a. Forty-two percent of average monthly compensation as of  
884 the disability retirement date; or

885 b. Sixty-five percent of the average monthly compensation  
886 as of the disability retirement date for a member of the special  
887 risk class who retires on or after July 1, 2000; or

888 2. If the member's disability occurred other than in the  
889 line of duty, the monthly Option 1 benefit shall not be less  
890 than 25 percent of average monthly compensation as of the  
891 disability retirement date.

892 (g) Reapplication.--A member, whose initial application  
893 for disability retirement has been denied, may reapply for  
894 disability benefits. However, such member's reapplication will  
895 be considered only if the member presents new medical evidence  
896 of a medical condition that existed prior to the member's  
897 termination of employment. The division may prescribe by rule  
898 procedures for reapplication and for review and approval or  
899 disapproval of reapplication.

900 (h) Recovery from disability.--The administrator may  
901 require periodic reexaminations at the expense of the retirement  
964519

4/30/2008 7:09 PM

Amendment No.

902 fund. The division may adopt rules establishing procedures for  
903 conducting and review of such reexaminations.

904 1. If the administrator finds that a member who is  
905 receiving disability benefits is, at any time prior to his or  
906 her normal retirement date, no longer disabled, the  
907 administrator shall direct that the benefits be discontinued.  
908 The decision of the administrator on this question shall be  
909 final and binding. If such member:

910 a. Does not reenter the employ of an employer and was not  
911 vested as of the disability retirement date, he or she shall be  
912 entitled to the excess, if any, of his or her accumulated  
913 contributions over the total disability benefits received up to  
914 the date of recovery.

915 b. Does not reenter the employ of an employer, but was  
916 vested as of the disability retirement date, he or she may elect  
917 to receive:

918 (I) The excess, if any, of his or her accumulated  
919 contributions over the total disability benefits received up to  
920 the date of recovery; or

921 (II) A deferred benefit commencing on the last day of the  
922 month of the normal retirement date which shall be payable on  
923 the last day of the month thereafter during his or her lifetime.  
924 The amount of such monthly benefit shall be computed in the same  
925 manner as for a normal retirement benefit, in accordance with  
926 subsection (1), but shall be based on average monthly  
927 compensation and creditable service as of the member's  
928 disability retirement date.

964519

4/30/2008 7:09 PM

Amendment No.

929           c. Reenters employment of an employer within 6 months  
930 after recovery, the member's service will be deemed to have been  
931 continuous, but the period beginning with the first month for  
932 which he or she received a disability benefit payment and ending  
933 with the date he or she reentered employment will not be  
934 considered as creditable service for the purpose of computing  
935 benefits except as provided in sub-subparagraph d. As used in  
936 this section, the term "accumulated contributions" for such  
937 member means the excess of the member's accumulated  
938 contributions as of the disability retirement date over the  
939 total disability benefits received under paragraph (e).

940           d. Terminates his or her disability benefit, reenters  
941 covered employment, and is continuously employed for a minimum  
942 of 1 year of creditable service, he or she may claim as  
943 creditable service the months during which he or she was  
944 receiving a disability benefit, upon payment of the required  
945 contributions. Contributions shall equal the total required  
946 employee and employer contribution rate applicable during the  
947 period the retiree received retirement benefits, multiplied  
948 times his or her rate of monthly compensation prior to the  
949 commencement of disability retirement for each month of the  
950 period claimed, plus 4 percent interest until July 1, 1975, and  
951 6.5 percent interest thereafter, compounded annually each June  
952 30 to the date of payment. If the member does not claim credit  
953 for all of the months he or she received disability benefits,  
954 the months claimed must be the most recent months of retirement.  
955 Such credit for periods of disability, when purchased under the  
956 Florida Retirement System, shall apply toward vesting

964519

4/30/2008 7:09 PM

Amendment No.

957 requirements for eligibility to purchase additional credit for  
958 other service.

959         2. Both the member receiving disability benefits who  
960 reenters employment and the employer employing such disability  
961 retiree shall notify the division immediately upon reemployment,  
962 and the division shall terminate such member's disability  
963 benefits, effective the first day of the month following the  
964 month in which notification of recovery is received. If the  
965 member is reemployed with a Florida Retirement System employer  
966 at the time of benefit termination, and he or she has received  
967 disability retirement benefit and salary payments concurrently  
968 prior to notifying the division, he or she may elect within 30  
969 days to:

970             a. Retain the retirement benefits received prior to  
971 termination of disability benefits and begin receiving  
972 retirement service credit effective upon the date of termination  
973 of benefits; or

974             b. Repay, within 12 months after his or her decision to  
975 receive service credit, the retirement benefits received for  
976 each month of reemployment prior to termination of disability  
977 benefits and begin receiving retirement service credit effective  
978 upon the date of reemployment. Any such unpaid benefits shall  
979 have compound interest of 6.5 percent added June 30.

980

981 A member may not receive both retirement service credit for  
982 employment and retirement benefits for the same month.

983         3. If, after recovery of disability and reentry into  
984 covered employment, the member again becomes disabled and is  
964519

4/30/2008 7:09 PM

Amendment No.

985 again approved for disability retirement, the Option 1 monthly  
986 retirement benefit shall not be less than the Option 1 monthly  
987 benefit calculated at the time of the previous disability, plus  
988 any cost of living increases up to the time the disability  
989 benefit was terminated upon his or her reentry into covered  
990 employment.

991 (i) Nonadmissible causes of disability.--A member shall  
992 not be entitled to receive any disability retirement benefit if  
993 the disability is a result of any of the following:

994 1. Injury or disease sustained by the member while  
995 willfully participating in a riot, civil insurrection, or other  
996 act of violence or while committing a felony;

997 2. Injury or disease sustained by the member after his or  
998 her employment has terminated; or

999 3. Intentional, self-inflicted injury.

1000 (j) Disability retirement of justice or judge by order of  
1001 Supreme Court.--

1002 1. If a member is a justice of the Supreme Court, judge of  
1003 a district court of appeal, circuit judge, or judge of a county  
1004 court who has served for 6 years or more as an elected  
1005 constitutional judicial officer, including service as a judicial  
1006 officer in any court abolished pursuant to Art. V of the State  
1007 Constitution, and who is retired for disability by order of the  
1008 Supreme Court upon recommendation of the Judicial Qualifications  
1009 Commission pursuant to the provisions of Art. V of the State  
1010 Constitution, the member's Option 1 monthly benefit as provided  
1011 in subparagraph (6)(a)1. shall not be less than two-thirds of  
1012 his or her monthly compensation as of the member's disability

964519

4/30/2008 7:09 PM

Amendment No.

1013 retirement date. Such a member may alternatively elect to  
1014 receive a disability retirement benefit under any other option  
1015 as provided in paragraph (6) (a).

1016 2. Should any justice or judge who is a member of the  
1017 Florida Retirement System be retired for disability by order of  
1018 the Supreme Court upon recommendation of the Judicial  
1019 Qualifications Commission pursuant to the provisions of Art. V  
1020 of the State Constitution, then all contributions to his or her  
1021 account and all contributions made on his or her behalf by the  
1022 employer shall be transferred to and deposited in the General  
1023 Revenue Fund of the state, and there is hereby appropriated  
1024 annually out of the General Revenue Fund, to be paid into the  
1025 Florida Retirement System Fund, an amount necessary to pay the  
1026 benefits of all justices and judges retired from the Florida  
1027 Retirement System pursuant to Art. V of the State Constitution.

1028 (5) TERMINATION BENEFITS.--A member whose employment is  
1029 terminated prior to retirement retains membership rights to  
1030 previously earned member-noncontributory service credit, and to  
1031 member-contributory service credit, if the member leaves the  
1032 member contributions on deposit in his or her retirement  
1033 account. If a terminated member receives a refund of member  
1034 contributions, such member may reinstate membership rights to  
1035 the previously earned service credit represented by the refund  
1036 by completing 1 year of creditable service and repaying the  
1037 refunded member contributions, plus interest.

1038 (a) A member whose employment is terminated for any reason  
1039 other than death or retirement prior to becoming vested is

Amendment No.

1040 entitled to the return of his or her accumulated contributions  
1041 as of the date of termination.

1042 (b) A member whose employment is terminated for any reason  
1043 other than death or retirement after becoming vested may elect  
1044 to receive a deferred monthly benefit which shall begin to  
1045 accrue on the first day of the month of normal or early  
1046 retirement and shall be payable on the last day of that month  
1047 and each month thereafter during his or her lifetime. The amount  
1048 of monthly benefit shall be computed in the same manner as for a  
1049 normal retirement benefit in accordance with subsection (1) or  
1050 early retirement benefit in accordance with s. 121.021(30), but  
1051 based on average monthly compensation and creditable service as  
1052 of the date of termination.

1053 (c) In lieu of the deferred monthly benefit provided in  
1054 paragraph (b), the terminated member may elect to receive a  
1055 lump-sum amount equal to his or her accumulated contributions as  
1056 of the date of termination.

1057 (d) If any retired member dies without having received in  
1058 benefit payments an amount equal to his or her accumulated  
1059 contributions, there shall be payable to his or her designated  
1060 beneficiary an amount equal to the excess, if any, of the  
1061 member's accumulated contributions over the total monthly  
1062 payments made to the member prior to the date of death.

1063 (e) A member shall be deemed a terminated member when  
1064 termination of employment has occurred as provided in s.  
1065 121.021(39).

1066 (f) Any member who has been found guilty by a verdict of a  
1067 jury, or by the court trying the case without a jury, of

964519

4/30/2008 7:09 PM

Amendment No.

1068 committing, aiding, or abetting any embezzlement or theft from  
1069 his or her employer, bribery in connection with the employment,  
1070 or other felony specified in chapter 838, except ss. 838.15 and  
1071 838.16, committed prior to retirement, or who has entered a plea  
1072 of guilty or of nolo contendere to such crime, or any member  
1073 whose employment is terminated by reason of the member's  
1074 admitted commitment, aiding, or abetting of an embezzlement or  
1075 theft from his or her employer, bribery, or other felony  
1076 specified in chapter 838, except ss. 838.15 and 838.16, shall  
1077 forfeit all rights and benefits under this chapter, except the  
1078 return of his or her accumulated contributions as of the date of  
1079 termination.

1080 (g) Any elected official who is convicted by the Senate of  
1081 an impeachable offense shall forfeit all rights and benefits  
1082 under this chapter, except the return of his or her accumulated  
1083 contributions as of the date of the conviction.

1084 (h) Any member who, prior to retirement, is adjudged by a  
1085 court of competent jurisdiction to have violated any state law  
1086 against strikes by public employees, or who has been found  
1087 guilty by such court of violating any state law prohibiting  
1088 strikes by public employees, shall forfeit all rights and  
1089 benefits under this chapter, except the return of his or her  
1090 accumulated contributions as of the date of the conviction.

1091 (i) Any beneficiary who by a verdict of a jury or by the  
1092 court trying the case without a jury is found guilty, or who has  
1093 entered a plea of guilty or nolo contendere, of unlawfully and  
1094 intentionally killing or procuring the death of the member  
1095 forfeits all rights to the deceased member's benefits under this  
964519

4/30/2008 7:09 PM



Amendment No.

1096 chapter, and the benefits will be paid as if such beneficiary  
1097 had predeceased the decedent.

1098 (j) Benefits shall not be paid by the division pending  
1099 final resolution of such charges against a member or beneficiary  
1100 if the resolution of such charges could require the forfeiture  
1101 of benefits as provided in paragraph (f), paragraph (g),  
1102 paragraph (h), or paragraph (i).

1103 (6) OPTIONAL FORMS OF RETIREMENT BENEFITS AND DISABILITY  
1104 RETIREMENT BENEFITS.--

1105 (a) Prior to the receipt of the first monthly retirement  
1106 payment, a member shall elect to receive the retirement benefits  
1107 to which he or she is entitled under subsection (1), subsection  
1108 (2), subsection (3), or subsection (4) in accordance with one of  
1109 the following options:

1110 1. The maximum retirement benefit payable to the member  
1111 during his or her lifetime.

1112 2. A decreased retirement benefit payable to the member  
1113 during his or her lifetime and, in the event of his or her death  
1114 within a period of 10 years after retirement, the same monthly  
1115 amount payable for the balance of such 10-year period to his or  
1116 her beneficiary or, in case the beneficiary is deceased, in  
1117 accordance with subsection (8) as though no beneficiary had been  
1118 named.

1119 3. A decreased retirement benefit payable during the joint  
1120 lifetime of both the member and his or her joint annuitant and  
1121 which, after the death of either, shall continue during the  
1122 lifetime of the survivor in the same amount, subject to the  
1123 provisions of subsection (12).

964519

4/30/2008 7:09 PM

Amendment No.

1124 4. A decreased retirement benefit payable during the joint  
1125 lifetime of the member and his or her joint annuitant and which,  
1126 after the death of either, shall continue during the lifetime of  
1127 the survivor in an amount equal to  $66\frac{2}{3}$  percent of the amount  
1128 that was payable during the joint lifetime of the member and his  
1129 or her joint annuitant, subject to the provisions of subsection  
1130 (12).

1131  
1132 The spouse of any member who elects to receive the benefit  
1133 provided under subparagraph 1. or subparagraph 2. shall be  
1134 notified of and shall acknowledge any such election. The  
1135 division shall establish by rule a method for selecting the  
1136 appropriate actuarial factor for optional forms of benefits  
1137 selected under subparagraphs 3. and 4., based on the age of the  
1138 member and the joint annuitant.

1139 (b) The benefit payable under any option stated above  
1140 shall be the actuarial equivalent, based on tables adopted by  
1141 the administrator for this purpose, of the amount to which the  
1142 member was otherwise entitled.

1143 (c) A member who elects the option in subparagraph (a)2.  
1144 shall, in accordance with subsection (8), designate one or more  
1145 persons to receive the benefits payable in the event of his or  
1146 her death. Such persons shall be the beneficiaries of the  
1147 member. The member may also designate one or more contingent  
1148 beneficiaries to receive any benefits remaining upon the death  
1149 of the primary beneficiary.

1150 (d) A member who elects the option in subparagraph (a)3.  
1151 or subparagraph (a)4. shall, on a form provided for that

964519

4/30/2008 7:09 PM

Amendment No.

1152 purpose, designate a joint annuitant to receive the benefits  
1153 which continue to be payable upon the death of the member. After  
1154 benefits have commenced under the option in subparagraph (a)3.  
1155 or subparagraph (a)4., the following shall apply:

1156 1. A retired member may change his or her designation of a  
1157 joint annuitant only twice. If such a retired member desires to  
1158 change his or her designation of a joint annuitant, he or she  
1159 shall file with the division a notarized "change of joint  
1160 annuitant" form and shall notify the former joint annuitant in  
1161 writing of such change. Effective the first day of the next  
1162 month following receipt by the division of a completed change of  
1163 joint annuitant form, the division shall adjust the member's  
1164 monthly benefit by the application of actuarial tables and  
1165 calculations developed to ensure that the benefit paid is the  
1166 actuarial equivalent of the present value of the member's  
1167 current benefit. The consent of a retired member's first  
1168 designated joint annuitant to any such change shall not be  
1169 required. However, if either the member or the joint annuitant  
1170 dies before the effective date of the request for change of  
1171 joint annuitant, the requested change shall be void, and  
1172 survivor benefits, if any, shall be paid as if no request had  
1173 been made.

1174 2. In the event of the dissolution of marriage of a  
1175 retired member and a joint annuitant, such member may make an  
1176 election to nullify the joint annuitant designation of the  
1177 former spouse, unless there is an existing qualified domestic  
1178 relations order preventing such action. The member shall file  
1179 with the division a written, notarized nullification which shall

964519

4/30/2008 7:09 PM

Amendment No.

1180 be effective on the first day of the next month following  
1181 receipt by the division. Benefits shall be paid as if the former  
1182 spouse predeceased the member. A member who makes such an  
1183 election may not reverse the nullification but may designate a  
1184 new joint annuitant in accordance with subparagraph 1.

1185 (e) The election of an option shall be null and void if  
1186 the member dies before the effective date of retirement.

1187 (f) A member who elects to receive benefits under the  
1188 option in subparagraph (a)3. may designate one or more qualified  
1189 persons, either a spouse or other dependent, as his or her joint  
1190 annuitant to receive the benefits after the member's death in  
1191 whatever proportion he or she so assigns to each person named as  
1192 joint annuitant. The division shall adopt appropriate actuarial  
1193 tables and calculations necessary to ensure that the benefit  
1194 paid is the actuarial equivalent of the benefit to which the  
1195 member is otherwise entitled under the option in subparagraph  
1196 (a)1.

1197 (g) Upon the death of a retired member or beneficiary  
1198 receiving monthly benefits under this chapter, the monthly  
1199 benefits shall be paid through the last day of the month of  
1200 death and shall terminate, or be adjusted, if applicable, as of  
1201 that date in accordance with the optional form of benefit  
1202 selected at the time of retirement.

1203 (h) The option selected or determined for payment of  
1204 benefits as provided in this section shall be final and  
1205 irrevocable at the time a benefit payment is cashed or deposited  
1206 or credited to the Deferred Retirement Option Program as  
1207 provided in subsection (13).

964519

4/30/2008 7:09 PM

Amendment No.

1208 (7) DEATH BENEFITS.--

1209 (a) If the employment of a member is terminated by reason  
1210 of his or her death prior to being vested, except as provided in  
1211 paragraph (f), there shall be payable to his or her designated  
1212 beneficiary the member's accumulated contributions.

1213 (b) If the employment of an active member who may or may  
1214 not have applied for retirement is terminated by reason of his  
1215 or her death subsequent to becoming vested and prior to his or  
1216 her effective date of retirement, if established, it shall be  
1217 assumed that the member retired as of the date of death in  
1218 accordance with subsection (1) if eligible for normal retirement  
1219 benefits, subsection (2) if eligible for benefits payable for  
1220 dual normal retirement, or subsection (3) if eligible for early  
1221 retirement benefits. Benefits payable to the designated  
1222 beneficiary shall be as follows:

1223 1. For a beneficiary who qualifies as a joint annuitant,  
1224 the optional form of payment provided in accordance with  
1225 subparagraph (6)(a)3. shall be paid for the joint annuitant's  
1226 lifetime.

1227 2. For a beneficiary who does not qualify as a joint  
1228 annuitant, no continuing monthly benefit shall be paid and the  
1229 beneficiary shall be entitled only to the return of the member's  
1230 personal contributions. If there is no monetary interest in the  
1231 member's retirement account for which such beneficiary is  
1232 eligible, the beneficiary shall be the next named beneficiary  
1233 or, if no other beneficiary is named, the beneficiary shall be  
1234 the next eligible beneficiary according to subsection (8).

964519  
4/30/2008 7:09 PM

Amendment No.

1235 (c) If a retiring member dies on or after the effective  
1236 date of retirement, but prior to a benefit payment being cashed  
1237 or deposited, or credited to the Deferred Retirement Option  
1238 Program, benefits shall be paid as follows:

1239 1. For a designated beneficiary who qualifies as a joint  
1240 annuitant, benefits shall be paid in the optional form of  
1241 payment provided in subparagraph (6)(a)3. for the joint  
1242 annuitant's lifetime or, if the member chose the optional form  
1243 of payment provided in subparagraph (6)(a)2., the joint  
1244 annuitant may select the form provided in either subparagraph  
1245 (6)(a)2. or subparagraph (6)(a)3.

1246 2. For a designated beneficiary who does not qualify as a  
1247 joint annuitant, any benefits payable shall be paid as provided  
1248 in the option selected by the member; or if the member has not  
1249 selected an option, benefits shall be paid in the optional form  
1250 of payment provided in subparagraph (6)(a)1.

1251 (d) Notwithstanding any other provision in this chapter to  
1252 the contrary, with the exception of the Deferred Retirement  
1253 Option Program, as provided in subsection (13):

1254 1. The surviving spouse of any member killed in the line  
1255 of duty may receive a monthly pension equal to one-half of the  
1256 monthly salary being received by the member at the time of death  
1257 for the rest of the surviving spouse's lifetime or, if the  
1258 member was vested, such surviving spouse may elect to receive a  
1259 benefit as provided in paragraph (b). Benefits provided by this  
1260 paragraph shall supersede any other distribution that may have  
1261 been provided by the member's designation of beneficiary.

964519  
4/30/2008 7:09 PM

Amendment No.

1262           2. If the surviving spouse of a member killed in the line  
1263 of duty dies, the monthly payments which would have been payable  
1264 to such surviving spouse had such surviving spouse lived shall  
1265 be paid for the use and benefit of such member's child or  
1266 children under 18 years of age and unmarried until the 18th  
1267 birthday of the member's youngest child.

1268           3. If a member killed in the line of duty leaves no  
1269 surviving spouse but is survived by a child or children under 18  
1270 years of age, the benefits provided by subparagraph 1., normally  
1271 payable to a surviving spouse, shall be paid for the use and  
1272 benefit of such member's child or children under 18 years of age  
1273 and unmarried until the 18th birthday of the member's youngest  
1274 child.

1275           4. The surviving spouse of a member whose benefit  
1276 terminated because of remarriage shall have the benefit  
1277 reinstated beginning July 1, 1993, at an amount that would have  
1278 been payable had the benefit not been terminated.

1279           (e) The surviving spouse or other dependent of any member,  
1280 except a member who participated in the Deferred Retirement  
1281 Option Program, whose employment is terminated by death shall,  
1282 upon application to the administrator, be permitted to pay the  
1283 required contributions for any service performed by the member  
1284 which could have been claimed by the member at the time of his  
1285 or her death. Such service shall be added to the creditable  
1286 service of the member and shall be used in the calculation of  
1287 any benefits which may be payable to the surviving spouse or  
1288 other surviving dependent.

964519  
4/30/2008 7:09 PM

Amendment No.

1289 (f) Notwithstanding any other provisions in this chapter  
1290 to the contrary and upon application to the administrator, an  
1291 eligible joint annuitant, of a member whose employment is  
1292 terminated by death within 1 year of such member satisfying the  
1293 service requirements for vesting and retirement eligibility,  
1294 shall be permitted to purchase only the additional service  
1295 credit necessary to vest and qualify for retirement benefits,  
1296 not to exceed a total of 1 year of credit, by one or a  
1297 combination of the following methods:

1298 1. Such eligible joint annuitant may use the deceased  
1299 member's accumulated hours of annual, sick, and compensatory  
1300 leave to purchase additional creditable service, on an hour by  
1301 hour basis, provided that such deceased member's accumulated  
1302 leave is sufficient to cover the additional months required. For  
1303 each month of service credit needed prior to the final month,  
1304 credit for the total number of work hours in that month must be  
1305 purchased, using an equal number of the deceased member's  
1306 accumulated leave hours. Service credit required for the final  
1307 month in which the deceased member would have become vested  
1308 shall be awarded upon the purchase of 1 hour of credit. Such  
1309 eligible joint annuitant shall pay the contribution rate in  
1310 effect for the period of time being claimed for the deceased  
1311 member's class of membership, multiplied by such member's  
1312 monthly salary at the time of death, plus 6.5 percent interest  
1313 compounded annually. The accumulated leave payment used in the  
1314 average final compensation shall not include that portion of the  
1315 payment that represents any leave hours used in the purchase of  
1316 such creditable service.

964519

4/30/2008 7:09 PM



Amendment No.

1317           2. Such eligible joint annuitant may purchase additional  
1318 months of creditable service for any periods of out-of-state  
1319 service as provided in s. 121.1115, and in-state service as  
1320 provided in s. 121.1122, that the deceased member would have  
1321 been eligible to purchase prior to his or her death.

1322  
1323 Service purchased under this paragraph shall be added to the  
1324 creditable service of the member and used to vest for retirement  
1325 eligibility, and shall be used in the calculation of any  
1326 benefits which may be payable to the eligible joint annuitant.  
1327 Any benefits paid in accordance with this paragraph shall only  
1328 be made prospectively.

1329           (g) Notwithstanding any other provisions in this chapter  
1330 to the contrary, if any member who is vested dies and the  
1331 surviving spouse receives a refund of the accumulated  
1332 contributions made to the retirement trust fund, such spouse may  
1333 pay to the Division of Retirement an amount equal to the sum of  
1334 the amount of the deceased member's accumulated contributions  
1335 previously refunded plus interest at 4 percent compounded  
1336 annually each June 30 from the date of refund until July 1,  
1337 1975, and 6.5 percent interest compounded annually thereafter,  
1338 until full payment is made, and receive the monthly retirement  
1339 benefit as provided in paragraph (b).

1340           (h) The designated beneficiary who is the surviving spouse  
1341 or other dependent of a member whose employment is terminated by  
1342 death subsequent to becoming vested, but prior to actual  
1343 retirement, may elect to receive a deferred monthly benefit as  
1344 if the member had lived and had elected a deferred monthly

964519

4/30/2008 7:09 PM

Amendment No.

1345 benefit, as provided in paragraph (5) (b), calculated on the  
1346 basis of the average final compensation and creditable service  
1347 of the member at his or her death and the age the member would  
1348 have attained on the commencement date of the deferred benefit  
1349 elected by the beneficiary, paid in accordance with option 3 of  
1350 paragraph (6) (a).

1351 (8) DESIGNATION OF BENEFICIARIES.--

1352 (a) Each member may, on a form provided for that purpose,  
1353 signed and filed with the division, designate a choice of one or  
1354 more persons, named sequentially or jointly, as his or her  
1355 beneficiary who shall receive the benefits, if any, which may be  
1356 payable in the event of the member's death pursuant to the  
1357 provisions of this chapter. If no beneficiary is named in the  
1358 manner provided above, or if no beneficiary designated by the  
1359 member survives the member, the beneficiary shall be the spouse  
1360 of the deceased, if living. If the member's spouse is not alive  
1361 at his or her death, the beneficiary shall be the living  
1362 children of the member. If no children survive, the beneficiary  
1363 shall be the member's father or mother, if living; otherwise,  
1364 the beneficiary shall be the member's estate. The beneficiary  
1365 most recently designated by a member on a form or letter filed  
1366 with the division shall be the beneficiary entitled to any  
1367 benefits payable at the time of the member's death, except that  
1368 benefits shall be paid as provided in paragraph (7) (d) when  
1369 death occurs in the line of duty. Notwithstanding any other  
1370 provisions in this subsection to the contrary, for a member who  
1371 dies prior to his or her effective date of retirement on or  
1372 after January 1, 1999, the spouse at the time of death shall be

964519

4/30/2008 7:09 PM

Amendment No.

1373 the member's beneficiary unless such member designates a  
1374 different beneficiary as provided herein subsequent to the  
1375 member's most recent marriage.

1376 (b) A designated beneficiary of a retirement account for  
1377 whom there is a monetary interest may disclaim his or her  
1378 monetary interest as provided in chapter 739 and in accordance  
1379 with division rules governing such disclaimers. Such disclaimer  
1380 must be filed within 24 months after the event that created the  
1381 interest, that is, the death of the member or annuitant.

1382 (c) Notwithstanding the member's designation of benefits  
1383 to be paid through a trust to a beneficiary that is a natural  
1384 person as provided in s. 121.021(46), and notwithstanding the  
1385 provisions of the trust, benefits shall be paid directly to the  
1386 beneficiary if the person is no longer a minor or an  
1387 incapacitated person as defined in s. 744.102.

1388 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.--

1389 (a) Any person who is retired under this chapter, except  
1390 under the disability retirement provisions of subsection (4),  
1391 may be employed by an employer that does not participate in a  
1392 state-administered retirement system and may receive  
1393 compensation from that employment without limiting or  
1394 restricting in any way the retirement benefits payable to that  
1395 person.

1396 (b)1. Any person who is retired under this chapter, except  
1397 under the disability retirement provisions of subsection (4),  
1398 may be reemployed by any private or public employer after  
1399 retirement and receive retirement benefits and compensation from  
1400 the his or her employer without limitation ~~any limitations~~,

964519

4/30/2008 7:09 PM

Amendment No.

1401 except that the a person may not receive ~~both~~ a salary from  
1402 reemployment with any agency participating in the Florida  
1403 Retirement System and retirement benefits under this chapter for  
1404 ~~a period of~~ 12 calendar months immediately after ~~subsequent to~~  
1405 the calendar month that termination is met as defined in s.  
1406 121.021(39), except as provided in sub-subparagraph b. date of  
1407 ~~retirement.~~ However, a DROP participant may ~~shall~~ continue  
1408 employment and receive a salary during the period of  
1409 participation in DROP ~~the Deferred Retirement Option Program,~~ as  
1410 provided in subsection (13).

1411 2. Any person to whom the limitation in subparagraph 1.  
1412 applies who ~~violates such reemployment limitation and who is~~  
1413 reemployed with any agency participating in the Florida  
1414 Retirement System after he or she has been retired and met the  
1415 definition of termination in s. 121.021(39), but before  
1416 completion of the 12-month limitation period must ~~shall~~ give  
1417 timely notice of this fact in writing to the employer and to the  
1418 Division of Retirement and shall have his or her retirement  
1419 benefits suspended while employed during ~~for~~ the balance of the  
1420 12-month limitation period unless the person exceeds the 780-  
1421 hour limitation in subparagraph 4. or subparagraph 5. Any person  
1422 employed in violation of this paragraph and any employing agency  
1423 that ~~which~~ knowingly employs or appoints such person without  
1424 notifying the division ~~of Retirement~~ to suspend retirement  
1425 benefits are ~~shall be~~ jointly and severally liable for  
1426 ~~reimbursement to the retirement trust fund of~~ any benefits paid  
1427 during the reemployment limitation period. To avoid liability,  
1428 the ~~such~~ employing agency must ~~shall~~ have a written statement

964519

4/30/2008 7:09 PM

Amendment No.

1429 from the retiree that he or she is not retired from a state-  
1430 administered retirement system. Any retirement benefits received  
1431 while reemployed during this reemployment limitation period must  
1432 ~~shall~~ be repaid to the Florida Retirement System Trust Fund, and  
1433 retirement benefits ~~shall~~ remain suspended until such repayment  
1434 has been made. Benefits suspended beyond the reemployment  
1435 limitation shall apply toward repayment of benefits received in  
1436 violation of the reemployment limitation.

1437 3. A district school board may reemploy a retired member  
1438 as a substitute or hourly teacher, education paraprofessional,  
1439 transportation assistant, bus driver, or food service worker on  
1440 a noncontractual basis after he or she has been retired and met  
1441 the definition of termination for 1 calendar month, in  
1442 accordance with s. 121.021(39). A district school board may  
1443 reemploy a retired member as instructional personnel, as defined  
1444 in s. 1012.01(2)(a), on an annual contractual basis after he or  
1445 she has been retired for 1 calendar month, in accordance with s.  
1446 121.021(39). Any other retired member who is reemployed before  
1447 meeting the definition of termination voids within 1 calendar  
1448 ~~month after retirement shall void~~ his or her application for  
1449 retirement benefits. District school boards reemploying such  
1450 teachers, education paraprofessionals, transportation  
1451 assistants, bus drivers, or food service workers are subject to  
1452 the retirement contribution required by subparagraph 9. 7.

1453 4. A community college board of trustees may reemploy a  
1454 retired member as an adjunct instructor, ~~that is, an instructor~~  
1455 ~~who is noncontractual and part-time~~, or as a participant in a  
1456 phased retirement program within the Florida Community College

964519

4/30/2008 7:09 PM

Amendment No.

1457 System, after he or she has been retired and met the definition  
1458 of termination for 1 calendar month, in accordance with s.  
1459 121.021(39). Any retired member who is reemployed before meeting  
1460 the definition of termination voids within 1 calendar month  
1461 ~~after retirement shall void~~ his or her application for  
1462 retirement benefits. Boards of trustees reemploying such  
1463 instructors are subject to the retirement contribution required  
1464 in subparagraph 7. A retired member may be reemployed as an  
1465 adjunct instructor for no more than 780 hours during the first  
1466 12 calendar months after meeting the definition of termination  
1467 ~~of retirement~~. Any retired member reemployed for more than 780  
1468 hours during the 12-month limitation period must first 12 months  
1469 ~~of retirement shall~~ give timely notice in writing to the  
1470 employer and to the Division of Retirement of the date he or she  
1471 will exceed the limitation. The division shall suspend his or  
1472 her retirement benefits for the remainder of the 12-month  
1473 limitation period first 12 months of retirement. Any person  
1474 employed in violation of this subparagraph and any employing  
1475 agency that ~~which~~ knowingly employs or appoints such person  
1476 without notifying the division ~~of Retirement~~ to suspend  
1477 retirement benefits are ~~shall be~~ jointly and severally liable  
1478 for ~~reimbursement to the retirement trust fund of~~ any benefits  
1479 paid during the reemployment limitation period. To avoid  
1480 liability, the ~~such~~ employing agency must ~~shall~~ have a written  
1481 statement from the retiree that he or she is not retired from a  
1482 state-administered retirement system. Any retirement benefits  
1483 received by a retired member while reemployed in excess of 780  
1484 hours during the 12-month limitation period must first 12 months

964519

4/30/2008 7:09 PM

Amendment No.

1485 ~~of retirement shall~~ be repaid to the Florida Retirement System  
1486 Trust Fund, and retirement benefits ~~shall~~ remain suspended until  
1487 repayment is made. Benefits suspended beyond the end of the 12-  
1488 month limitation period ~~retired member's first 12 months of~~  
1489 ~~retirement~~ shall apply toward repayment of benefits received in  
1490 violation of the 780-hour reemployment limitation.

1491 5. The State University System may reemploy a retired  
1492 member as an adjunct faculty member or as a participant in a  
1493 phased retirement program within the State University System  
1494 after the retired member has met the definition of termination  
1495 ~~been retired for 1 calendar month,~~ in accordance with s.  
1496 121.021(39). A ~~Any~~ retired member who is reemployed before  
1497 meeting the definition of termination voids ~~within 1 calendar~~  
1498 ~~month after retirement shall void~~ his or her application for  
1499 retirement benefits. The State University System is subject to  
1500 the retired contribution required in subparagraph 9. 7-, as  
1501 appropriate. A retired member may be reemployed as an adjunct  
1502 faculty member or a participant in a phased retirement program  
1503 for no more than 780 hours during the first 12 calendar months  
1504 after meeting the definition of termination ~~of his or her~~  
1505 ~~retirement~~. Any retired member reemployed for more than 780  
1506 hours during the 12-month limitation period ~~first 12 months of~~  
1507 ~~retirement~~ shall give timely notice in writing to the employer  
1508 and to the Division of Retirement of the date he or she will  
1509 exceed the limitation. The division shall suspend his or her  
1510 retirement benefits for the remainder of the 12-month limitation  
1511 period ~~first 12 months of retirement~~. Any person employed in  
1512 violation of this subparagraph and any employing agency that

964519

4/30/2008 7:09 PM

Amendment No.

1513 ~~which~~ knowingly employs or appoints such person without  
1514 notifying the division ~~of Retirement~~ to suspend retirement  
1515 benefits are ~~shall be~~ jointly and severally liable for  
1516 ~~reimbursement to the retirement trust fund~~ of any benefits paid  
1517 during the reemployment limitation period. To avoid liability,  
1518 such employing agency must ~~shall~~ have a written statement from  
1519 the retiree that he or she is not retired from a state-  
1520 administered retirement system. Any retirement benefits received  
1521 by a retired member while reemployed in excess of 780 hours  
1522 during the 12-month limitation period ~~first 12 months of~~  
1523 ~~retirement shall~~ be repaid to the Florida Retirement System  
1524 Trust Fund, and retirement benefits ~~shall~~ remain suspended until  
1525 repayment is made. Benefits suspended beyond the end of the  
1526 retired member's 12-month limitation period ~~first 12 months of~~  
1527 ~~retirement~~ shall apply toward repayment of benefits received in  
1528 violation of the 780-hour reemployment limitation.

1529         6. The Board of Trustees of the Florida School for the  
1530 Deaf and the Blind may reemploy a retired member as a substitute  
1531 teacher, substitute residential instructor, or substitute nurse  
1532 on a noncontractual basis after he or she has met the definition  
1533 of termination ~~been retired for 1 calendar month~~, in accordance  
1534 ~~with~~ s. 121.021(39). The Board of Trustees of the Florida School  
1535 for the Deaf and the Blind may reemploy a retired member as  
1536 instructional personnel, as defined in s. 1012.01(2)(a), on an  
1537 annual contractual basis after he or she has been retired and  
1538 met the definition of termination in s. 121.021(39). Any retired  
1539 member who is reemployed before meeting the definition of  
1540 termination voids ~~within 1 calendar month after retirement shall~~

964519

4/30/2008 7:09 PM



Amendment No.

1541 ~~void~~ his or her application for retirement benefits. The Board  
1542 of Trustees of the Florida School for the Deaf and the Blind  
1543 reemploying such teachers, residential instructors, or nurses is  
1544 subject to the retirement contribution required by subparagraph  
1545 9. 7. ~~Reemployment of a retired member as a substitute teacher,~~  
1546 ~~substitute residential instructor, or substitute nurse is~~  
1547 ~~limited to 780 hours during the first 12 months of his or her~~  
1548 ~~retirement. Any retired member reemployed for more than 780~~  
1549 ~~hours during the first 12 months of retirement shall give timely~~  
1550 ~~notice in writing to the employer and to the division of the~~  
1551 ~~date he or she will exceed the limitation. The division shall~~  
1552 ~~suspend his or her retirement benefits for the remainder of the~~  
1553 ~~first 12 months of retirement. Any person employed in violation~~  
1554 ~~of this subparagraph and any employing agency which knowingly~~  
1555 ~~employs or appoints such person without notifying the Division~~  
1556 ~~of Retirement to suspend retirement benefits shall be jointly~~  
1557 ~~and severally liable for reimbursement to the retirement trust~~  
1558 ~~fund of any benefits paid during the reemployment limitation~~  
1559 ~~period. To avoid liability, such employing agency shall have a~~  
1560 ~~written statement from the retiree that he or she is not retired~~  
1561 ~~from a state administered retirement system. Any retirement~~  
1562 ~~benefits received by a retired member while reemployed in excess~~  
1563 ~~of 780 hours during the first 12 months of retirement shall be~~  
1564 ~~repaid to the Retirement System Trust Fund, and his or her~~  
1565 ~~retirement benefits shall remain suspended until payment is~~  
1566 ~~made. Benefits suspended beyond the end of the retired member's~~  
1567 ~~first 12 months of retirement shall apply toward repayment of~~

964519

4/30/2008 7:09 PM

Amendment No.

1568 ~~benefits received in violation of the 780 hour reemployment~~  
1569 ~~limitation.~~

1570 7. A developmental research school may reemploy a retired  
1571 member as a substitute or hourly teacher or an education  
1572 paraprofessional, as defined in s. 1012.01(2), on a  
1573 noncontractual basis after he or she has been retired and met  
1574 the definition of termination in s. 121.021(39). A developmental  
1575 research school may reemploy a retired member as instructional  
1576 personnel, as defined in s. 1012.01(2)(a), on an annual  
1577 contractual basis after he or she has been retired and met the  
1578 definition of termination in s. 121.021(39). Any other retired  
1579 member who is reemployed within 12 calendar months after  
1580 retirement voids his or her application for retirement benefits.  
1581 A developmental research school that reemploys retired teachers  
1582 and education paraprofessionals is subject to the retirement  
1583 contribution required by subparagraph 9.

1584 8. A charter school may reemploy a retired member as a  
1585 substitute or hourly teacher on a noncontractual basis after he  
1586 or she has been retired and met the definition of termination in  
1587 s. 121.021(39). A charter school may reemploy a retired member  
1588 as instructional personnel, as defined in s. 1012.01(2)(a), on  
1589 an annual contractual basis after he or she has been retired and  
1590 met the definition of termination in s. 121.021(39). Any other  
1591 retired member who is reemployed within 12 calendar months after  
1592 retirement voids his or her application for retirement benefits.  
1593 A charter school that reemploys such teachers is subject to the  
1594 retirement contribution required by subparagraph 9.

964519

4/30/2008 7:09 PM

Amendment No.

1595 9.a.7- The employment ~~by an employer~~ of a any retiree or  
1596 DROP participant of a any state-administered retirement system  
1597 does not affect ~~shall have no effect on~~ the average final  
1598 compensation or years of creditable service of the retiree or  
1599 DROP participant.

1600 b. Prior to July 1, 1991, and for initial enrollment as a  
1601 renewed member through June 30, 2009, upon employment of any  
1602 person, other than an elected officer as provided in s. 121.053,  
1603 who is ~~has been~~ retired under a any state-administered  
1604 retirement program, the employer shall pay retirement  
1605 contributions in an amount equal to the unfunded actuarial  
1606 liability portion of the employer contribution which would be  
1607 required for regular members of the Florida Retirement System.  
1608 Effective July 1, 1991, contributions shall be made as provided  
1609 in s. 121.122 for retirees who have ~~with~~ renewed membership or,  
1610 as provided in subsection (13), for ~~with respect to~~ DROP  
1611 participants.

1612 c. Any person who is retired under a state-administered  
1613 retirement program and who is initially reemployed on or after  
1614 July 1, 2009, may not renew membership in the Florida Retirement  
1615 System. The employer shall pay retirement contributions in an  
1616 amount equal to the unfunded actuarial liability portion of the  
1617 employer contribution that would be required for active members  
1618 of the Florida Retirement System in addition to the  
1619 contributions required by s. 121.76.

1620 10.8- Any person who has ~~previously~~ retired and who is  
1621 holding an elective public office or an appointment to an  
1622 elective public office initially eligible for the Elected

964519

4/30/2008 7:09 PM

HOUSE AMENDMENT

Bill No. CS/CS/SB 2848

Amendment No.

1623 Officers' Class on or after July 1, 1990, through June 30, 2009,  
1624 shall be enrolled in the Florida Retirement System as provided  
1625 in s. 121.053(1) (c) ~~(b)~~ or, if holding an elective public office  
1626 that does not qualify for the Elected Officers' Class on or  
1627 after July 1, 1991, through June 30, 2009, shall be enrolled in  
1628 the Florida Retirement System as provided in s. 121.122, and  
1629 shall continue to receive retirement benefits as well as  
1630 compensation for the elected officer's service for as long as he  
1631 or she remains in elective office. However, any retired member  
1632 who served in an elective office prior to July 1, 1990,  
1633 suspended his or her retirement benefit, and had his or her  
1634 Florida Retirement System membership reinstated shall, upon  
1635 retirement from such office, have his or her retirement benefit  
1636 recalculated to include the additional service and compensation  
1637 earned.

1638 b. Any person who has retired and who is holding an  
1639 elective public office or an appointment to an elective public  
1640 office initially eligible for the Elected Officers' Class on or  
1641 after July 1, 2009, shall not be enrolled in the Florida  
1642 Retirement System as provided in s. 121.053(1)(c) or, if holding  
1643 an elective public office that does not qualify for the Elected  
1644 Officers' Class and is initially eligible on or after July 1,  
1645 2009, shall not be enrolled in the Florida Retirement System as  
1646 provided in s. 121.122, and shall not continue to receive  
1647 retirement benefits during the first 12 calendar months after  
1648 meeting the definition of termination in s. 121.021(39).

1649 11.a.9- Any person who is holding an elective public  
1650 office which is covered by the Florida Retirement System and who

964519  
4/30/2008 7:09 PM

Amendment No.

1651 is concurrently employed in nonelected covered employment before  
1652 July 1, 2009, may elect to retire while continuing employment in  
1653 the elective public office, if ~~provided that~~ he or she  
1654 terminates ~~shall be required to terminate~~ his or her nonelected  
1655 covered employment. Any person who exercises this election shall  
1656 receive his or her retirement benefits in addition to the  
1657 compensation of the elective office without regard to the time  
1658 limitations otherwise provided in this subsection. A ~~No~~ person  
1659 who seeks to exercise the provisions of this subparagraph, as  
1660 they ~~the same~~ existed prior to May 3, 1984, may not ~~shall~~ be  
1661 deemed to be retired under those provisions, unless such person  
1662 is eligible to retire under the provisions of this subparagraph,  
1663 as amended by chapter 84-11, Laws of Florida.

1664 b. Any person who is holding an elective public office  
1665 which is covered by the Florida Retirement System and who is  
1666 concurrently employed in nonelected covered employment on or  
1667 after July 1, 2009, may not elect to retire while continuing  
1668 employment in the elective public office. Such person must meet  
1669 the definition of termination in s. 121.021(39) and is subject  
1670 to the limitations provided in this section.

1671 12.10. The limitations of this paragraph apply to  
1672 reemployment in any capacity with an "employer" as defined in s.  
1673 121.021(10), irrespective of the category of funds from which  
1674 the person is compensated.

1675 13. The limitations of this paragraph apply to  
1676 reemployment in any capacity with an employer, as defined in s.  
1677 121.021, irrespective of the category of funds from which the  
1678 person is compensated.

964519

4/30/2008 7:09 PM

Amendment No.

1679 14. The reemployment after retirement provisions of this  
1680 paragraph apply to DROP participants effective upon termination  
1681 from employment and the end of DROP participation.

1682 ~~11. An employing agency may reemploy a retired member as a~~  
1683 ~~firefighter or paramedic after the retired member has been~~  
1684 ~~retired for 1 calendar month, in accordance with s. 121.021(39).~~  
1685 ~~Any retired member who is reemployed within 1 calendar month~~  
1686 ~~after retirement shall void his or her application for~~  
1687 ~~retirement benefits. The employing agency reemploying such~~  
1688 ~~firefighter or paramedic is subject to the retired contribution~~  
1689 ~~required in subparagraph 8. Reemployment of a retired~~  
1690 ~~firefighter or paramedic is limited to no more than 780 hours~~  
1691 ~~during the first 12 months of his or her retirement. Any retired~~  
1692 ~~member reemployed for more than 780 hours during the first 12~~  
1693 ~~months of retirement shall give timely notice in writing to the~~  
1694 ~~employer and to the Division of the date he or she will exceed~~  
1695 ~~the limitation. The division shall suspend his or her retirement~~  
1696 ~~benefits for the remainder of the first 12 months of retirement.~~  
1697 ~~Any person employed in violation of this subparagraph and any~~  
1698 ~~employing agency which knowingly employs or appoints such person~~  
1699 ~~without notifying the division of Retirement to suspend~~  
1700 ~~retirement benefits shall be jointly and severally liable for~~  
1701 ~~reimbursement to the Retirement System Trust Fund of any~~  
1702 ~~benefits paid during the reemployment limitation period. To~~  
1703 ~~avoid liability, such employing agency shall have a written~~  
1704 ~~statement from the retiree that he or she is not retired from a~~  
1705 ~~state-administered retirement system. Any retirement benefits~~  
1706 ~~received by a retired member while reemployed in excess of 780~~

964519

4/30/2008 7:09 PM

Amendment No.

1707 ~~hours during the first 12 months of retirement shall be repaid~~  
1708 ~~to the Retirement System Trust Fund, and retirement benefits~~  
1709 ~~shall remain suspended until repayment is made. Benefits~~  
1710 ~~suspended beyond the end of the retired member's first 12 months~~  
1711 ~~of retirement shall apply toward repayment of benefits received~~  
1712 ~~in violation of the 780 hour reemployment~~  
1713 ~~limitation.~~

1714 (c) The provisions of this subsection apply to retirees,  
1715 as defined in s. 121.4501(2)(j), of the Public Employee Optional  
1716 Retirement Program created in part II, subject to the following  
1717 conditions:

1718 1. Such retirees may not be reemployed with an employer  
1719 participating in the Florida Retirement System as provided in  
1720 paragraph (b) until such person has been retired for 12 ~~3~~  
1721 calendar months, unless the participant has reached the normal  
1722 retirement requirements of the defined benefit plan as provided  
1723 in s. 121.021(29).

1724 2. Such retiree employed in violation of this subsection  
1725 and any employing agency that knowingly employs or appoints such  
1726 person shall be jointly and severally liable for reimbursement  
1727 of any benefits paid to the retirement trust fund from which the  
1728 benefits were paid, including the Retirement System Trust Fund  
1729 and the Public Employee Optional Retirement Program Trust Fund,  
1730 as appropriate. To avoid liability, such employing agency must  
1731 have a written statement from the retiree that he or she is not  
1732 retired from a state-administered retirement system.

1733 (d) Notwithstanding any other provision in this section, a  
1734 member of the Special Risk Class who is employed as a law

964519

4/30/2008 7:09 PM

Amendment No.

1735 enforcement officer, correctional officer, or community-based  
1736 correctional probation officer, as described in s. 121.0515(2),  
1737 and who has a rank or the equivalent rank of captain or below,  
1738 at the conclusion of his or her participation in DROP, may not  
1739 be employed, reemployed, or retained in a contractual capacity  
1740 by the same employing agency from which the member retired;  
1741 however, the member may be retained by the employing agency as a  
1742 part-time or auxiliary law enforcement officer, as those terms  
1743 are defined in s. 943.10, if the member is serving on a  
1744 voluntary basis and receives no more than \$1 per calendar year  
1745 in remuneration for services rendered directly for the employing  
1746 agency. Any person who is reemployed or retained in a  
1747 contractual capacity in violation of this paragraph shall void  
1748 his or her application for retirement benefits. Any person who  
1749 violates this paragraph and any employing agency that knowingly  
1750 employs or contracts with such person in violation of this  
1751 paragraph is jointly and severally liable for reimbursement to  
1752 the Florida Retirement System Trust Fund for any retirement  
1753 benefits improperly paid during the reemployment or contractual  
1754 period. This paragraph does not otherwise limit the employment  
1755 or contractual opportunities for a retiree at any other  
1756 employing agency. This paragraph does not apply to a retiree who  
1757 is elected to an office or appointed to an office by the  
1758 Governor or by the Governor and Cabinet.

1759 (e)1. For purposes of this paragraph, the term "member"  
1760 means a person who:

1761 a. Retired from employment with an employer;



Amendment No.

1762 b. Was a member of the Senior Management Service Class or  
1763 was a member of the Special Risk Class and held the rank or  
1764 equivalent rank of captain or above, upon retirement or at the  
1765 end of DROP participation; and

1766 c. Was reemployed during months 2 through 12 by the same  
1767 employer from which the member retired.

1768 2. For the period July 1, 2005, to December 31, 2008, any  
1769 employer who reemployed a member in months 2 through 12 of  
1770 retirement must certify to the Governor, the President of the  
1771 Senate, and the Speaker of the House of Representatives the  
1772 following information on each reemployed member no later than  
1773 March 1, 2009:

1774 a. The date the member notified the employer that he or  
1775 she intended to retire or enter DROP.

1776 b. The date the member provided as his or her date for  
1777 retirement or DROP participation dates.

1778 c. How much time the employer had to plan for that  
1779 member's upcoming retirement and to recruit and train a person  
1780 to take over the member's job responsibilities prior to that  
1781 member's retirement date.

1782 d. Why the employer failed to plan for that member's  
1783 upcoming retirement and to recruit and train another person to  
1784 take over the member's job responsibilities prior to that  
1785 member's retirement date.

1786 3. On or after January 1, 2009, any employer who reemploys  
1787 a member in months 2 through 12 of retirement must certify to  
1788 the Governor, the President of the Senate, and the Speaker of

964519  
4/30/2008 7:09 PM

Amendment No.

1789 the House of Representatives the following information on each  
1790 reemployed member within 30 days of reemployment:

1791 a. The date the member notified the employer that he or  
1792 she intended to retire or enter DROP.

1793 b. The date the member provided as his or her date for  
1794 retirement or DROP participation dates.

1795 c. How much time the employer had to plan for that  
1796 member's upcoming retirement and to recruit and train a person  
1797 to take over the member's job responsibilities prior to that  
1798 member's retirement date.

1799 d. Why the employer failed to plan for that member's  
1800 upcoming retirement and to recruit and train another person to  
1801 take over the member's job responsibilities prior to that  
1802 member's retirement date.

1803 (10) FUTURE BENEFITS BASED ON ACTUARIAL DATA.--It is the  
1804 intent of the Legislature that future benefit increases enacted  
1805 into law in this chapter shall be financed concurrently by  
1806 increased contributions or other adequate funding, and such  
1807 funding shall be based on sound actuarial data as developed by  
1808 the actuary or state retirement actuary, as provided in ss.  
1809 121.021(6) and 121.192.

1810 (11) A member who becomes eligible to retire and has  
1811 accumulated the maximum benefit of 100 percent of average final  
1812 compensation may continue in active service, and, if upon the  
1813 member's retirement the member elects to receive a retirement  
1814 compensation pursuant to subsection (2), subsection (6), or  
1815 subsection (7), the actuarial equivalent percentage factor  
1816 applicable to the age of such member at the time the member

964519

4/30/2008 7:09 PM

Amendment No.

1817 reached the maximum benefit and to the age, at that time, of the  
1818 member's spouse shall determine the amount of benefits to be  
1819 paid.

1820 (12) SPECIAL PROVISIONS FOR PAYMENT OF CERTAIN SURVIVOR  
1821 BENEFITS.--Notwithstanding any provision of this chapter to the  
1822 contrary, for members with an effective date of retirement, or  
1823 date of death if prior to retirement, on or after January 1,  
1824 1996, the named joint annuitant, as defined in s.  
1825 121.021(28)(b), who is eligible to receive benefits under  
1826 subparagraph (6)(a)3. or subparagraph (6)(a)4., shall receive  
1827 the maximum monthly retirement benefit that would have been  
1828 payable to the member under subparagraph (6)(a)1.; however,  
1829 payment of such benefit shall cease the month the joint  
1830 annuitant attains age 25 unless such joint annuitant is disabled  
1831 and incapable of self-support, in which case, benefits shall  
1832 cease when the joint annuitant is no longer disabled. The  
1833 administrator may require proof of disability or continued  
1834 disability in the same manner as is provided for a member  
1835 seeking or receiving a disability retirement benefit under  
1836 subsection (4).

1837 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and  
1838 subject to the provisions of this section, the Deferred  
1839 Retirement Option Program, hereinafter referred to as the DROP,  
1840 is a program under which an eligible member of the Florida  
1841 Retirement System may elect to participate, deferring receipt of  
1842 retirement benefits while continuing employment with his or her  
1843 Florida Retirement System employer. The deferred monthly  
1844 benefits shall accrue in the System Trust Fund on behalf of the

964519

4/30/2008 7:09 PM

Amendment No.

1845 participant, plus interest compounded monthly, for the specified  
1846 period of the DROP participation, as provided in paragraph (c).  
1847 Upon termination of employment as required in s. 121.021(39)(b),  
1848 the participant shall receive the total DROP benefits and begin  
1849 to receive the previously determined normal retirement benefits.  
1850 Participation in the DROP does not guarantee employment for the  
1851 specified period of DROP. Participation in the DROP by an  
1852 eligible member beyond the initial 60-month period as authorized  
1853 in this subsection shall be on an annual contractual basis for  
1854 all participants.

1855 (a) Eligibility of member to participate in ~~the~~ DROP.--All  
1856 active Florida Retirement System members in a regularly  
1857 established position, and all active members of ~~either~~ the  
1858 Teachers' Retirement System established in chapter 238 or the  
1859 State and County Officers' and Employees' Retirement System  
1860 established in chapter 122, ~~which systems~~ are consolidated  
1861 within the Florida Retirement System under s. 121.011, are  
1862 eligible to elect participation in ~~the~~ DROP if provided that:

1863 1. The member is not a renewed member ~~of the Florida~~  
1864 ~~Retirement System~~ under s. 121.122, or a member or renewed  
1865 member of the State Community College System Optional Retirement  
1866 Program under s. 121.051, the Senior Management Service Optional  
1867 Annuity Program under s. 121.055, or the optional retirement  
1868 program for the State University System under s. 121.35.

1869 2. Except as provided in subparagraph 6., election to  
1870 participate is made within 12 months immediately following the  
1871 date on which the member first reaches normal retirement date,  
1872 or, for a member who reaches normal retirement date ~~based on~~

964519

4/30/2008 7:09 PM

Amendment No.

1873 ~~service~~ before he or she reaches age 62, or age 55 for Special  
1874 Risk Class members, election to participate may be deferred to  
1875 the 12 months immediately following the date the member attains  
1876 57, or age 52 for Special Risk Class members. ~~For a member who~~  
1877 ~~first reached normal retirement date or the deferred eligibility~~  
1878 ~~date described above prior to the effective date of this~~  
1879 ~~section, election to participate shall be made within 12 months~~  
1880 ~~after the effective date of this section.~~ A member who fails to  
1881 make an election within the ~~such~~ 12-month limitation period  
1882 forfeits ~~shall forfeit~~ all rights to participate in ~~the~~ DROP.  
1883 The member shall advise his or her employer and the division in  
1884 writing of the date ~~on which the~~ DROP begins ~~shall begin.~~ The  
1885 ~~Such~~ beginning date may be subsequent to the 12-month election  
1886 period, but must be within the original 60-month participation  
1887 ~~or, with respect to members who are instructional personnel~~  
1888 ~~employed by the Florida School for the Deaf and the Blind and~~  
1889 ~~who have received authorization by the Board of Trustees of the~~  
1890 ~~Florida School for the Deaf and the Blind to participate in the~~  
1891 ~~DROP beyond 60 months, or who are instructional personnel as~~  
1892 ~~defined in s. 1012.01(2)(a) (d) in grades K-12 and who have~~  
1893 ~~received authorization by the district school superintendent to~~  
1894 ~~participate in the DROP beyond 60 months, the 96-month~~  
1895 ~~limitation~~ period as provided in subparagraph (b)1. When  
1896 establishing eligibility of the member to participate in ~~the~~  
1897 DROP ~~for the 60-month or, with respect to members who are~~  
1898 ~~instructional personnel employed by the Florida School for the~~  
1899 ~~Deaf and the Blind and who have received authorization by the~~  
1900 ~~Board of Trustees of the Florida School for the Deaf and the~~

964519

4/30/2008 7:09 PM

Amendment No.

1901 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
1902 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
1903 ~~grades K-12 and who have received authorization by the district~~  
1904 ~~school superintendent to participate in the DROP beyond 60~~  
1905 ~~months, the 96-month maximum participation period,~~ the member  
1906 may elect to include or exclude any optional service credit  
1907 purchased by the member from the total service used to establish  
1908 the normal retirement date. A member who has ~~with~~ dual normal  
1909 retirement dates is ~~shall be~~ eligible to elect to participate in  
1910 DROP within 12 months after attaining normal retirement date in  
1911 either class.

1912 3. The employer of a member electing to participate in ~~the~~  
1913 DROP, or employers if dually employed, shall acknowledge in  
1914 writing to the division the date the member's participation in  
1915 the DROP begins and the date the member's employment and DROP  
1916 participation will terminate.

1917 4. Simultaneous employment of a participant by additional  
1918 Florida Retirement System employers subsequent to the  
1919 commencement of participation in ~~the~~ DROP is ~~shall be~~  
1920 permissible if provided such employers acknowledge in writing a  
1921 DROP termination date no later than the participant's existing  
1922 termination date or the maximum participation 60-month  
1923 ~~limitation~~ period as provided in subparagraph (b)1.

1924 5. A DROP participant may change employers while  
1925 participating in ~~the~~ DROP, subject to the following:

1926 a. A change of employment must take place without a break  
1927 in service so that the member receives salary for each month of  
1928 continuous DROP participation. If a member receives no salary

964519

4/30/2008 7:09 PM

Amendment No.

1929 during a month, DROP participation shall cease unless the  
1930 employer verifies a continuation of the employment relationship  
1931 for such participant pursuant to s. 121.021(39)(b).

1932 b. Such participant and new employer shall notify the  
1933 division of the identity of the new employer on forms required  
1934 by the division ~~as to the identity of the new employer.~~

1935 c. The new employer shall acknowledge, in writing, the  
1936 participant's DROP termination date, which may be extended but  
1937 not beyond the original 60-month maximum participation ~~or, with~~  
1938 ~~respect to members who are instructional personnel employed by~~  
1939 ~~the Florida School for the Deaf and the Blind and who have~~  
1940 ~~received authorization by the Board of Trustees of the Florida~~  
1941 ~~School for the Deaf and the Blind to participate in the DROP~~  
1942 ~~beyond 60 months, or who are instructional personnel as defined~~  
1943 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~  
1944 ~~authorization by the district school superintendent to~~  
1945 ~~participate in the DROP beyond 60 months, the 96-month period~~  
1946 provided in subparagraph (b)1., shall acknowledge liability for  
1947 any additional retirement contributions and interest required if  
1948 the participant fails to timely terminate employment, and is  
1949 ~~shall be~~ subject to the adjustment required in sub-subparagraph  
1950 (c)5.d.

1951 6. Effective July 1, 2001, for instructional personnel as  
1952 defined in s. 1012.01(2), election to participate in ~~the~~ DROP  
1953 may shall be made at any time following the date on which the  
1954 member first reaches normal retirement date. The member shall  
1955 advise his or her employer and the division in writing of the  
1956 date on which DROP begins ~~the Deferred Retirement Option Program~~

964519

4/30/2008 7:09 PM

Amendment No.

1957 ~~shall begin.~~ When establishing eligibility of the member to  
1958 participate in the DROP for the 60-month ~~or, with respect to~~  
1959 ~~members who are instructional personnel employed by the Florida~~  
1960 ~~School for the Deaf and the Blind and who have received~~  
1961 ~~authorization by the Board of Trustees of the Florida School for~~  
1962 ~~the Deaf and the Blind to participate in the DROP beyond 60~~  
1963 ~~months, or who are instructional personnel as defined in s.~~  
1964 ~~1012.01(2)(a)-(d) in grades K-12 and who have received~~  
1965 ~~authorization by the district school superintendent to~~  
1966 ~~participate in the DROP beyond 60 months, the 96-month maximum~~  
1967 ~~participation period, as provided in sub-subparagraph (b)(1)a.~~  
1968 ~~subparagraph (b)1.~~, the member may elect to include or exclude  
1969 any optional service credit purchased by the member from the  
1970 total service used to establish the normal retirement date. A  
1971 member who has ~~with~~ dual normal retirement dates is ~~shall be~~  
1972 eligible to elect to participate in either class.

1973 (b) Participation in the DROP.--

1974 1.a. Except as provided in sub-subparagraph b., an  
1975 eligible member may elect to participate in the DROP for a  
1976 period not to exceed a maximum of 60 calendar months except as  
1977 provided in subparagraph b. ~~or, with respect to~~

1978 b. Members who are instructional personnel employed by the  
1979 Florida School for the Deaf and the Blind and who are authorized  
1980 ~~have received authorization~~ by the Board of Trustees of the  
1981 Florida School for the Deaf and the Blind ~~to participate in the~~  
1982 ~~DROP beyond 60 months,~~ or who are instructional personnel as  
1983 defined in s. 1012.01(2)(a)-(d) in grades K-12 and who are  
1984 authorized ~~have received authorization~~ by the district school

964519

4/30/2008 7:09 PM



Amendment No.

1985 superintendent ~~to participate in the DROP beyond 60 calendar~~  
1986 ~~months, or who are instructional personnel, as defined in s.~~  
1987 1012.01(2)(a)-(d), employed by a developmental research school  
1988 and who are authorized by the school's principal, to participate  
1989 in DROP beyond the original 60-month period, for up to 36 96  
1990 calendar months immediately following the DROP termination date  
1991 elected for participation in sub-subparagraph a.

1992 c. Special Risk Class members who are employed as law  
1993 enforcement officers, correctional officers, or community-based  
1994 correctional probation officers, as described in s. 121.0515(2),  
1995 who have a rank or the equivalent rank of captain or below, and  
1996 who are currently participating in DROP for up to 60 months, may  
1997 participate for an additional 36 calendar months. However, in  
1998 order to participate the member must, before beginning the  
1999 additional 36 months, receive authorization from the member's  
2000 employer to participate in DROP beyond 60 months and pass the  
2001 same physical examination required for new officers under s.  
2002 943.13(6) and provide an accompanying statement from the  
2003 officer's examining physician, physician assistant, or certified  
2004 advanced registered nurse practitioner that the officer is  
2005 capable of performing the essential functions of his or her  
2006 duties as a law enforcement officer, correctional officer, or  
2007 community-based correctional probation officer. The member's  
2008 rank at the time of entering DROP shall be used for determining  
2009 eligibility for the additional 36 calendar months of DROP date  
2010 ~~on which the member first reaches his or her normal retirement~~  
2011 ~~date or the date to which he or she is eligible to defer his or~~  
2012 ~~her election to participate as provided in subparagraph (a)2.~~

964519

4/30/2008 7:09 PM

Amendment No.

2013 ~~However, a member who has reached normal retirement date prior~~  
2014 ~~to the effective date of the DROP shall be eligible to~~  
2015 ~~participate in the DROP for a period of time not to exceed 60~~  
2016 ~~calendar months or, with respect to members who are~~  
2017 ~~instructional personnel employed by the Florida School for the~~  
2018 ~~Deaf and the Blind and who have received authorization by the~~  
2019 ~~Board of Trustees of the Florida School for the Deaf and the~~  
2020 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
2021 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
2022 ~~grades K-12 and who have received authorization by the district~~  
2023 ~~school superintendent to participate in the DROP beyond 60~~  
2024 ~~calendar months, 96 calendar months immediately following the~~  
2025 ~~effective date of the DROP, except a member of the Special Risk~~  
2026 ~~Class who has reached normal retirement date prior to the~~  
2027 ~~effective date of the DROP and whose total accrued value exceeds~~  
2028 ~~75 percent of average final compensation as of his or her~~  
2029 ~~effective date of retirement shall be eligible to participate in~~  
2030 ~~the DROP for no more than 36 calendar months immediately~~  
2031 ~~following the effective date of the DROP.~~

2032 2. Upon deciding to participate in the DROP, the member  
2033 shall submit, on forms required by the division:

- 2034 a. A written election to participate in the DROP;  
2035 b. Selection of the DROP participation and termination  
2036 dates, which satisfy the limitations stated in paragraph (a) and  
2037 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a  
2038 binding letter of resignation to ~~with~~ the employer, establishing  
2039 a deferred termination date. The member may change the

964519  
4/30/2008 7:09 PM

Amendment No.

2040 termination date within the limitations of subparagraph 1., but  
2041 only with the written approval of the ~~his or her~~ employer;

2042 c. A properly completed DROP application for service  
2043 retirement as provided in this section; and

2044 d. Any other information required by the division.

2045 3. The DROP participant is ~~shall be~~ a retiree under the  
2046 Florida Retirement System for all purposes, except for paragraph  
2047 (5)(f) and subsection (9) and ss. 112.3173, 112.363, 121.053,  
2048 and 121.122. DROP participation is final and cannot be canceled  
2049 by the participant after the first payment is credited during  
2050 the DROP participation period. However, participation in ~~the~~  
2051 DROP does not alter the participant's employment status and the  
2052 member is ~~such employee shall~~ not be deemed retired from  
2053 employment until his or her deferred resignation is effective  
2054 and termination occurs as provided in s. 121.021(39).

2055 4. Elected officers are ~~shall be~~ eligible to participate  
2056 in the DROP subject to the following:

2057 a. An elected officer who reaches normal retirement date  
2058 during a term of office may defer the election to participate in  
2059 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~  
2060 elected officer who exercises this option may participate in ~~the~~  
2061 DROP for up to 60 calendar months or a period of no longer than  
2062 the ~~such~~ succeeding term of office, whichever is less.

2063 b. An elected or a nonelected participant may run for a  
2064 term of office while participating in DROP and, if elected,  
2065 extend the DROP termination date accordingly, except, however,  
2066 if such additional term of office exceeds the 60-month  
2067 limitation established in subparagraph 1., and the officer does

964519

4/30/2008 7:09 PM

Amendment No.

2068 not resign from office within such 60-month limitation, the  
2069 retirement and the participant's DROP is ~~shall be~~ null and void  
2070 as provided in sub-subparagraph (c)5.d.

2071 c.(I) For DROP participation ending before July 1, 2009,  
2072 an elected officer who is dually employed and elects to  
2073 participate in DROP must ~~shall be required to~~ satisfy the  
2074 definition of termination within the original 60-month period or  
2075 maximum participation ~~or, with respect to members who are~~  
2076 ~~instructional personnel employed by the Florida School for the~~  
2077 ~~Deaf and the Blind and who have received authorization by the~~  
2078 ~~Board of Trustees of the Florida School for the Deaf and the~~  
2079 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
2080 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
2081 ~~grades K-12 and who have received authorization by the district~~  
2082 ~~school superintendent to participate in the DROP beyond 60~~  
2083 ~~months, the 96-month limitation~~ period as provided in  
2084 subparagraph 1. for the nonelected position and may continue  
2085 employment as an elected officer as provided in s. 121.053. The  
2086 elected officer shall ~~will~~ be enrolled as a renewed member in  
2087 the Elected Officers' Class or the Regular Class, as provided in  
2088 ss. 121.053 and 121.122, on the first day of the month after  
2089 termination of employment in the nonelected position and  
2090 termination of DROP. Distribution of ~~the~~ DROP benefits shall be  
2091 made as provided in paragraph (c).

2092 (II) For DROP participation ending on or after July 1,  
2093 2009, an elected officer who is dually employed and elects to  
2094 participate in DROP must satisfy the definition of termination

964519  
4/30/2008 7:09 PM

Amendment No.

2095 in s. 121.021(39) within the original 60-month period or maximum  
2096 period as provided in subparagraph 1.

2097 (c) Benefits payable under ~~the~~ DROP.--

2098 1. Effective on ~~with~~ the date of DROP participation, the  
2099 member's initial normal monthly benefit, including creditable  
2100 service, optional form of payment, and average final  
2101 compensation, and the effective date of retirement are ~~shall be~~  
2102 fixed. The beneficiary established under the Florida Retirement  
2103 System shall be the beneficiary eligible to receive any DROP  
2104 benefits payable if the DROP participant dies prior to the  
2105 completion of the period of DROP participation. If ~~In the event~~  
2106 a joint annuitant predeceases the member, the member may name a  
2107 beneficiary to receive accumulated DROP benefits payable. The  
2108 ~~Such~~ retirement benefit, the annual cost of living adjustments  
2109 provided in s. 121.101, and interest shall accrue monthly in the  
2110 Florida Retirement System Trust Fund. The ~~Such~~ interest shall  
2111 accrue at an effective annual rate of 6.5 percent compounded  
2112 monthly, on the prior month's accumulated ending balance, up to  
2113 the month of termination or death.

2114 2. Each employee who elects to participate in ~~the~~ DROP may  
2115 ~~shall be allowed to~~ elect to receive a lump-sum payment for  
2116 accrued annual leave earned in accordance with agency policy  
2117 upon beginning participation in ~~the~~ DROP. The ~~Such~~ accumulated  
2118 leave payment certified to the division upon commencement of  
2119 DROP shall be included in the calculation of the member's  
2120 average final compensation. The employee electing the ~~such~~ lump-  
2121 sum payment is ~~upon beginning participation in DROP will not be~~  
2122 eligible to receive a second lump-sum payment upon termination,

964519

4/30/2008 7:09 PM

Amendment No.

2123 except to the extent the employee has earned additional annual  
2124 leave which, combined with the original payment, does not exceed  
2125 the maximum lump-sum payment allowed by the employing agency's  
2126 policy or rules. An ~~Such~~ early lump-sum payment shall be based  
2127 on the hourly wage of the employee at the time he or she begins  
2128 participation in ~~the~~ DROP. If the member elects to wait and  
2129 receive a ~~such~~ lump-sum payment upon termination of DROP and  
2130 termination of employment with the employer, any accumulated  
2131 leave payment made at that time may not ~~cannot~~ be included in  
2132 the member's retirement benefit, which was determined and fixed  
2133 by law when the employee elected to participate in ~~the~~ DROP.

2134 3. The effective date of DROP participation and the  
2135 effective date of retirement of a DROP participant shall be the  
2136 first day of the month selected by the member to begin  
2137 participation in the DROP, provided such date is properly  
2138 established, with the written confirmation of the employer, and  
2139 the approval of the division, on forms required by the division.

2140 4. Normal retirement benefits and any interest ~~thereon~~  
2141 shall continue to accrue in ~~the~~ DROP until the established  
2142 termination date of ~~the~~ DROP, or until the participant  
2143 terminates employment or dies prior to such date. Although  
2144 individual DROP accounts shall not be established, a separate  
2145 accounting of each participant's accrued benefits under ~~the~~ DROP  
2146 shall be calculated and provided to participants.

2147 5. At the conclusion of the participant's DROP, the  
2148 division shall distribute the participant's total accumulated  
2149 DROP benefits, subject to the following provisions:

964519  
4/30/2008 7:09 PM

Amendment No.

2150 a. The division shall receive verification by the  
2151 participant's employer or employers that the ~~such~~ participant  
2152 has terminated employment as provided in s. 121.021(39)(b).

2153 b. The terminated DROP participant or, if deceased, the  
2154 ~~such~~ participant's named beneficiary, shall elect on forms  
2155 provided by the division to receive payment of ~~the~~ DROP benefits  
2156 in accordance with one of the options listed below. If ~~For~~ a  
2157 participant or beneficiary ~~who~~ fails to elect a method of  
2158 payment within 60 days of termination of ~~the~~ DROP, the division  
2159 shall ~~will~~ pay a lump sum as provided in sub-sub-subparagraph  
2160 (I).

2161 (I) Lump sum.--All accrued DROP benefits, plus interest,  
2162 less withholding taxes remitted to the Internal Revenue Service,  
2163 shall be paid to the DROP participant or surviving beneficiary.

2164 (II) Direct rollover.--All accrued DROP benefits, plus  
2165 interest, shall be paid from ~~the~~ DROP directly to the custodian  
2166 of an eligible retirement plan as defined in s. 402(c)(8)(B) of  
2167 the Internal Revenue Code. However, in the case of an eligible  
2168 rollover distribution to the surviving spouse of a deceased  
2169 participant, an eligible retirement plan is an individual  
2170 retirement account or an individual retirement annuity as  
2171 described in s. 402(c)(9) of the Internal Revenue Code.

2172 (III) Partial lump sum.--A portion of the accrued DROP  
2173 benefits shall be paid to the DROP participant or surviving  
2174 spouse, less withholding taxes remitted to the Internal Revenue  
2175 Service, and the remaining DROP benefits shall be transferred  
2176 directly to the custodian of an eligible retirement plan as  
2177 defined in s. 402(c)(8)(B) of the Internal Revenue Code.

964519

4/30/2008 7:09 PM

Amendment No.

2178 However, in the case of an eligible rollover distribution to the  
2179 surviving spouse of a deceased participant, an eligible  
2180 retirement plan is an individual retirement account or an  
2181 individual retirement annuity as described in s. 402(c)(9) of  
2182 the Internal Revenue Code. The proportions shall be specified by  
2183 the DROP participant or surviving beneficiary.

2184 c. The form of payment selected by the DROP participant or  
2185 surviving beneficiary must comply ~~complies~~ with the minimum  
2186 distribution requirements of the Internal Revenue Code.

2187 d. A DROP participant who fails to terminate employment as  
2188 defined in s. 121.021(39)(b) shall be deemed as not ~~to be~~  
2189 retired, and the DROP election is ~~shall be~~ null and void.  
2190 Florida Retirement System membership shall be reestablished  
2191 retroactively to the date of the commencement of ~~the~~ DROP, and  
2192 each employer with whom the participant continues employment  
2193 must ~~shall be required to~~ pay to the Florida Retirement System  
2194 Trust Fund the difference between the DROP contributions paid in  
2195 paragraph (i) and the contributions required for the applicable  
2196 Florida Retirement System class of membership during the period  
2197 the member participated in the DROP, plus 6.5 percent interest  
2198 compounded annually.

2199 6. The retirement benefits of any DROP participant who  
2200 meets the definition of termination in s. 121.021(39)(b), but is  
2201 in violation of the reemployment provisions as provided in  
2202 subsection (9), shall be suspended during those months in which  
2203 the member is in violation. Any member employed in violation of  
2204 this subparagraph and any employing agency that knowingly  
2205 employs or appoints such member without notifying the Division

964519

4/30/2008 7:09 PM



Amendment No.

2206 of Retirement to suspend retirement benefits are jointly and  
2207 severally liable for any benefits paid during the reemployment  
2208 limitation period. To avoid liability, the employing agency must  
2209 have a written statement from the retiree that he or she is not  
2210 retired from a state-administered retirement system. Any  
2211 retirement benefits received by a retired member while employed  
2212 in violation of the reemployment limitations during the first 12  
2213 months of retirement must be repaid to the Florida Retirement  
2214 System Trust Fund, and his or her retirement benefits shall  
2215 remain suspended until payment is made. Benefits suspended  
2216 beyond the end of the retired member's first 12 calendar months  
2217 after meeting the definition of termination in s. 121.021(39)(b)  
2218 shall apply toward repayment of benefits received in violation  
2219 of the reemployment limitations.

2220 ~~7.6-~~ The accrued benefits of any DROP participant, and any  
2221 contributions accumulated under the such program, are shall not  
2222 be subject to assignment, execution, attachment, or to any legal  
2223 process whatsoever, except for qualified domestic relations  
2224 orders by a court of competent jurisdiction, income deduction  
2225 orders as provided in s. 61.1301, and federal income tax levies.

2226 ~~8.7-~~ DROP participants are shall not be eligible for  
2227 disability retirement benefits as provided in subsection (4).

2228 (d) Death benefits under ~~the~~ DROP.--

2229 1. Upon the death of a DROP participant, the named  
2230 beneficiary shall be entitled to apply for and receive the  
2231 accrued benefits in ~~the~~ DROP as provided in sub-subparagraph  
2232 (c)5.b.

Amendment No.

2233 2. The normal retirement benefit accrued to ~~the~~ DROP  
2234 during the month of a participant's death shall be the final  
2235 monthly benefit credited for such DROP participant.

2236 3. Eligibility to participate in ~~the~~ DROP terminates upon  
2237 death of the participant. If the participant dies on or after  
2238 the effective date of enrollment in ~~the~~ DROP, but prior to the  
2239 first monthly benefit being credited to ~~the~~ DROP, Florida  
2240 Retirement System benefits shall be paid in accordance with  
2241 subparagraph (7)(c)1. or subparagraph 2.

2242 4. A DROP participants' survivors shall not be eligible to  
2243 receive Florida Retirement System death benefits as provided in  
2244 paragraph (7)(d).

2245 (e) Cost-of-living adjustment.--On each July 1, the  
2246 participants' normal retirement benefit shall be increased as  
2247 provided in s. 121.101.

2248 (f) Retiree health insurance subsidy.--DROP participants  
2249 are not eligible to apply for the retiree health insurance  
2250 subsidy payments as provided in s. 112.363 until such  
2251 participants have terminated employment and participation in ~~the~~  
2252 DROP.

2253 (g) Renewed membership.--DROP participants must meet the  
2254 definition of termination in s. 121.021(39)(b) and must meet  
2255 eligibility requirements ~~shall not be eligible~~ for renewed  
2256 membership in the Florida Retirement System under ss. 121.053  
2257 and 121.122 ~~until termination of employment is effectuated as~~  
2258 ~~provided in s. 121.021(39)(b).~~

2259 (h) Employment limitation after DROP participation.--Upon  
2260 satisfying the definition of termination of employment as

964519

4/30/2008 7:09 PM

Amendment No.

2261 provided in s. 121.021(39)(b), DROP participants shall be  
2262 subject to such reemployment limitations as other retirees.  
2263 Reemployment restrictions applicable to retirees as provided in  
2264 subsection (9) shall not apply to DROP participants until their  
2265 employment and participation in ~~the~~ DROP are terminated.

2266 (i) Contributions.--

2267 1. All employers paying the salary of a DROP participant  
2268 filling a regularly established position shall contribute 8.0  
2269 percent of such participant's gross compensation for the period  
2270 of July 1, 2002, through June 30, 2003, and 11.56 percent of  
2271 such compensation thereafter, which shall constitute the entire  
2272 employer DROP contribution with respect to such participant.  
2273 Such contributions, payable to the System Trust Fund in the same  
2274 manner as required in s. 121.071, shall be made as appropriate  
2275 for each pay period and are in addition to contributions  
2276 required for social security and the Retiree Health Insurance  
2277 Subsidy Trust Fund. Such employer, social security, and health  
2278 insurance subsidy contributions are not included in ~~the~~ DROP.

2279 2. The employer shall, in addition to subparagraph 1.,  
2280 also withhold one-half of the entire social security  
2281 contribution required for the participant. Contributions for  
2282 social security by each participant and each employer, in the  
2283 amount required for social security coverage as now or hereafter  
2284 provided by the federal Social Security Act, shall be in  
2285 addition to contributions specified in subparagraph 1.

2286 3. All employers paying the salary of a DROP participant  
2287 filling a regularly established position shall contribute the  
2288 percent of such participant's gross compensation required in s.  
964519

4/30/2008 7:09 PM

Amendment No.

2289 121.071(4), which shall constitute the employer's health  
2290 insurance subsidy contribution with respect to such participant.  
2291 Such contributions shall be deposited by the administrator in  
2292 the Retiree Health Insurance Subsidy Trust Fund.

2293 (j) Forfeiture of retirement benefits.--Nothing in this  
2294 section shall be construed to remove DROP participants from the  
2295 scope of s. 8(d), Art. II of the State Constitution, s.  
2296 112.3173, and paragraph (5)(f). DROP participants who commit a  
2297 specified felony offense while employed will be subject to  
2298 forfeiture of all retirement benefits, including DROP benefits,  
2299 pursuant to those provisions of law.

2300 (k) Administration of program.--The division shall make  
2301 such rules as are necessary for the effective and efficient  
2302 administration of this subsection. The division shall not be  
2303 required to advise members of the federal tax consequences of an  
2304 election related to the DROP but may advise members to seek  
2305 independent advice.

2306 (14) PAYMENT OF BENEFITS.--This subsection applies to the  
2307 payment of benefits to a payee (retiree or beneficiary) under  
2308 the Florida Retirement System:

2309 (a) Federal income tax shall be withheld in accordance  
2310 with federal law, unless the payee elects otherwise on Form W-  
2311 4P. The division shall prepare and distribute to each recipient  
2312 of monthly retirement benefits an appropriate income tax form  
2313 that reflects the recipient's income and federal income tax  
2314 withheld for the calendar year just ended.

2315 (b) Subject to approval by the division in accordance with  
2316 rule 60S-4.015, Florida Administrative Code, a payee receiving  
964519

4/30/2008 7:09 PM

Amendment No.

2317 retirement benefits under the ~~Florida Retirement~~ system may also  
2318 have the following payments deducted from his or her monthly  
2319 benefit:

2320 1. Premiums for life and health-related insurance policies  
2321 from approved companies.

2322 2. Life insurance premiums for the State Group Life  
2323 Insurance Plan, if authorized in writing by the payee and by the  
2324 department ~~of Management Services~~.

2325 3. Repayment of overpayments from the Florida Retirement  
2326 System Trust Fund, the State Employees' Health Insurance Trust  
2327 Fund, or the State Employees' Life Insurance Trust Fund, upon  
2328 notification of the payee.

2329 4. Payments to an alternate payee for alimony or child  
2330 support pursuant to an income deduction order under s. 61.1301,  
2331 or division of marital assets pursuant to a qualified domestic  
2332 relations order under s. 222.21 ~~or an income deduction order~~  
2333 ~~under s. 61.1301.~~

2334 5. Payments to the Internal Revenue Service for federal  
2335 income tax levies, upon notification of the division by the  
2336 Internal Revenue Service.

2337 (c) A payee must ~~shall~~ notify the division of any change  
2338 in his or her address. The division may suspend benefit payments  
2339 to a payee if correspondence sent to the payee's mailing address  
2340 is returned due to an incorrect address. Benefit payments shall  
2341 be resumed upon notification to the division of the payee's new  
2342 address.

2343 (d) A payee whose retirement benefits are reduced by the  
2344 application of maximum benefit limits under s. 415(b) of the  
964519

4/30/2008 7:09 PM

Amendment No.

2345 Internal Revenue Code, as specified in s. 121.30(5), shall have  
2346 the portion of his or her calculated benefit in the Florida  
2347 Retirement System defined benefit plan which exceeds such  
2348 federal limitation paid through the Florida Retirement System  
2349 Preservation of Benefits Plan, as provided in s. 121.1001.

2350 (e) The division may issue retirement benefits payable for  
2351 division of marital assets pursuant to a qualified domestic  
2352 relations order directly to the alternate payee, any court order  
2353 to the contrary notwithstanding, in order to meet Internal  
2354 Revenue Code requirements.

2355 (f)-(e) A ~~No~~ benefit may not be reduced for the purpose of  
2356 preserving the member's eligibility for a federal program.

2357 (g)-(f) The division shall adopt rules establishing  
2358 procedures for determining that ~~the~~ persons to whom benefits are  
2359 being paid are still living. The division shall suspend the  
2360 benefits being paid to any payee if ~~when~~ it is unable to contact  
2361 such payee and to confirm that he or she is still living.

2362 Section 10. Section 121.1115, Florida Statutes, is amended  
2363 to read:

2364 121.1115 Purchase of retirement credit for out-of-state or  
2365 ~~and~~ federal service.--Effective January 1, 1995, a member ~~of the~~  
2366 ~~Florida Retirement System~~ may purchase creditable service for  
2367 periods of public employment in another state and receive  
2368 creditable service for such periods of employment. Service with  
2369 the Federal Government, including any active military service,  
2370 may be claimed. Upon completion of each year of service earned  
2371 under the Florida Retirement System, a member may purchase up to

964519

4/30/2008 7:09 PM

Amendment No.

2372 1 year of retirement credit for his or her out-of-state service,  
2373 subject to the following provisions:

2374 (1) LIMITATIONS AND CONDITIONS.--To receive credit for the  
2375 out-of-state service:

2376 (a) The out-of-state service ~~being claimed~~ must have been:

2377 1. Performed in a position of employment with the state or  
2378 a political subdivision thereof or with the Federal Government;

2379 2. Covered by a retirement or pension plan provided by the  
2380 state or political subdivision, or by the Federal Government, as  
2381 appropriate; and

2382 3. Performed prior to a period of membership in the  
2383 Florida Retirement System.

2384 (b) The member must have completed a minimum of 6 years of  
2385 creditable service under the Florida Retirement System,  
2386 excluding out-of-state service and in-state service claimed and  
2387 purchased under s. 121.1122.

2388 (c) Not more than 5 years of creditable service may be  
2389 claimed for creditable service aggregated under the provisions  
2390 of this section and s. 121.1122.

2391 (d) The out-of-state service credit ~~claimed under this~~  
2392 ~~section~~ shall be credited only as service in the Regular Class  
2393 ~~of membership~~, and any benefit or pension based thereon is ~~shall~~  
2394 ~~be~~ subject to the limitations and restrictions of s. 112.65.

2395 (e) The member is not eligible for and may not receive a  
2396 pension or benefit from a retirement or pension plan based on or  
2397 including the out-of-state service. Eligibility for or the  
2398 receipt of contributions to a retirement plan made by the  
2399 employer on behalf of the employee is considered a benefit.

964519

4/30/2008 7:09 PM

Amendment No.

2400        ~~(f)(e) To receive A member shall be eligible to receive~~  
2401        service credit for out-of-state service performed after leaving  
2402        the Florida Retirement System, the member must complete only  
2403        ~~upon return to membership and completion of~~ at least 1 year of  
2404        creditable service in the Florida Retirement System following  
2405        the out-of-state service.

2406        (2) COST.--For each year claimed, the member must pay into  
2407        the Florida Retirement System Trust Fund an amount equal to 20  
2408        percent of the member's annual compensation for the first full  
2409        work year of creditable service earned under the Florida  
2410        Retirement System, but not less than \$12,000, plus interest at  
2411        6.5 percent compounded annually from the date of first annual  
2412        salary earned until full payment is made. The employer may pay  
2413        all or a portion of the cost of this service credit.

2414        Section 11. Subsection (2) of section 121.1122, Florida  
2415        Statutes, is amended to read:

2416        121.1122 Purchase of retirement credit for in-state public  
2417        service and in-state service in accredited nonpublic schools and  
2418        colleges, including charter schools and charter technical career  
2419        centers.--Effective January 1, 1998, a member of the Florida  
2420        Retirement System may purchase creditable service for periods of  
2421        certain public or nonpublic employment performed in this state,  
2422        as provided in this section.

2423        (2) LIMITATIONS AND CONDITIONS.--

2424        (a) A member is not eligible to receive credit for in-  
2425        state service under this section until he or she has completed 6  
2426        years of creditable service under the Florida Retirement System,



Amendment No.

2427 excluding service purchased under this section and out-of-state  
2428 service claimed and purchased under s. 121.1115.

2429 (b) A member may not purchase and receive credit for more  
2430 than 5 years of creditable service aggregated under ~~the~~  
2431 ~~provisions of~~ this section and s. 121.1115.

2432 (c) Service credit claimed under this section shall be  
2433 credited only as service in the Regular Class ~~of membership~~ and  
2434 ~~is shall be~~ subject to ~~the provisions of~~ s. 112.65.

2435 (d) Service credit may not be purchased under this section  
2436 if the member is eligible to receive or is receiving a pension  
2437 or benefit from a retirement or pension plan based on or  
2438 including the service. Eligibility for or the receipt of  
2439 contributions to a retirement plan made by the employer on  
2440 behalf of the employee is considered a benefit.

2441 (e)-(d) A member is shall be eligible to receive service  
2442 credit for in-state service performed after leaving the Florida  
2443 Retirement System only after upon returning to membership and  
2444 completing at least 1 year of creditable service in the Florida  
2445 Retirement System following the in-state service.

2446 (f)-(e) The service claimed must have been service covered  
2447 by a retirement or pension plan provided by the employer.

2448 Section 12. Section 121.122, Florida Statutes, is amended  
2449 to read:

2450 121.122 Renewed membership in system.--

2451 (1) Any retiree of a state-administered retirement system  
2452 who is initially reemployed on or after July 1, 2009, shall not  
2453 be eligible for renewed membership.

Amendment No.

2454        (2) Except as provided in s. 121.053, effective July 1,  
2455 1991, through June 30, 2009, any retiree of a state-administered  
2456 retirement system who is initially reemployed ~~employed~~ in a  
2457 regularly established position with a covered employer shall be  
2458 enrolled as a compulsory member of the Regular Class of the  
2459 Florida Retirement System or, effective July 1, 1997, through  
2460 June 30, 2009, any retiree of a state-administered retirement  
2461 system who is initially reemployed ~~employed~~ in a position  
2462 included in the Senior Management Service Class shall be  
2463 enrolled as a compulsory member of the Senior Management Service  
2464 Class of the Florida Retirement System as provided in s.  
2465 121.055, and shall be entitled to receive an additional  
2466 retirement benefit, subject to the following conditions:

2467        ~~(1)~~(a) Such member shall resatisfy the age and service  
2468 requirements as provided in this chapter for initial membership  
2469 under the system, unless such member elects to participate in  
2470 the Senior Management Service Optional Annuity Program in lieu  
2471 of the Senior Management Service Class, as provided in s.  
2472 121.055(6).

2473        (b) Such member shall not be entitled to disability  
2474 benefits as provided in s. 121.091(4).

2475        (c) Such member must meet the reemployment after  
2476 retirement limitations as provided in s. 121.091(9), as  
2477 applicable.

2478        (3)~~(2)~~ Upon renewed membership or reemployment of a  
2479 retiree, the employer of such member shall pay the applicable  
2480 employer contributions as required by ss. 121.71, 121.74,  
2481 121.76, and 112.363 ~~121.055(3) and 121.071(1)(a) and (4)~~.

964519

4/30/2008 7:09 PM

Amendment No.

2482        (4)-(3) The retiree of a state-administered retirement  
2483 system who is initially reemployed before July 1, 2009, Such  
2484 member shall be entitled to purchase additional retirement  
2485 credit in the Regular Class or the Senior Management Service  
2486 Class, as applicable, for any postretirement service performed  
2487 in a regularly established position as follows:

2488        (a) For regular class service prior to July 1, 1991, by  
2489 paying the Regular Class applicable employee and employer  
2490 contributions for the period being claimed, plus 4 percent  
2491 interest compounded annually from first year of service claimed  
2492 until July 1, 1975, and 6.5 percent interest compounded  
2493 thereafter, until full payment is made to the Florida Retirement  
2494 System Trust Fund; or

2495        (b) For Senior Management Service Class prior to June 1,  
2496 1997, as provided in s. 121.055(1)(j).

2497  
2498 The contribution for postretirement service between July 1,  
2499 1985, and July 1, 1991, for which the reemployed retiree  
2500 contribution was paid, shall be the difference between such  
2501 contribution and the total applicable contribution for the  
2502 period being claimed, plus interest. The employer of such member  
2503 may pay the applicable employer contribution in lieu of the  
2504 member. If a member does not wish to claim credit for all of the  
2505 postretirement service for which he or she is eligible, the  
2506 service the member claims must be the most recent service.

2507        (5)-(4) No creditable service for which credit was  
2508 received, or which remained unclaimed, at retirement may be  
2509 claimed or applied toward service credit earned following

964519

4/30/2008 7:09 PM

Amendment No.

2510 renewed membership. However, for retirees initially reemployed  
2511 before July 1, 2009, service earned as an elected officer with  
2512 renewed membership in the Elected Officers' Class may be used in  
2513 conjunction with creditable service earned under this section,  
2514 provided the applicable vesting requirements and other existing  
2515 statutory conditions required by this chapter are met.

2516 (6)(5) Notwithstanding any other limitations provided in  
2517 this section, a participant of the State University System  
2518 Optional Retirement Program or the Senior Management Service  
2519 Optional Annuity Program who terminated employment and received  
2520 a distribution ~~commenced receiving an annuity~~ under the  
2521 provisions of the optional program, who initially renews  
2522 membership before July 1, 2009, ~~in the Regular Class~~ as required  
2523 by this section upon reemployment after retirement, and who had  
2524 previously earned creditable Florida Retirement System service  
2525 that was not included in any retirement benefit may include such  
2526 previous service toward vesting and service credit in the second  
2527 career benefit provided under renewed membership.

2528 (7)(6) Any renewed member who is not receiving the maximum  
2529 health insurance subsidy provided in s. 112.363 shall be  
2530 entitled to earn additional credit toward the maximum health  
2531 insurance subsidy. Any additional subsidy due because of such  
2532 additional credit shall be received only at the time of payment  
2533 of the second career retirement benefit. In no case shall the  
2534 total health insurance subsidy received by a retiree receiving  
2535 benefits from initial and renewed membership exceed the maximum  
2536 allowed in s. 112.363.

964519  
4/30/2008 7:09 PM

Amendment No.

2537 Section 13. Section 121.136, Florida Statutes, is amended  
2538 to read:

2539 121.136 Annual benefit statement to members.--~~Beginning~~  
2540 ~~January 1, 1993, and~~ Each January thereafter, the department  
2541 shall provide each active member of the Florida Retirement  
2542 System with 5 or more years of creditable service an annual  
2543 statement of benefits which provides. ~~Such statement should~~  
2544 ~~provide~~ the member with basic data about the member's retirement  
2545 account. At a minimum ~~Minimally~~, it must ~~shall~~ include the  
2546 member's retirement plan, accrued service credit ~~the amount of~~  
2547 ~~funds on deposit in the retirement account~~, and an estimate of  
2548 retirement benefits.

2549 Section 14. Section 121.1905, Florida Statutes, is amended  
2550 to read:

2551 121.1905 Division of Retirement; creation.--

2552 ~~(1)~~ There is created the Division of Retirement within the  
2553 Department of Management Services.

2554 ~~(2) The mission of the Division of Retirement is to~~  
2555 ~~provide quality and cost effective retirement services as~~  
2556 ~~measured by member satisfaction and by comparison with~~  
2557 ~~administrative costs of comparable retirement systems.~~

2558 Section 15. Paragraph (a) of subsection (2) of section  
2559 121.23, Florida Statutes, is amended to read:

2560 121.23 Disability retirement and special risk membership  
2561 applications; Retirement Commission; powers and duties; judicial  
2562 review.--The provisions of this section apply to all proceedings  
2563 in which the administrator has made a written final decision on  
2564 the merits respecting applications for disability retirement,

964519

4/30/2008 7:09 PM

Amendment No.

2565 reexamination of retired members receiving disability benefits,  
2566 applications for special risk membership, and reexamination of  
2567 special risk members in the Florida Retirement System. The  
2568 jurisdiction of the State Retirement Commission under this  
2569 section shall be limited to written final decisions of the  
2570 administrator on the merits.

2571 (2) A member shall be entitled to a hearing before the  
2572 State Retirement Commission pursuant to ss. 120.569 and  
2573 120.57(1) on the merits of any written adverse decision of the  
2574 administrator, if he or she files with the commission a written  
2575 request for such hearing within 21 days after receipt of such  
2576 written decision from the administrator. For the purpose of such  
2577 hearings, the commission shall be an "agency head" as defined by  
2578 s. 120.52.

2579 (a) The commission ~~may shall have the authority to~~ issue  
2580 orders as a result of the a hearing that are ~~shall be~~ binding on  
2581 all parties to the dispute and. ~~The commission~~ may order any  
2582 action that it deems appropriate. Any disability retirement  
2583 order of the commission ~~issued pursuant to this subsection~~ which  
2584 sustains the application of the member may include an amount, to  
2585 be determined by the commission, for reasonable attorney's fees  
2586 and taxable costs, which shall be calculated in accordance with  
2587 the statewide uniform guidelines for taxation of costs in civil  
2588 actions. The amount of the attorney's fee may not exceed 50  
2589 percent of the initial yearly benefit awarded under s.  
2590 121.091(4). In cases involving disability retirement, the ~~State~~  
2591 ~~Retirement~~ commission shall require the member to present  
2592 competent substantial medical evidence and meet the requirements

964519

4/30/2008 7:09 PM

Amendment No.

2593 of s. 121.091(4)(c)2. and 3., and may require vocational  
2594 evidence, before awarding disability retirement benefits.

2595 Section 16. Paragraph (a) of subsection (1) of section  
2596 121.24, Florida Statutes, is amended to read:

2597 121.24 Conduct of commission business; legal and other  
2598 assistance; compensation.--

2599 (1) The commission shall conduct its business within the  
2600 following guidelines:

2601 (a) For purposes of hearing appeals under s. 121.23, the  
2602 commission may meet in panels ~~consisting of no not~~ fewer than  
2603 three members. ~~For the purpose of meeting in these panels, a~~  
2604 ~~quorum shall be not fewer than two members. For all other~~  
2605 ~~purposes,~~ A quorum shall consist of three members. The  
2606 concurring vote of a majority of the members present ~~is shall be~~  
2607 required to reach a decision, issue orders, and conduct the  
2608 business of the commission.

2609 Section 17. Paragraph (e) of subsection (5) of section  
2610 121.35, Florida Statutes, is amended to read:

2611 121.35 Optional retirement program for the State  
2612 University System.--

2613 (5) BENEFITS.--

2614 (e) A participant who chooses to receive his or her  
2615 benefits upon termination of employment as defined in s.  
2616 121.021(39) shall have responsibility to notify the provider  
2617 company of the date on which he or she wishes benefits funded by  
2618 employer contributions to begin. Benefits may be deferred until  
2619 such time as the participant chooses to make such application.

964519

4/30/2008 7:09 PM

Amendment No.

2620 Section 18. Paragraph (f) of subsection (2) of section  
2621 121.4501, Florida Statutes, is amended to read:

2622 121.4501 Public Employee Optional Retirement Program.--

2623 (2) DEFINITIONS.--As used in this part, the term:

2624 (f) "Eligible employee" means an officer or employee, as  
2625 defined in s. 121.021(11), who:

2626 1. Is a member of, or is eligible for membership in, the  
2627 Florida Retirement System, including any renewed member of the  
2628 Florida Retirement System initially enrolled before July 1,  
2629 2009; or

2630 2. Participates in, or is eligible to participate in, the  
2631 Senior Management Service Optional Annuity Program as  
2632 established under s. 121.055(6), the State Community College  
2633 Optional Retirement Program as established under s.  
2634 121.051(2)(c), or the State University System Optional  
2635 Retirement Program established under s. 121.35.

2636  
2637 The term does not include any member participating in the  
2638 Deferred Retirement Option Program established under s.  
2639 121.091(13), a retiree of a state-administered retirement system  
2640 initially reemployed on or after July 1, 2009, or a mandatory  
2641 participant of the State University System Optional Retirement  
2642 Program established under s. 121.35.

2643 Section 19. Paragraph (b) of subsection (1) of section  
2644 121.591, Florida Statutes, is amended to read:

2645 121.591 Benefits payable under the Public Employee  
2646 Optional Retirement Program of the Florida Retirement  
2647 System.--Benefits may not be paid under this section unless the  
964519

4/30/2008 7:09 PM



Amendment No.

2648 member has terminated employment as provided in s.  
2649 121.021(39)(a) or is deceased and a proper application has been  
2650 filed in the manner prescribed by the state board or the  
2651 department. The state board or department, as appropriate, may  
2652 cancel an application for retirement benefits when the member or  
2653 beneficiary fails to timely provide the information and  
2654 documents required by this chapter and the rules of the state  
2655 board and department. In accordance with their respective  
2656 responsibilities as provided herein, the State Board of  
2657 Administration and the Department of Management Services shall  
2658 adopt rules establishing procedures for application for  
2659 retirement benefits and for the cancellation of such application  
2660 when the required information or documents are not received. The  
2661 State Board of Administration and the Department of Management  
2662 Services, as appropriate, are authorized to cash out a de  
2663 minimis account of a participant who has been terminated from  
2664 Florida Retirement System covered employment for a minimum of 6  
2665 calendar months. A de minimis account is an account containing  
2666 employer contributions and accumulated earnings of not more than  
2667 \$5,000 made under the provisions of this chapter. Such cash-out  
2668 must either be a complete lump-sum liquidation of the account  
2669 balance, subject to the provisions of the Internal Revenue Code,  
2670 or a lump-sum direct rollover distribution paid directly to the  
2671 custodian of an eligible retirement plan, as defined by the  
2672 Internal Revenue Code, on behalf of the participant. If any  
2673 financial instrument issued for the payment of retirement  
2674 benefits under this section is not presented for payment within  
2675 180 days after the last day of the month in which it was

964519

4/30/2008 7:09 PM

Amendment No.

2676 originally issued, the third-party administrator or other duly  
2677 authorized agent of the State Board of Administration shall  
2678 cancel the instrument and credit the amount of the instrument to  
2679 the suspense account of the Public Employee Optional Retirement  
2680 Program Trust Fund authorized under s. 121.4501(6). Any such  
2681 amounts transferred to the suspense account are payable upon a  
2682 proper application, not to include earnings thereon, as provided  
2683 in this section, within 10 years after the last day of the month  
2684 in which the instrument was originally issued, after which time  
2685 such amounts and any earnings thereon shall be forfeited. Any  
2686 such forfeited amounts are assets of the Public Employee  
2687 Optional Retirement Program Trust Fund and are not subject to  
2688 the provisions of chapter 717.

2689 (1) NORMAL BENEFITS.--Under the Public Employee Optional  
2690 Retirement Program:

2691 (b) If a participant elects to receive his or her benefits  
2692 upon termination of employment as defined in s. 121.021(39), the  
2693 participant must submit a written application or an equivalent  
2694 form to the third-party administrator indicating his or her  
2695 preferred distribution date and selecting an authorized method  
2696 of distribution as provided in paragraph (c). The participant  
2697 may defer receipt of benefits until he or she chooses to make  
2698 such application, subject to federal requirements.

2699 Section 20. Subsection (8) of section 1012.33, Florida  
2700 Statutes, is amended to read:

2701 1012.33 Contracts with instructional staff, supervisors,  
2702 and school principals.--

964519  
4/30/2008 7:09 PM

Amendment No.

2703           (8) Notwithstanding any other provision of law, a retired  
2704 ~~any member who has retired~~ may interrupt retirement and be  
2705 reemployed in any public school. A ~~Any~~ member ~~se~~ reemployed by  
2706 the same district from which he or she retired may be employed  
2707 on a probationary contractual basis as provided in subsection  
2708 (1); ~~however, no regular retirement employee shall be eligible~~  
2709 ~~to renew membership under a retirement system created by chapter~~  
2710 ~~121 or chapter 238.~~

2711           Section 21. Paragraph (a) of subsection (4) of section  
2712 121.35, Florida Statutes, is amended, and paragraph (g) is added  
2713 to that subsection, to read:

2714           121.35 Optional retirement program for the State  
2715 University System.--

2716           (4) CONTRIBUTIONS.--

2717           (a) Through June 30, 2001, each employer shall contribute  
2718 on behalf of each participant in the optional retirement program  
2719 an amount equal to the normal cost portion of the employer  
2720 retirement contribution which would be required if the  
2721 participant were a regular member of the Florida Retirement  
2722 System defined benefit program, plus the portion of the  
2723 contribution rate required in s. 112.363(8) that would otherwise  
2724 be assigned to the Retiree Health Insurance Subsidy Trust Fund.  
2725 Effective July 1, 2001, each employer shall contribute on behalf  
2726 of each participant in the optional program an amount equal to  
2727 10.43 percent of the participant's gross monthly compensation.  
2728 The department shall deduct an amount approved by the  
2729 Legislature to provide for the administration of this program.  
2730 The payment of the contributions to the optional program which

964519

4/30/2008 7:09 PM

Amendment No.

2731 is required by this paragraph for each participant shall be made  
2732 by the employer to the department, which shall forward the  
2733 contributions to the designated company or companies contracting  
2734 for payment of benefits for the participant under the program.  
2735 However, such contributions paid on behalf of an employee  
2736 described in paragraph (3)(c) shall not be forwarded to a  
2737 company and shall not begin to accrue interest until the  
2738 employee has executed a ~~an annuity~~ contract and notified the  
2739 department.

2740 (g) Effective January 1, 2009, for purposes of paragraph  
2741 (a) and notwithstanding s. 121.021(22)(b)1., the term  
2742 "participant's gross monthly compensation" includes salary  
2743 payments made to eligible clinical faculty from a state  
2744 university using funds provided by a faculty practice plan  
2745 authorized by the Board of Governors of the State University  
2746 System if:

2747 1. There is not any employer contribution from the state  
2748 university to any other retirement program with respect to such  
2749 salary payments; and

2750 2. The employer contribution on behalf of the participant  
2751 in the optional retirement program with respect to such salary  
2752 payments is made using funds provided by the faculty practice  
2753 plan.

2754 Section 22. Section 121.355, Florida Statutes, is created  
2755 to read:

2756 121.355 Community College Optional Retirement Program and  
2757 State University System Optional Retirement Program member  
2758 transfer.--Effective July 1, 2009, through December 31, 2009, an  
964519

4/30/2008 7:09 PM

Amendment No.

2759 employee who is a former participant in the Community College  
2760 Optional Retirement Program or the State University System  
2761 Optional Retirement Program and present mandatory participant in  
2762 the Florida Retirement System defined benefit plan may receive  
2763 service credit equal to his or her years of service under the  
2764 Community College Optional Retirement Program or the State  
2765 University System Optional Retirement Program under the  
2766 following conditions:

2767 (1) The cost for such credit shall be an amount  
2768 representing the actuarial accrued liability for the affected  
2769 period of service. The cost shall be calculated using the  
2770 discount rate and other relevant actuarial assumptions that were  
2771 used to value the Florida Retirement System defined benefit plan  
2772 liabilities in the most recent actuarial valuation. The  
2773 calculation shall include any service already maintained under  
2774 the defined benefit plan in addition to the years under the  
2775 Community College Optional Retirement Program or the State  
2776 University System Optional Retirement Program. The actuarial  
2777 accrued liability of any service already maintained under the  
2778 defined benefit plan shall be applied as a credit to total cost  
2779 resulting from the calculation. The division shall ensure that  
2780 the transfer sum is prepared using a formula and methodology  
2781 certified by an enrolled actuary.

2782 (2) The employee must transfer from his or her Community  
2783 College Optional Retirement Program account or State University  
2784 System Optional Retirement Program account, subject to the terms  
2785 of the applicable optional retirement program contract, and from  
2786 other employee moneys as necessary, a sum representing the

964519

4/30/2008 7:09 PM

Amendment No.

2787 actuarial accrued liability immediately following the time of  
2788 such movement, determined assuming that attained service equals  
2789 the sum of service in the defined benefit program and service in  
2790 the Community College Optional Retirement Program or State  
2791 University System Optional Retirement Program.

2792 (3) The employee may not receive service credit for a  
2793 period of mandatory participation in the State University  
2794 Optional Retirement Program or for a period for which a  
2795 distribution was received from the Community College Optional  
2796 Retirement Program or State University System Optional  
2797 Retirement Program.

2798 Section 23. Sections 121.093, 121.094, and 121.45, Florida  
2799 Statutes, are repealed.

2800 Section 24. A study shall be conducted by a committee to  
2801 determine the available processes and different retirement  
2802 options for returning employees, as well as the benefits and  
2803 negatives; constitutional issues; federal issues, including, but  
2804 not limited to, ERSA and IRS; investment options; and the  
2805 savings versus the costs of such options. The committee shall be  
2806 comprised of five members. Three members shall be appointed by  
2807 the Governor, one with knowledge of tax issues, one with  
2808 knowledge of investment options, and one who is a large  
2809 investment firm retirement expert. One member from the Division  
2810 of Retirement shall be appointed by the division's director and  
2811 one member from the Chief Financial Officer's office shall be  
2812 appointed by the Chief Financial Officer. The committee shall  
2813 report its findings to the Speaker of the House of  
2814 Representatives and the President of the Senate by June 30,

964519

4/30/2008 7:09 PM

Amendment No.

2815 2010. Members of the committee are not entitled to a salary for  
2816 duties performed as a member of the committee, except that the  
2817 members are entitled to reimbursement for per diem and travel  
2818 expenses in accordance with s. 112.061, Florida Statutes.

2819       Section 25. The Legislature finds that a proper and  
2820 legitimate state purpose is served when employees and retirees  
2821 of the state and its political subdivisions, as well as the  
2822 dependents, survivors, and beneficiaries of such employees and  
2823 retiree, are extended the basic protections afforded by  
2824 governmental retirement systems that provide fair and adequate  
2825 benefits and that are managed, administered, and funded in an  
2826 actuarially sound manner as required by s. 14, Art. X of the  
2827 State Constitution, and part VII of chapter 112, Florida  
2828 Statutes. Therefore, the Legislature determines and declares  
2829 that the amendment of s. 121.091, Florida Statutes, by this act  
2830 fulfills an important state interest.

2831       Section 26. This act shall take effect January 1, 2009.

2832  
2833 -----

2834                   **T I T L E   A M E N D M E N T**

2835       Remove the entire title and insert:

2836                   A bill to be entitled  
2837       An act relating to retirement; amending s. 121.021, F.S.;  
2838       redefining the terms "employer," "officer or employee,"  
2839       "past service," "compensation," "normal retirement date,"  
2840       "regularly established position," "termination," and  
2841       "temporary position"; defining the terms "state board" and  
2842       "trustees"; amending s. 121.031, F.S.; requiring

Amendment No.

2843 promotional materials that refer to the Florida Retirement  
2844 System to include a disclaimer unless approval is obtained  
2845 from the Department of Management Services; amending s.  
2846 121.051, F.S.; conforming a cross-reference; revising  
2847 provisions relating to participation in the system;  
2848 requiring that a person appointed to a faculty position at  
2849 a state university having a faculty practice plan  
2850 participate in the optional retirement program of the  
2851 State University System rather than the Florida Retirement  
2852 System; providing definitions; excluding the participation  
2853 of entities under a lease agreement; excluding the  
2854 participation of prisoners and inmates in the system;  
2855 amending s. 121.052, F.S.; changing the dates for when a  
2856 governing body of a municipality or special district may  
2857 elect to designate its elected positions for inclusion in  
2858 the Elected Officers' Class; amending s. 121.053, F.S.;  
2859 revising provisions relating to participation in the  
2860 Elected Officers' Class for retired members; amending s.  
2861 121.055, F.S.; revising provisions relating to  
2862 participation in the Senior Management Service Class;  
2863 amending s. 121.071, F.S.; expanding the mechanisms for  
2864 employees to pay contributions to the system; amending s.  
2865 121.081, F.S.; revising provisions relating to receiving  
2866 credit for past or prior service; prohibiting a member  
2867 from receiving credit for service covered and reported by  
2868 both a public employer and a private employer; amending s.  
2869 121.091, F.S.; revising provisions relating to retirement  
2870 benefits; revising limitations on the payment of

964519

4/30/2008 7:09 PM



Amendment No.

2871 retirement benefits for certain retired persons who are  
2872 reemployed by an employer participating in a state-  
2873 administered retirement system; prohibiting certain  
2874 members of the Special Risk Class from being reemployed or  
2875 contracting with the same employing agency from which the  
2876 member retired; deleting a restriction on the reemployment  
2877 of certain personnel by the Florida School for the Deaf  
2878 and the Blind; extending the period of time during which  
2879 certain Special Risk Class members may participate in the  
2880 Florida Retirement System Deferred Retirement Option  
2881 Program; extending the period of time that instructional  
2882 personnel employed by a developmental research school may  
2883 participate in the Deferred Retirement Option Program;  
2884 defining the term "member" for purposes of reporting to  
2885 the Governor, the President of the Senate, and the Speaker  
2886 of the House of Representatives those members who have  
2887 been reemployed after retirement; requiring employers to  
2888 certify to the Governor, the President of the Senate, and  
2889 the Speaker of the House of Representatives information  
2890 regarding those employers who reemployed members during  
2891 months 2 through 12 of retirement; prohibiting certain  
2892 persons holding public office from electing to retire  
2893 while continuing employment in that elected office;  
2894 deleting a provision authorizing an employing agency to  
2895 reemploy a retired member as a firefighter or paramedic  
2896 after a specified period; providing certain limitations  
2897 for DROP participants; clarifying that DROP participation  
2898 cannot be canceled; authorizing the Division of Retirement

964519

4/30/2008 7:09 PM

Amendment No.

2899 to issue benefits directly to the alternate payee pursuant  
2900 to an income deduction order or a qualified domestic  
2901 relations order; providing for the suspension of DROP  
2902 benefits to a participant who is reemployed; deleting  
2903 obsolete provisions; authorizing the Division of  
2904 Retirement to issue benefits pursuant to a qualified  
2905 domestic relations order directly to the alternate payee;  
2906 amending s. 121.1115, F.S.; revising provisions relating  
2907 to receiving retirement credit for out-of-state service;  
2908 providing that a member is not eligible for and may not  
2909 receive a benefit based on that service; amending s.  
2910 121.1122, F.S.; revising provisions relating to receiving  
2911 retirement credit for in-state service; providing that a  
2912 member may not be eligible for or receiving a benefit  
2913 based on service; amending s. 121.122, F.S.; providing  
2914 that certain persons are ineligible for renewed membership  
2915 in the Florida Retirement System; amending s. 121.136,  
2916 F.S.; revising provisions relating to the annual statement  
2917 of benefits provided to certain active members of the  
2918 Florida Retirement System; amending s. 121.1905, F.S.;  
2919 deleting provision describing the mission of the Division  
2920 of Retirement; amending s. 121.23, F.S.; requiring the  
2921 State Retirement Commission to meet the same requirements  
2922 used by the Secretary of Management Services before  
2923 approving a disability retirement benefit; amending s.  
2924 121.24, F.S.; requiring a quorum of three members for all  
2925 appeal hearings held by the State Retirement Commission;  
2926 amending s. 1012.33, F.S.; deleting the provision

964519

4/30/2008 7:09 PM

Amendment No.

2927 preventing persons who have retired from the public school  
2928 system from renewing membership in the Florida Retirement  
2929 System upon reemployment by the school system; amending s.  
2930 121.35, F.S.; requiring the participating employee in the  
2931 optional retirement program to execute a contract, not  
2932 just an annuity contract, with a designated company in  
2933 order for employee contributions to be forwarded to the  
2934 company and for interest to accrue; defining the term  
2935 "participant's gross monthly compensation" for purposes of  
2936 the optional retirement program for the State University  
2937 System; providing a cross-reference; creating s. 121.355,  
2938 F.S.; authorizing certain former participants in the  
2939 Community College Optional Retirement Program or the State  
2940 University System Optional Retirement Program and present  
2941 mandatory participants in the Florida Retirement System to  
2942 receive a specified amount of service credit under certain  
2943 conditions; providing a specified time period for the  
2944 election of such transfer; limiting certain service  
2945 credit; amending s. 121.4501, F.S.; revising the  
2946 definition of the term "eligible employee" for purposes of  
2947 the Public Employee Optional Retirement Program; amending  
2948 s. 121.591, F.S.; providing a cross-reference; repealing  
2949 s. 121.093, F.S., relating to instructional personnel  
2950 reemployment after retirement from the developmental  
2951 research school or the Florida School for the Deaf and the  
2952 Blind; repealing s. 121.094, F.S., relating to  
2953 instructional personnel reemployment after retirement from  
2954 a charter school; repealing s. 121.45, F.S., relating to

964519

4/30/2008 7:09 PM

Amendment No.

2955 interstate compacts relating to pension portability;  
2956 requiring a study by committee for specified purposes  
2957 relating to retirement programs; providing membership;  
2958 providing reporting requirements; providing for  
2959 reimbursement of expenses but no compensation; providing a  
2960 declaration of important state interest; providing an  
2961 effective date.