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LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
04/07/2009	.	
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The Committee on Ethics and Elections (Fasano) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (60) of section 121.021, Florida
Statutes, is amended to read:

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

(60) "Retiree" means:

(a) A former member of the Florida Retirement System or an



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12 existing system who has terminated employment and is receiving
13 benefit payments from the system in which he or she was a
14 member. The ~~This~~ term also includes a person who retired and is
15 receiving benefits under s. 112.05 and a retiree under the
16 Public Employee Optional Retirement Program defined in s.
17 121.4501(2).

18 (b) A former participant who has received a distribution
19 from the State Community College Optional Retirement Program as
20 defined in s. 121.051(2)(c), the Senior Management Service
21 Optional Annuity Program as defined in s. 121.055(6), an
22 alternative program for local agency employer senior managers
23 who withdrew from the Florida Retirement System under s.
24 121.055(1)(b), or the State University System Retirement
25 Optional Retirement Program as defined in s. 121.35(5)(g). The
26 term "distribution" means receiving funds that include employer
27 contributions and associated earnings, whether received as a
28 full or partial rollover, or trustee-to-trustee transfer, lump-
29 sum payment, periodic payment, annuity payment, or any
30 combination of these payment methods.

31 Section 2. Paragraph (a) of subsection (1) and paragraphs
32 (c) and (f) of subsection (2) of section 121.051, Florida
33 Statutes, are amended to read:

34 121.051 Participation in the system.—

35 (1) COMPULSORY PARTICIPATION.—

36 (a) The provisions of this law are ~~shall be~~ compulsory as
37 to all officers and employees, except elected officers who meet
38 the requirements of s. 121.052(3), who are employed on or after
39 December 1, 1970, by ~~of~~ an employer other than those referred to
40 in paragraph (2)(b), and each officer or employee, as a



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41 condition of employment, shall become a member of the system as
42 of his or her date of employment, except that a person who is
43 retired from any state retirement system and is reemployed on or
44 after December 1, 1970, may not renew his or her membership in
45 any state retirement system except as provided in s.

46 121.091(4)(h) for a person who recovers from disability, ~~and~~ as
47 provided in s. 121.091(9)(b) ~~s. 121.091(9)(b)8.~~ for a person who
48 is elected to public office, and, effective July 1, 1991, as
49 provided in s. 121.122 for all other retirees. Officers and
50 employees of the University Athletic Association, Inc., a
51 nonprofit association connected with the University of Florida,
52 employed on and after July 1, 1979, may ~~shall~~ not participate in
53 any state-supported retirement system.

54 1. Any person appointed on or after July 1, 1989, to a
55 faculty position in a college at the J. Hillis Miller Health
56 Center at the University of Florida or the Medical Center at the
57 University of South Florida which has a faculty practice plan
58 provided by rule adopted by the Board of Regents may not
59 participate in the Florida Retirement System. Effective July 1,
60 2008, any person appointed thereafter to a faculty position,
61 including clinical faculty, in a college at a state university
62 that has a faculty practice plan authorized by the Board of
63 Governors may not participate in the Florida Retirement System.
64 A faculty member so appointed shall participate in the optional
65 retirement program for the State University System
66 notwithstanding ~~the provisions of~~ s. 121.35(2)(a).

67 2. For purposes of this paragraph, the term "faculty
68 position" means ~~is defined as~~ a position assigned the principal
69 responsibility of teaching, research, or public service



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70 activities or administrative responsibility directly related to
71 the academic mission of the college. The term "clinical faculty"
72 means ~~is defined as~~ a faculty position appointment in
73 conjunction with a professional position in a hospital or other
74 clinical environment at a college. The term "faculty practice
75 plan" includes professional services to patients, institutions,
76 or other parties which are rendered by the clinical faculty
77 employed by a college that has a faculty practice plan at a
78 state university authorized by the Board of Governors.

79 (2) OPTIONAL PARTICIPATION.—

80 (c) Employees of public community colleges or charter
81 technical career centers sponsored by public community colleges,
82 as designated in s. 1000.21(3), who are members of the Regular
83 Class of the Florida Retirement System and who comply with the
84 criteria set forth in this paragraph and in s. 1012.875 may
85 elect, in lieu of participating in the Florida Retirement
86 System, to withdraw from the ~~Florida Retirement~~ system
87 altogether and participate in an optional retirement program
88 provided by the employing agency under s. 1012.875, to be known
89 as the State Community College System Optional Retirement
90 Program. Pursuant thereto:

91 1. Through June 30, 2001, the cost to the employer for such
92 annuity equals ~~shall equal~~ the normal cost portion of the
93 employer retirement contribution which would be required if the
94 employee were a member of the Regular Class defined benefit
95 program, plus the portion of the contribution rate required by
96 s. 112.363(8) which ~~that~~ would otherwise be assigned to the
97 Retiree Health Insurance Subsidy Trust Fund. Effective July 1,
98 2001, each employer shall contribute on behalf of each



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99 participant in the optional program an amount equal to 10.43
100 percent of the participant's gross monthly compensation. The
101 employer shall deduct an amount ~~to provide~~ for the
102 administration of the optional retirement program. The employer
103 ~~providing the optional program~~ shall contribute an additional
104 amount to the Florida Retirement System Trust Fund equal to the
105 unfunded actuarial accrued liability portion of the Regular
106 Class contribution rate.

107 2. The decision to participate in ~~such~~ an optional
108 retirement program is ~~shall be~~ irrevocable for as long as the
109 employee holds a position eligible for participation, except as
110 provided in subparagraph 3. Any service creditable under the
111 Florida Retirement System is ~~shall be~~ retained after the member
112 withdraws from the ~~Florida Retirement~~ system; however,
113 additional service credit in the Florida Retirement System may
114 ~~shall~~ not be earned while a member of the optional retirement
115 program.

116 3. An employee who has elected to participate in the
117 optional retirement program shall have one opportunity, at the
118 employee's discretion, ~~to choose~~ to transfer from the optional
119 retirement program to the defined benefit program of the Florida
120 Retirement System or to the Public Employee Optional Retirement
121 Program, subject to the terms of the applicable optional
122 retirement program contracts.

123 a. If the employee chooses to move to the Public Employee
124 Optional Retirement Program, any contributions, interest, and
125 earnings creditable to the employee under the State Community
126 College System Optional Retirement Program must ~~shall~~ be
127 retained by the employee in the State Community College System



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128 Optional Retirement Program, and the applicable provisions of s.
129 121.4501(4) ~~shall~~ govern the election.

130 b. If the employee chooses to move to the defined benefit
131 program of the Florida Retirement System, the employee shall
132 receive service credit equal to his or her years of service
133 under the State Community College System Optional Retirement
134 Program.

135 (I) The cost for such credit is the ~~shall be an~~ amount
136 representing the present value of that employee's accumulated
137 benefit obligation for the affected period of service. The cost
138 shall be calculated as if the benefit commencement occurs on the
139 first date the employee becomes ~~would become~~ eligible for
140 unreduced benefits, using the discount rate and other relevant
141 actuarial assumptions that were used to value the Florida
142 Retirement System defined benefit plan liabilities in the most
143 recent actuarial valuation. The calculation must ~~shall~~ include
144 any service already maintained under the defined benefit plan in
145 addition to the years under the State Community College System
146 Optional Retirement Program. The present value of any service
147 already maintained must ~~under the defined benefit plan shall~~ be
148 applied as a credit to total cost resulting from the
149 calculation. The division shall ensure that the transfer sum is
150 prepared using a formula and methodology certified by an
151 enrolled actuary.

152 (II) The employee must transfer from his or her State
153 Community College System Optional Retirement Program account and
154 from other employee moneys as necessary, a sum representing the
155 present value of that employee's accumulated benefit obligation
156 immediately following the time of such movement, determined



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157 assuming that attained service equals the sum of service in the
158 defined benefit program and service in the State Community
159 College System Optional Retirement Program.

160 4. Participation in the optional retirement program is
161 ~~shall be~~ limited to ~~those~~ employees who satisfy the following
162 eligibility criteria:

163 a. The employee must be otherwise eligible for membership
164 or renewed membership in the Regular Class of the Florida
165 Retirement System, as provided in s. 121.021(11) and (12) or s.
166 121.122.

167 b. The employee must be employed in a full-time position
168 classified in the Accounting Manual for Florida's Public
169 Community Colleges as:

170 (I) Instructional; or

171 (II) Executive Management, Instructional Management, or
172 Institutional Management, if a community college determines that
173 recruiting to fill a vacancy in the position is to be conducted
174 in the national or regional market, and:

175 (A) The duties and responsibilities of the position include
176 ~~either~~ the formulation, interpretation, or implementation of
177 policies; or

178 (B) The duties and responsibilities of the position include
179 the performance of functions that are unique or specialized
180 within higher education and that frequently involve the support
181 of the mission of the community college.

182 c. The employee must be employed in a position not included
183 in the Senior Management Service Class of the Florida Retirement
184 System, as described in s. 121.055.

185 5. A participant who receives a program distribution,



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186 including a rollover or trustee-to-trustee transfer, funded by
187 employer contributions shall be deemed to be retired from a
188 state-administered retirement system if the participant is
189 subsequently employed by an employer that participates in the
190 Florida Retirement System. Participants in the program are
191 subject to the same reemployment limitations, renewed membership
192 provisions, and forfeiture provisions ~~as are~~ applicable to
193 regular members of the Florida Retirement System under ss.
194 121.091(9), 121.122, and 121.091(5), respectively.

195 6. Eligible community college employees are ~~shall be~~
196 compulsory members of the Florida Retirement System until,
197 pursuant to the procedures set forth in s. 1012.875, a written
198 election to withdraw from the ~~Florida Retirement~~ system and ~~to~~
199 participate in the State Community College System Optional
200 Retirement Program is filed with the program administrator and
201 received by the division.

202 a. A ~~Any~~ community college employee whose program
203 eligibility results from initial employment must ~~shall~~ be
204 enrolled in the State Community College System Optional
205 Retirement Program retroactive to the first day of eligible
206 employment. The employer retirement contributions paid through
207 the month of the employee plan change shall be transferred to
208 the community college to ~~for~~ the employee's optional program
209 account, and, effective the first day of the next month, the
210 employer shall pay the applicable contributions based upon
211 subparagraph 1.

212 b. Any community college employee whose program eligibility
213 is ~~results from a change in status~~ due to the subsequent
214 designation of the employee's position as one of those specified



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215 in subparagraph 4. or due to the employee's appointment,
216 promotion, transfer, or reclassification to a position specified
217 in subparagraph 4. must ~~shall~~ be enrolled in the program on ~~upon~~
218 the first day of the first full calendar month that such change
219 in status becomes effective. The employer retirement
220 contributions paid from the effective date through the month of
221 the employee plan change must ~~shall~~ be transferred to the
222 community college to ~~for~~ the employee's optional program
223 account, and, effective the first day of the next month, the
224 employer shall pay the applicable contributions based upon
225 subparagraph 1.

226 7. Effective July 1, 2003, through December 31, 2008, any
227 participant of the State Community College System Optional
228 Retirement Program who has service credit in the defined benefit
229 plan of the Florida Retirement System for the period between his
230 or her first eligibility to transfer from the defined benefit
231 plan to the optional retirement program and the actual date of
232 transfer may, during ~~his or her~~ employment, ~~elect to~~ transfer to
233 the optional retirement program a sum representing the present
234 value of the accumulated benefit obligation under the defined
235 benefit retirement program for the ~~such~~ period of service
236 credit. Upon ~~such~~ transfer, all ~~such~~ service credit previously
237 earned under the defined benefit program of the Florida
238 Retirement System during this period is ~~shall be~~ nullified for
239 purposes of entitlement to a future benefit under the defined
240 benefit program of the Florida Retirement System.

241 (f)1. If ~~Whenever~~ an employer that participates in the
242 Florida Retirement System undertakes the transfer, merger, or
243 consolidation of governmental services or functions, the



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244 employer must notify the department at least 60 days before
245 ~~prior to~~ such action and ~~shall~~ provide documentation as required
246 by the department.

247 2. If ~~When~~ the agency to which a member's employing unit is
248 transferred, merged, or consolidated does not participate in the
249 Florida Retirement System, a member may ~~shall~~ elect in writing
250 to remain in the Florida Retirement System or to transfer to the
251 local retirement system operated by the ~~such~~ agency. If the ~~such~~
252 agency does not participate in a local retirement system, the
253 member shall continue membership in the Florida Retirement
254 System. In either case, the membership continues ~~shall continue~~
255 for as long as the member is employed by the agency to which his
256 or her unit was transferred, merged, or consolidated.

257 Section 3. Subsections (1) and (2) of section 121.053,
258 Florida Statutes, are amended to read:

259 121.053 Participation in the Elected Officers' Class for
260 retired members.—

261 (1) (a) 1. A retiree of a state-administered retirement
262 system who initially serves in an elective office in a regularly
263 established position with a covered employer on or after January
264 1, 2010, may not enroll in the Florida Retirement System as a
265 renewed member.

266 2. An elected officer who is elected or appointed to an
267 elective office and is participating in the Deferred Retirement
268 Option Program is subject to termination as provided in s.
269 121.021(39)(b), and reemployment limitations as provided in s.
270 121.091(9), upon completion of his or her DROP participation
271 period. An elected official may defer termination as provided in
272 subparagraph (c)5.



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273 (b) A member who retired before January 1, 2010, under any
274 existing system as defined in s. 121.021(2), and receives a
275 benefit thereof, who is initially reemployed before January 1,
276 2010, and who serves in an office covered by the Elected
277 Officers' Class for a period of at least 6 years, is entitled to
278 receive an additional retirement benefit for such elected
279 officer service before July 1, 1990, under the Elected Officers'
280 Class of the Florida Retirement System, as follows:

281 1. Upon completion of 6 or more years of creditable service
282 in an office covered by the Elected Officers' Class, as provided
283 in s. 121.052, the member shall notify the administrator of his
284 or her intent to purchase elected officer service before July 1,
285 1990, and shall pay the member contribution applicable for the
286 period being claimed, plus 4 percent interest compounded
287 annually from the first year of service claimed until July 1,
288 1975, and 6.5 percent interest compounded annually thereafter,
289 until full payment is made to the Florida Retirement System
290 Trust Fund; however, the member may purchase retirement credit
291 under the Elected Officers' Class only for service as an elected
292 officer.

293 2. Upon payment of the amount specified in subparagraph 1.,
294 the employer shall pay into the Florida Retirement System Trust
295 Fund the applicable employer contribution for the period of
296 elected officer service before July 1, 1990, being claimed by
297 the member, plus 4 percent interest compounded annually from the
298 first year of service claimed until July 1, 1975, and 6.5
299 percent interest compounded annually thereafter, until full
300 payment is made to the Florida Retirement System Trust Fund.

301 (c) Any retiree of the Florida Retirement System, or any



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302 existing system as defined in s. 121.021(2), who, on or after
303 July 1, 1990, through December 31, 2009, is serving in, or is
304 elected or appointed to, an elective office covered by the
305 Elected Officers' Class shall be enrolled in the appropriate
306 subclass of the Elected Officers' Class of the Florida
307 Retirement System, and applicable contributions shall be paid
308 into the Florida Retirement System Trust Fund as provided in s.
309 121.052(7). ~~Any member who retired under any existing system as~~
310 ~~defined in s. 121.021(2), and receives a benefit thereof, and~~
311 ~~who serves in an office covered by the Elected Officers' Class~~
312 ~~for a period of at least 6 years, shall be entitled to receive~~
313 ~~an additional retirement benefit for such elected officer~~
314 ~~service prior to July 1, 1990, under the Elected Officers' Class~~
315 ~~of the Florida Retirement System, as follows:~~

316 1. ~~Upon completion of 6 or more years of creditable service~~
317 ~~in an office covered by the Elected Officers' Class, s. 121.052,~~
318 ~~such member shall notify the administrator of his or her intent~~
319 ~~to purchase elected officer service prior to July 1, 1990, and~~
320 ~~shall pay the member contribution applicable for the period~~
321 ~~being claimed, plus 4 percent interest compounded annually from~~
322 ~~the first year of service claimed until July 1, 1975, and 6.5~~
323 ~~percent interest compounded annually thereafter, until full~~
324 ~~payment is made to the Florida Retirement System Trust Fund;~~
325 ~~however, such member may purchase retirement credit under the~~
326 ~~Elected Officers' Class only for such service as an elected~~
327 ~~officer.~~

328 2. ~~Upon payment of the amount specified in subparagraph 1.,~~
329 ~~the employer shall pay into the Florida Retirement System Trust~~
330 ~~Fund the applicable employer contribution for the period of~~



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331 ~~elected officer service prior to July 1, 1990, being claimed by~~
332 ~~the member, plus 4 percent interest compounded annually from the~~
333 ~~first year of service claimed until July 1, 1975, and 6.5~~
334 ~~percent interest compounded annually thereafter, until full~~
335 ~~payment is made to the Florida Retirement System Trust Fund.~~

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

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

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

354 3. ~~The Such~~ member is ~~shall be~~ entitled to purchase
355 ~~additional retirement credit in the Elected Officers' Class for~~
356 ~~any postretirement service performed in an elected position~~
357 ~~eligible for the Elected Officers' Class~~ before ~~prior to~~ July 1,
358 ~~1990, or in the Regular Class for any postretirement service~~
359 ~~performed in any other regularly established position~~ before



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360 ~~prior to~~ July 1, 1991, by paying the applicable Elected
361 Officers' Class or Regular Class employee and employer
362 contributions for the period being claimed, plus 4 percent
363 interest compounded annually from the first year of service
364 claimed until July 1, 1975, and 6.5 percent interest compounded
365 thereafter, until full payment is made to the Florida Retirement
366 System Trust Fund. The contribution for postretirement Regular
367 Class service between July 1, 1985, and July 1, 1991, for which
368 the reemployed retiree contribution was paid, is ~~shall be~~ the
369 difference between the ~~such~~ contribution and the total
370 applicable contribution for the period being claimed, plus
371 interest. The employer of such member may pay the applicable
372 employer contribution in lieu of the member. If a member does
373 not wish to claim credit for all of the postretirement service
374 for which he or she is eligible, the service the member claims
375 must be the most recent service.

376 4. Creditable service for which credit was received, or
377 which remained unclaimed, at retirement may not be claimed or
378 applied toward service credit earned following renewed
379 membership. However, service earned in accordance with the
380 renewed membership provisions of ~~in~~ s. 121.122 may be used in
381 conjunction with creditable service earned under this paragraph,
382 if provided ~~if provided~~ applicable vesting requirements and other existing
383 statutory conditions required by this chapter are met.

384 5. An elected officer who is elected or appointed to an
385 elective office and is participating in the Deferred Retirement
386 Option Program is not subject to termination as provided in s.
387 121.021(39)(b), or reemployment limitations as provided in s.
388 121.091(9), until the end of his or her current term of office



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389 or, if the officer is consecutively elected or reelected to an
390 elective office eligible for coverage under the Florida
391 Retirement System, until he or she no longer holds such an
392 elective office, as follows:

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

394 (I) The officer's DROP account may not ~~shall~~ accrue ~~no~~
395 additional monthly benefits, but shall continue to earn interest
396 as provided in s. 121.091(13).

397 (II) ~~No~~ Retirement contributions are not ~~shall be~~ required
398 of the employer of the elected officer and ~~no~~ additional
399 retirement credit may not ~~shall~~ be earned under the Florida
400 Retirement System.

401 b. ~~Nothing herein shall prevent~~ An elected officer may ~~from~~
402 voluntarily terminate ~~terminating~~ his or her elective office at
403 any time and ~~electing to~~ receive his or her DROP proceeds.
404 However, until termination ~~requirements are fulfilled~~ as
405 provided in s. 121.021(39), an ~~any~~ elected officer whose
406 termination limitations are extended by this section is ~~shall be~~
407 ineligible for renewed membership in the system and may not
408 ~~shall~~ receive ~~no~~ pension payments, DROP lump sum payments, or
409 any other state payment other than the statutorily determined
410 salary, travel, and per diem for the elective office.

411 c. Upon termination, the officer shall receive his or her
412 accumulated DROP account, plus interest, and shall accrue and
413 commence receiving monthly retirement benefits, which must ~~shall~~
414 be paid on a prospective basis only.

415
416 However, an officer electing to participate in the Deferred
417 Retirement Option Program on or before June 30, 2002, is ~~shall~~



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418 not ~~be~~ required to terminate and remains ~~shall remain~~ subject to
419 the provisions of this subparagraph as adopted in section 1 of
420 chapter 2001-235, Laws of Florida.

421 (2) Upon attaining his or her normal retirement date and
422 payment of the amount specified in paragraphs (1)(b) and (c)
423 ~~(1)(a) and (b)~~, and upon application to the administrator of the
424 intent to retire, the member shall receive a monthly benefit
425 under this section, in addition to any benefits already being
426 received, which shall commence on the last day of the month of
427 retirement and be payable on the last day of the month
428 thereafter during his or her lifetime. The amount of the such
429 monthly benefit is ~~shall be~~ the total percentage of retirement
430 credit purchased under this section multiplied by the member's
431 average monthly compensation as an elected officer, adjusted
432 according to the option selected at retirement under s.
433 121.091(6).

434 Section 4. Paragraph (f) of subsection (1) and paragraphs
435 (c) and (e) of subsection (6) of section 121.055, Florida
436 Statutes, are amended to read:

437 121.055 Senior Management Service Class.—There is hereby
438 established a separate class of membership within the Florida
439 Retirement System to be known as the "Senior Management Service
440 Class," which shall become effective February 1, 1987.

441 (1)

442 (f) Effective July 1, 1997:

443 1. Except as provided in subparagraph 3., an any elected
444 state officer eligible for membership in the Elected Officers'
445 Class under s. 121.052(2)(a), (b), or (c) who elects membership
446 in the Senior Management Service Class under s. 121.052(3)(c)



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447 may, within 6 months after assuming office or within 6 months
448 after this act becomes a law for serving elected state officers,
449 elect to participate in the Senior Management Service Optional
450 Annuity Program, as provided in subsection (6), in lieu of
451 membership in the Senior Management Service Class.

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

463 3. A retiree of a state-administered retirement system who
464 is initially reemployed on or after January 1, 2010, as an
465 elected official eligible for the Elected Officers' Class is not
466 eligible for renewed membership in the Senior Management Service
467 Class or in the Senior Management Service Optional Annuity
468 Program as provided in subsection (6), or to withdraw from the
469 Florida Retirement System as a renewed member as provided in
470 subparagraph (b)2., as applicable, in lieu of Senior Management
471 Service Class membership.

472 (6)

473 (c) *Participation.*—

474 1. An ~~any~~ eligible employee who is employed on or before
475 February 1, 1987, may elect to participate in the optional



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476 annuity program in lieu of participation in the Senior
477 Management Service Class. Such election must ~~shall~~ be made in
478 writing and filed with the department and the personnel officer
479 of the employer on or before May 1, 1987. An ~~Any~~ eligible
480 employee who is employed on or before February 1, 1987, and who
481 fails to make an election to participate in the optional annuity
482 program by May 1, 1987, shall be deemed to have elected
483 membership in the Senior Management Service Class. However, a
484 retiree of a state-administered retirement system who is
485 initially reemployed on or after January 1, 2010, is not
486 eligible for renewed membership in the Senior Management Service
487 Optional Annuity Program.

488 2. An ~~Any~~ employee who becomes eligible to participate in
489 the optional annuity program by reason of initial employment
490 commencing after February 1, 1987, may, within 90 days after the
491 date of commencing ~~commencement~~ of employment, elect to
492 participate in the optional annuity program. Such election must
493 ~~shall~~ be made in writing and filed with the personnel officer of
494 the employer. An ~~Any~~ eligible employee who does not within 90
495 days after commencing ~~commencement~~ of ~~such~~ employment elect to
496 participate in the optional annuity program shall be deemed to
497 have elected membership in the Senior Management Service Class.

498 3. A person who is appointed to a position in the Senior
499 Management Service Class and who is a member of an existing
500 retirement system or the Special Risk or Special Risk
501 Administrative Support Classes of the Florida Retirement System
502 may elect to remain in such system or class in lieu of
503 participation in the Senior Management Service Class or optional
504 annuity program. Such election must ~~shall~~ be made in writing and



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505 filed with the department and the personnel officer of the
506 employer within 90 days of such appointment. Any eligible
507 employee who fails to make an election to participate in the
508 existing system, the Special Risk Class of the Florida
509 Retirement System, the Special Risk Administrative Support Class
510 of the Florida Retirement System, or the optional annuity
511 program shall be deemed to have elected membership in the Senior
512 Management Service Class.

513 4. Except as provided in subparagraph 5., an employee's
514 election to participate in the optional annuity program is
515 irrevocable if the ~~as long as such~~ employee continues to be
516 employed in an eligible position and continues to meet the
517 eligibility requirements set forth in this paragraph.

518 5. Effective from July 1, 2002, through September 30, 2002,
519 any active employee in a regularly established position who has
520 elected to participate in the Senior Management Service Optional
521 Annuity Program has one opportunity to choose to move from the
522 Senior Management Service Optional Annuity Program to the
523 Florida Retirement System defined benefit program.

524 a. The election must be made in writing and must be filed
525 with the department and the personnel officer of the employer
526 before October 1, 2002, or, in the case of an active employee
527 who is on a leave of absence on July 1, 2002, within 90 days
528 after the conclusion of the leave of absence. This election is
529 irrevocable.

530 b. The employee shall ~~will~~ receive service credit under the
531 defined benefit program of the Florida Retirement System equal
532 to his or her years of service under the Senior Management
533 Service Optional Annuity Program. The cost for such credit is



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534 ~~the shall be an~~ amount representing the present value of that
535 employee's accumulated benefit obligation for the affected
536 period of service.

537 c. The employee must transfer the total accumulated
538 employer contributions and earnings on deposit in his or her
539 Senior Management Service Optional Annuity Program account. If
540 the transferred amount is not sufficient to pay the amount due,
541 the employee must pay a sum representing the remainder of the
542 amount due. ~~In no case may~~ The employee may not retain any
543 employer contributions or earnings thereon from the Senior
544 Management Service Optional Annuity Program account.

545 (e) *Benefits.*—

546 1. Benefits are ~~shall be~~ payable under the Senior
547 Management Service Optional Annuity Program only to participants
548 in the program, or their beneficiaries as designated by the
549 participant in the contract with a provider company, and must
550 ~~such benefits shall~~ be paid by the designated company in
551 accordance with the terms of the annuity contract or contracts
552 applicable to the participant. A participant must be terminated
553 from all employment with all Florida Retirement System employers
554 as provided in s. 121.021(39) to begin receiving the employer-
555 funded benefit. Benefits funded by employer contributions are
556 ~~shall be payable~~ under the terms of the contract ~~only as a~~
557 ~~lifetime annuity~~ to the participant, his or her beneficiary, or
558 his or her estate, in addition to ~~except for~~:

559 a. A lump-sum payment to the beneficiary upon the death of
560 the participant;

561 b. A cash-out of a de minimis account upon the request of a
562 former participant who has been terminated for a minimum of 6



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563 months from the employment that entitled him or her to optional
564 annuity program participation. ~~A de minimis account is an~~
565 ~~account with a provider company containing employer~~
566 ~~contributions and accumulated earnings of not more than \$5,000~~
567 ~~made under the provisions of this chapter.~~ Such cash-out must be
568 a complete liquidation of the account balance with that company
569 and is subject to ~~the provisions of~~ the Internal Revenue Code;
570 ~~or~~

571 c. A mandatory distribution of a de minimis account of a
572 former participant who has been terminated for a minimum of 6
573 months from the employment that entitled him or her to optional
574 annuity program participation as authorized by the department;
575 or

576 ~~d.e.~~ A lump-sum direct rollover distribution whereby all
577 accrued benefits, plus interest and investment earnings, are
578 paid from the participant's account directly to the custodian of
579 an eligible retirement plan, as defined in s. 402(c)(8)(B) of
580 the Internal Revenue Code, on behalf of the participant.

581
582 As used in this subparagraph, a "de minimis account" means an
583 account with a provider company containing employer
584 contributions and accumulated earnings of not more than \$5,000
585 made under this chapter.

586 2. The benefits payable to any person under the Senior
587 Management Service Optional Annuity Program, and any
588 contribution accumulated under such program, are shall not be
589 subject to assignment, execution, or attachment or to any legal
590 process whatsoever.

591 3. Except as provided in subparagraph 4., a participant who



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592 terminates employment and receives a distribution, including a
593 rollover or trustee-to-trustee transfer, ~~optional annuity~~
594 program benefits funded by employer contributions shall be
595 deemed to be retired from a state-administered retirement system
596 if the participant is subsequently employed with an ~~in the event~~
597 of subsequent employment with any employer that participates in
598 the Florida Retirement System.

599 4. A participant who receives optional annuity program
600 benefits funded by employer contributions as a mandatory
601 distribution of a de minimis account authorized by the
602 department is not considered a retiree.

603 Section 5. Subsections (9) and (13) of section 121.091,
604 Florida Statutes, are amended to read:

605 121.091 Benefits payable under the system.—Benefits may not
606 be paid under this section unless the member has terminated
607 employment as provided in s. 121.021(39) (a) or begun
608 participation in the Deferred Retirement Option Program as
609 provided in subsection (13), and a proper application has been
610 filed in the manner prescribed by the department. The department
611 may cancel an application for retirement benefits when the
612 member or beneficiary fails to timely provide the information
613 and documents required by this chapter and the department's
614 rules. The department shall adopt rules establishing procedures
615 for application for retirement benefits and for the cancellation
616 of such application when the required information or documents
617 are not received.

618 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

619 (a) Any person who is retired under this chapter, except
620 under the disability retirement provisions of subsection (4),



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621 may be employed by any private employer or public employer that
622 does not participate in a state-administered retirement system
623 and may receive compensation from that employment without
624 limiting or restricting in any way the retirement benefits
625 payable to that person.

626 (b) The limitations on receiving a retirement benefit while
627 reemployed by an employer participating in a state-administered
628 retirement system are:

629 1. For retirements effective on or after January 1, 2010,
630 or DROP participation ending on or after January 1, 2010:

631 a. The retiree may not receive a retirement benefit if the
632 retiree is receiving a salary or wages from reemployment with an
633 employer participating in the Florida Retirement System after
634 the date of retirement. However, a DROP participant may continue
635 employment and receive a salary during the period of
636 participation in DROP, as provided in subsection (13). Any
637 retiree employed in violation of this subparagraph and any
638 agency that employs or appoints such person without notifying
639 the Division of Retirement to suspend retirement benefits are
640 jointly and severally liable for any retirement benefits paid
641 during reemployment. To avoid liability, the employing agency
642 must have a written statement from the employee that he or she
643 is not retired from a state-administered retirement system. Any
644 benefits received by a retiree while reemployed must be repaid
645 to the Florida Retirement System Trust Fund, and his or her
646 benefits remain suspended until repayment is made.

647 b. There are no exceptions to the reemployment limitations
648 in subparagraph (a) and the exceptions in subparagraphs (b)3.
649 and 4. do not apply.



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650 2. For retirements effective before January 1, 2010, or
651 DROP participation ending before January 1, 2010, a retiree may
652 not receive a salary from reemployment with an employer
653 participating in the Florida Retirement System and retirement
654 benefits under this chapter for 12 months immediately after
655 retirement. However, a DROP participant may continue employment
656 and receive a salary during the period of participation in DROP
657 as provided in subsection (13). A retiree who is reemployed with
658 an employer participating in the Florida Retirement System after
659 he or she has met the definition of termination in s.
660 121.021(39), but before completing the 12-month limitation
661 period must give timely notice of this fact in writing to the
662 employer and to the Division of Retirement and have his or her
663 retirement benefits suspended while employed during the balance
664 of the 12-month limitation period unless the employee exceeds
665 the 780-hour reemployment limitation set forth in law. Any
666 retiree employed in violation of this sub-subparagraph and any
667 agency that employs or appoints such person without notifying
668 the division to suspend retirement benefits are jointly and
669 severally liable for any benefits paid during the reemployment
670 limitation period. To avoid liability, the employing agency must
671 have a written statement from the employee that he or she is not
672 retired from a state-administered retirement system. Any
673 retirement benefits received by a retiree while reemployed
674 during the reemployment limitation period must be repaid to the
675 Florida Retirement System Trust Fund, and his or her retirement
676 benefits remain suspended until repayment is made. Benefits
677 suspended beyond the reemployment limitation apply toward
678 repayment of benefits received in violation of the reemployment



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679 limitation.

680 a. A district school board may reemploy a retiree as a
681 substitute or hourly teacher, education paraprofessional,
682 transportation assistant, bus driver, or food service worker on
683 a noncontractual basis after he or she has met the definition of
684 termination in s. 121.021(39). A district school board may
685 reemploy a retiree as instructional personnel, as defined in s.
686 1012.01(2)(a), on an annual contractual basis after he or she
687 has met the definition of termination in s. 121.021(39). A
688 retiree who is reemployed before meeting the definition of
689 termination voids his or her application for retirement
690 benefits. A district school board that reemploys such teachers,
691 education paraprofessionals, transportation assistants, bus
692 drivers, or food service workers is subject to the retirement
693 contribution.

694 b. A community college board of trustees may reemploy a
695 retiree as an adjunct instructor or as a participant in a phased
696 retirement program within the Florida Community College System
697 after he or she has met the definition of termination in s.
698 121.021(39). A retiree who is reemployed within 1 calendar month
699 after retirement voids his or her application for retirement
700 benefits. A board of trustees that reemploys such instructor is
701 subject to the retirement contribution. A retiree may be
702 reemployed as an adjunct instructor for up to 780 hours during
703 the first 12 months of retirement. A retiree reemployed for more
704 than 780 hours during the first 12 months of retirement must
705 give timely notice in writing to the employer and to the
706 Division of Retirement of the date he or she will exceed the
707 limitation. The division shall suspend his or her retirement



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708 benefits for the remainder of the 12-month limitation period.
709 Any retiree employed in violation of this subparagraph and any
710 agency that employs or appoints such person without notifying
711 the division are jointly and severally liable for any retirement
712 benefits paid during the reemployment limitation period. To
713 avoid liability, the employee must submit a written statement to
714 the employing agency stating that he or she is not retired from
715 a state-administered retirement system. Any retirement benefits
716 received by a retiree while reemployed in excess of 780 hours
717 during the 12-month limitation period must be repaid to the
718 Florida Retirement System Trust Fund, and his or her benefits
719 remain suspended until repayment is made. Benefits suspended
720 beyond the end of the 12-month limitation period apply toward
721 repayment of benefits received in violation of the 780-hour
722 reemployment limitation.

723 c. The State University System may reemploy a retiree
724 member as an adjunct faculty member or as a participant in a
725 phased retirement program within the State University System
726 after he or she has met the definition of termination in s.
727 121.021(39). A retiree who is reemployed before meeting the
728 definition of termination voids his or her application for
729 retirement benefits. The State University System is subject to
730 the retirement contribution. A retiree may be reemployed as an
731 adjunct faculty member or a participant in a phased retirement
732 program for up to 780 hours during the first 12 months of his or
733 her retirement. Any retiree reemployed for more than 780 hours
734 during the 12-month limitation period must give timely notice in
735 writing to the employer and to the Division of Retirement of the
736 date he or she will exceed the limitation. The division shall



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737 suspend his or her retirement benefits for the remainder of the
738 12-month limitation period. Any retiree employed in violation of
739 this subparagraph and any agency that employs or appoints such
740 person without notifying the division to suspend retirement
741 benefits are jointly and severally liable for any benefits paid
742 during the reemployment limitation period. To avoid liability,
743 the employee must submit a written statement to the employing
744 agency stating that he or she is not retired from a state-
745 administered retirement system. Any benefits received by a
746 retiree while reemployed in excess of 780 hours during the first
747 12 months of retirement must be repaid to the Florida Retirement
748 System Trust Fund, and his or her benefits remain suspended
749 until repayment is made. Benefits suspended beyond the end of
750 the 12-month limitation period apply toward repayment of
751 benefits received in violation of the 780-hour reemployment
752 limitation.

753 d. The Board of Trustees of the Florida School for the Deaf
754 and the Blind may reemploy a retiree as a substitute teacher,
755 substitute residential instructor, or substitute nurse on a
756 noncontractual basis after he or she has met the definition of
757 termination in s. 121.021(39). The Board of Trustees may
758 reemploy a retiree as instructional personnel, as defined in s.
759 1012.01(2)(a), on an annual contractual basis after he or she
760 has met the definition of termination in s. 121.021(39). A
761 retiree who is reemployed before meeting the definition of
762 termination voids his or her application for retirement
763 benefits. The Board of Trustees reemploying such teachers,
764 residential instructors, or nurses is subject to the retirement
765 contribution.



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766 e. A developmental research school may reemploy a retiree
767 as a substitute or hourly teacher or an education
768 paraprofessional, as defined in s. 1012.01(2), on a
769 noncontractual basis after he or she has met the definition of
770 termination in s. 121.021(39). A developmental research school
771 may reemploy a retiree as instructional personnel, as defined in
772 s. 1012.01(2) (a), on an annual contractual basis after the
773 retiree has met the definition of termination in s. 121.021(39).
774 A developmental research school that reemploys such teachers and
775 education paraprofessionals is subject to the retirement
776 contribution.

777 f. A charter school may reemploy a retiree as a substitute
778 or hourly teacher on a noncontractual basis after he or she has
779 met the definition of termination in s. 121.021(39). A charter
780 school may reemploy a retiree as instructional personnel, as
781 defined in s. 1012.01(2) (a), on an annual contractual basis
782 after he or she has met the definition of termination in s.
783 121.021(39). A charter school that reemploys such teachers and
784 instructional personnel is subject to the retirement
785 contribution.

786 g. An agency may reemploy a retiree as a firefighter or
787 paramedic after he or she has met the definition of termination
788 in s. 121.021(39). Any retiree who is reemployed within 1
789 calendar month after retirement shall void his or her
790 application for retirement benefits. The agency reemploying such
791 firefighter or paramedic is subject to the retirement
792 contribution. A retiree may be reemployed as a firefighter or
793 paramedic for up to 780 hours during the first 12 months of his
794 or her retirement. Any retiree reemployed for more than 780



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795 hours during the first 12 months of retirement must give timely
796 notice in writing to the employer and to the Division of
797 Retirement of the date he or she will exceed the limitation. The
798 division shall suspend his or her retirement benefits for the
799 remainder of the 12-month limitation period. Any retiree
800 employed in violation of this subparagraph and any agency that
801 employs or appoints such person without notifying the division
802 to suspend retirement benefits are jointly and severally liable
803 for any benefits paid during the reemployment limitation period.
804 To avoid liability, the employee must submit a written statement
805 to the employing agency stating that he or she is not retired
806 from a state-administered retirement system. Any benefits
807 received by a retiree while reemployed in excess of 780 hours
808 during the 12-month limitation period must be repaid to the
809 Florida Retirement System Trust Fund, and his or her benefits
810 remain suspended until repayment is made. Benefits suspended
811 beyond the end of the 12-month limitation period apply toward
812 repayment of benefits received in violation of the 780-hour
813 reemployment limitation.

814 3.a. The employment of a retiree or DROP participant of a
815 state-administered retirement system does not affect the average
816 final compensation or years of creditable service of the retiree
817 or DROP participant.

818 b.(I) Before July 1, 1991, upon employment of any person,
819 other than an elected officer as provided in s. 121.053, who is
820 retired under a state-administered retirement program, the
821 employer must pay retirement contributions in an amount equal to
822 the unfunded actuarial liability portion of the employer
823 contribution which would be required for regular members of the



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824 Florida Retirement System.

825 (II) For retirees initially reemployed from July 1, 1991,
826 through December 31, 2009, contributions must be made as
827 provided in s. 121.122 for retirees who have renewed membership
828 or as provided in subsection (13) for DROP participants.

829 c. Any person who is retired under a state-administered
830 retirement program and who is initially reemployed on or after
831 January 1, 2010, may not renew membership in the Florida
832 Retirement System. The employer must pay retirement
833 contributions in an amount equal to the unfunded actuarial
834 liability portion of the employer contribution which would be
835 required for active members of the Florida Retirement System in
836 addition to the contributions required by s. 121.76.

837 4.a. A retiree who is elected or appointed to an elective
838 office eligible for the Elected Officers' Class on or after July
839 1, 1990, and initially enrolled through December 31, 2009, must
840 be enrolled in the Florida Retirement System as provided in s.
841 121.053(1)(c) or, if holding an elective public office that does
842 not qualify for the Elected Officers' Class on or after July 1,
843 1991, and initially enrolled through December 31, 2009, must be
844 enrolled in the Florida Retirement System as provided in s.
845 121.122, and shall continue to receive retirement benefits as
846 well as compensation for the elected officer's service as long
847 as he or she remains in elective office. However, a retiree who
848 served in an elective office before July 1, 1990, suspended his
849 or her retirement benefit, and had his or her Florida Retirement
850 System membership reinstated shall, upon retirement from such
851 office, have his or her retirement benefit recalculated to
852 include the additional service and compensation earned.



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853 b. A retiree with renewed membership established before
854 January 1, 2010, and who is not receiving a benefit based on
855 this service, who is elected or appointed to an elective office
856 shall become a member of the Elected Officers' Class or the
857 Regular Class depending upon the designation for the position.

858 c. A retiree who is elected or appointed to an elective
859 office on or after January 1, 2010, and who is initially
860 reemployed in a position covered by the Florida Retirement
861 System may not be enrolled in the Florida Retirement System and
862 may not receive retirement benefits after meeting the definition
863 of termination in s. 121.021(39).

864 5. A person who is holding an elective office which is
865 covered by the Florida Retirement System and who is concurrently
866 employed in nonelected covered employment may elect to retire
867 while continuing employment in the elective public office if he
868 or she terminates his or her nonelected covered employment.

869 a. For retirement effective before January 1, 2010, or DROP
870 participation ending before January 1, 2010, any person who
871 exercises this election shall receive his or her retirement
872 benefits in addition to the compensation of the elective office
873 without regard to the time limitations otherwise provided in
874 this subsection. A person who seeks to exercise the provisions
875 of this subparagraph, as they existed before May 3, 1984, is not
876 deemed retired under those provisions unless the person is
877 eligible to retire under this subparagraph as amended by chapter
878 84-11, Laws of Florida.

879 b. For retirement effective on or after January 1, 2010, or
880 DROP participation ending on or after January 1, 2010, any
881 person who exercises this election may not receive retirement



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882 benefits in addition to compensation for the elective office.

883 6. The limitations of this paragraph apply to reemployment
884 in any capacity with an employer irrespective of the category of
885 funds from which the person is compensated.

886 7. This paragraph regarding reemployment after retirement
887 applies to DROP participants effective upon termination from
888 employment and the end of DROP participation.

889 (c) This subsection applies to retirees, as defined in s.
890 121.4501(2), of the Public Employee Optional Retirement Program
891 created in part II, subject to the following conditions:

892 1. The retiree may not be reemployed with an employer
893 participating in the Florida Retirement System as provided in
894 paragraph (b) until the person has been retired for 3 months,
895 unless the participant has reached the normal retirement
896 requirements of the defined benefit plan as provided in s.
897 121.021(29).

898 2. A retiree employed in violation of this subsection and
899 the agency that employs or appoints such person are jointly and
900 severally liable for reimbursement of any retirement benefits
901 paid to the retirement trust fund from which the benefits were
902 paid, including the Retirement System Trust Fund and the Public
903 Employee Optional Retirement Program Trust Fund, as appropriate.
904 To be employed, the employee must submit to the employing agency
905 a written statement that he or she is not retired from a state-
906 administered retirement system.

907 ~~(a) Any person who is retired under this chapter, except~~
908 ~~under the disability retirement provisions of subsection (4),~~
909 ~~may be employed by an employer that does not participate in a~~
910 ~~state-administered retirement system and may receive~~



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911 ~~compensation from that employment without limiting or~~
912 ~~restricting in any way the retirement benefits payable to that~~
913 ~~person.~~

914 ~~(b)1. Any person who is retired under this chapter, except~~
915 ~~under the disability retirement provisions of subsection (4),~~
916 ~~may be reemployed by any private or public employer after~~
917 ~~retirement and receive retirement benefits and compensation from~~
918 ~~his or her employer without any limitations, except that a~~
919 ~~person may not receive both a salary from reemployment with any~~
920 ~~agency participating in the Florida Retirement System and~~
921 ~~retirement benefits under this chapter for a period of 12 months~~
922 ~~immediately subsequent to the date of retirement. However, a~~
923 ~~DROP participant shall continue employment and receive a salary~~
924 ~~during the period of participation in the Deferred Retirement~~
925 ~~Option Program, as provided in subsection (13).~~

926 ~~2. Any person to whom the limitation in subparagraph 1.~~
927 ~~applies who violates such reemployment limitation and who is~~
928 ~~reemployed with any agency participating in the Florida~~
929 ~~Retirement System before completion of the 12-month limitation~~
930 ~~period shall give timely notice of this fact in writing to the~~
931 ~~employer and to the division and shall have his or her~~
932 ~~retirement benefits suspended for the balance of the 12-month~~
933 ~~limitation period. Any person employed in violation of this~~
934 ~~paragraph and any employing agency which knowingly employs or~~
935 ~~appoints such person without notifying the Division of~~
936 ~~Retirement to suspend retirement benefits shall be jointly and~~
937 ~~severally liable for reimbursement to the retirement trust fund~~
938 ~~of any benefits paid during the reemployment limitation period.~~
939 ~~To avoid liability, such employing agency shall have a written~~



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940 ~~statement from the retiree that he or she is not retired from a~~
941 ~~state-administered retirement system. Any retirement benefits~~
942 ~~received while reemployed during this reemployment limitation~~
943 ~~period shall be repaid to the retirement trust fund, and~~
944 ~~retirement benefits shall remain suspended until such repayment~~
945 ~~has been made. Benefits suspended beyond the reemployment~~
946 ~~limitation shall apply toward repayment of benefits received in~~
947 ~~violation of the reemployment limitation.~~

948 ~~3. A district school board may reemploy a retired member as~~
949 ~~a substitute or hourly teacher, education paraprofessional,~~
950 ~~transportation assistant, bus driver, or food service worker on~~
951 ~~a noncontractual basis after he or she has been retired for 1~~
952 ~~calendar month, in accordance with s. 121.021(39). A district~~
953 ~~school board may reemploy a retired member as instructional~~
954 ~~personnel, as defined in s. 1012.01(2)(a), on an annual~~
955 ~~contractual basis after he or she has been retired for 1~~
956 ~~calendar month, in accordance with s. 121.021(39). Any other~~
957 ~~retired member who is reemployed within 1 calendar month after~~
958 ~~retirement shall void his or her application for retirement~~
959 ~~benefits. District school boards reemploying such teachers,~~
960 ~~education paraprofessionals, transportation assistants, bus~~
961 ~~drivers, or food service workers are subject to the retirement~~
962 ~~contribution required by subparagraph 7.~~

963 ~~4. A community college board of trustees may reemploy a~~
964 ~~retired member as an adjunct instructor, that is, an instructor~~
965 ~~who is noncontractual and part-time, or as a participant in a~~
966 ~~phased retirement program within the Florida Community College~~
967 ~~System, after he or she has been retired for 1 calendar month,~~
968 ~~in accordance with s. 121.021(39). Any retired member who is~~



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969 ~~reemployed within 1 calendar month after retirement shall void~~
970 ~~his or her application for retirement benefits. Boards of~~
971 ~~trustees reemploying such instructors are subject to the~~
972 ~~retirement contribution required in subparagraph 7. A retired~~
973 ~~member may be reemployed as an adjunct instructor for no more~~
974 ~~than 780 hours during the first 12 months of retirement. Any~~
975 ~~retired member reemployed for more than 780 hours during the~~
976 ~~first 12 months of retirement shall give timely notice in~~
977 ~~writing to the employer and to the division of the date he or~~
978 ~~she will exceed the limitation. The division shall suspend his~~
979 ~~or her retirement benefits for the remainder of the first 12~~
980 ~~months of retirement. Any person employed in violation of this~~
981 ~~subparagraph and any employing agency which knowingly employs or~~
982 ~~appoints such person without notifying the Division of~~
983 ~~Retirement to suspend retirement benefits shall be jointly and~~
984 ~~severally liable for reimbursement to the retirement trust fund~~
985 ~~of any benefits paid during the reemployment limitation period.~~
986 ~~To avoid liability, such employing agency shall have a written~~
987 ~~statement from the retiree that he or she is not retired from a~~
988 ~~state-administered retirement system. Any retirement benefits~~
989 ~~received by a retired member while reemployed in excess of 780~~
990 ~~hours during the first 12 months of retirement shall be repaid~~
991 ~~to the Retirement System Trust Fund, and retirement benefits~~
992 ~~shall remain suspended until repayment is made. Benefits~~
993 ~~suspended beyond the end of the retired member's first 12 months~~
994 ~~of retirement shall apply toward repayment of benefits received~~
995 ~~in violation of the 780-hour reemployment limitation.~~

996 ~~5. The State University System may reemploy a retired~~
997 ~~member as an adjunct faculty member or as a participant in a~~



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998 ~~phased retirement program within the State University System~~
999 ~~after the retired member has been retired for 1 calendar month,~~
1000 ~~in accordance with s. 121.021(39). Any retired member who is~~
1001 ~~reemployed within 1 calendar month after retirement shall void~~
1002 ~~his or her application for retirement benefits. The State~~
1003 ~~University System is subject to the retired contribution~~
1004 ~~required in subparagraph 7., as appropriate. A retired member~~
1005 ~~may be reemployed as an adjunct faculty member or a participant~~
1006 ~~in a phased retirement program for no more than 780 hours during~~
1007 ~~the first 12 months of his or her retirement. Any retired member~~
1008 ~~reemployed for more than 780 hours during the first 12 months of~~
1009 ~~retirement shall give timely notice in writing to the employer~~
1010 ~~and to the division of the date he or she will exceed the~~
1011 ~~limitation. The division shall suspend his or her retirement~~
1012 ~~benefits for the remainder of the first 12 months of retirement.~~
1013 ~~Any person employed in violation of this subparagraph and any~~
1014 ~~employing agency which knowingly employs or appoints such person~~
1015 ~~without notifying the Division of Retirement to suspend~~
1016 ~~retirement benefits shall be jointly and severally liable for~~
1017 ~~reimbursement to the retirement trust fund of any benefits paid~~
1018 ~~during the reemployment limitation period. To avoid liability,~~
1019 ~~such employing agency shall have a written statement from the~~
1020 ~~retiree that he or she is not retired from a state-administered~~
1021 ~~retirement system. Any retirement benefits received by a retired~~
1022 ~~member while reemployed in excess of 780 hours during the first~~
1023 ~~12 months of retirement shall be repaid to the Retirement System~~
1024 ~~Trust Fund, and retirement benefits shall remain suspended until~~
1025 ~~repayment is made. Benefits suspended beyond the end of the~~
1026 ~~retired member's first 12 months of retirement shall apply~~



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1027 ~~toward repayment of benefits received in violation of the 780-~~
1028 ~~hour reemployment limitation.~~

1029 ~~6. The Board of Trustees of the Florida School for the Deaf~~
1030 ~~and the Blind may reemploy a retired member as a substitute~~
1031 ~~teacher, substitute residential instructor, or substitute nurse~~
1032 ~~on a noncontractual basis after he or she has been retired for 1~~
1033 ~~calendar month, in accordance with s. 121.021(39). Any retired~~
1034 ~~member who is reemployed within 1 calendar month after~~
1035 ~~retirement shall void his or her application for retirement~~
1036 ~~benefits. The Board of Trustees of the Florida School for the~~
1037 ~~Deaf and the Blind reemploying such teachers, residential~~
1038 ~~instructors, or nurses is subject to the retirement contribution~~
1039 ~~required by subparagraph 7. Reemployment of a retired member as~~
1040 ~~a substitute teacher, substitute residential instructor, or~~
1041 ~~substitute nurse is limited to 780 hours during the first 12~~
1042 ~~months of his or her retirement. Any retired member reemployed~~
1043 ~~for more than 780 hours during the first 12 months of retirement~~
1044 ~~shall give timely notice in writing to the employer and to the~~
1045 ~~division of the date he or she will exceed the limitation. The~~
1046 ~~division shall suspend his or her retirement benefits for the~~
1047 ~~remainder of the first 12 months of retirement. Any person~~
1048 ~~employed in violation of this subparagraph and any employing~~
1049 ~~agency which knowingly employs or appoints such person without~~
1050 ~~notifying the Division of Retirement to suspend retirement~~
1051 ~~benefits shall be jointly and severally liable for reimbursement~~
1052 ~~to the retirement trust fund of any benefits paid during the~~
1053 ~~reemployment limitation period. To avoid liability, such~~
1054 ~~employing agency shall have a written statement from the retiree~~
1055 ~~that he or she is not retired from a state-administered~~



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1056 ~~retirement system. Any retirement benefits received by a retired~~
1057 ~~member while reemployed in excess of 780 hours during the first~~
1058 ~~12 months of retirement shall be repaid to the Retirement System~~
1059 ~~Trust Fund, and his or her retirement benefits shall remain~~
1060 ~~suspended until payment is made. Benefits suspended beyond the~~
1061 ~~end of the retired member's first 12 months of retirement shall~~
1062 ~~apply toward repayment of benefits received in violation of the~~
1063 ~~780-hour reemployment limitation.~~

1064 ~~7. The employment by an employer of any retiree or DROP~~
1065 ~~participant of any state-administered retirement system shall~~
1066 ~~have no effect on the average final compensation or years of~~
1067 ~~creditable service of the retiree or DROP participant. Prior to~~
1068 ~~July 1, 1991, upon employment of any person, other than an~~
1069 ~~elected officer as provided in s. 121.053, who has been retired~~
1070 ~~under any state-administered retirement program, the employer~~
1071 ~~shall pay retirement contributions in an amount equal to the~~
1072 ~~unfunded actuarial liability portion of the employer~~
1073 ~~contribution which would be required for regular members of the~~
1074 ~~Florida Retirement System. Effective July 1, 1991, contributions~~
1075 ~~shall be made as provided in s. 121.122 for retirees with~~
1076 ~~renewed membership or subsection (13) with respect to DROP~~
1077 ~~participants.~~

1078 ~~8. Any person who has previously retired and who is holding~~
1079 ~~an elective public office or an appointment to an elective~~
1080 ~~public office eligible for the Elected Officers' Class on or~~
1081 ~~after July 1, 1990, shall be enrolled in the Florida Retirement~~
1082 ~~System as provided in s. 121.053(1)(b) or, if holding an~~
1083 ~~elective public office that does not qualify for the Elected~~
1084 ~~Officers' Class on or after July 1, 1991, shall be enrolled in~~



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1085 ~~the Florida Retirement System as provided in s. 121.122, and~~
1086 ~~shall continue to receive retirement benefits as well as~~
1087 ~~compensation for the elected officer's service for as long as he~~
1088 ~~or she remains in elective office. However, any retired member~~
1089 ~~who served in an elective office prior to July 1, 1990,~~
1090 ~~suspended his or her retirement benefit, and had his or her~~
1091 ~~Florida Retirement System membership reinstated shall, upon~~
1092 ~~retirement from such office, have his or her retirement benefit~~
1093 ~~recalculated to include the additional service and compensation~~
1094 ~~earned.~~

1095 ~~9. Any person who is holding an elective public office~~
1096 ~~which is covered by the Florida Retirement System and who is~~
1097 ~~concurrently employed in nonelected covered employment may elect~~
1098 ~~to retire while continuing employment in the elective public~~
1099 ~~office, provided that he or she shall be required to terminate~~
1100 ~~his or her nonelected covered employment. Any person who~~
1101 ~~exercises this election shall receive his or her retirement~~
1102 ~~benefits in addition to the compensation of the elective office~~
1103 ~~without regard to the time limitations otherwise provided in~~
1104 ~~this subsection. No person who seeks to exercise the provisions~~
1105 ~~of this subparagraph, as the same existed prior to May 3, 1984,~~
1106 ~~shall be deemed to be retired under those provisions, unless~~
1107 ~~such person is eligible to retire under the provisions of this~~
1108 ~~subparagraph, as amended by chapter 84-11, Laws of Florida.~~

1109 ~~10. The limitations of this paragraph apply to reemployment~~
1110 ~~in any capacity with an "employer" as defined in s. 121.021(10),~~
1111 ~~irrespective of the category of funds from which the person is~~
1112 ~~compensated.~~

1113 ~~11. An employing agency may reemploy a retired member as a~~



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1114 ~~firefighter or paramedic after the retired member has been~~
1115 ~~retired for 1 calendar month, in accordance with s. 121.021(39).~~
1116 ~~Any retired member who is reemployed within 1 calendar month~~
1117 ~~after retirement shall void his or her application for~~
1118 ~~retirement benefits. The employing agency reemploying such~~
1119 ~~firefighter or paramedic is subject to the retired contribution~~
1120 ~~required in subparagraph 8. Reemployment of a retired~~
1121 ~~firefighter or paramedic is limited to no more than 780 hours~~
1122 ~~during the first 12 months of his or her retirement. Any retired~~
1123 ~~member reemployed for more than 780 hours during the first 12~~
1124 ~~months of retirement shall give timely notice in writing to the~~
1125 ~~employer and to the division of the date he or she will exceed~~
1126 ~~the limitation. The division shall suspend his or her retirement~~
1127 ~~benefits for the remainder of the first 12 months of retirement.~~
1128 ~~Any person employed in violation of this subparagraph and any~~
1129 ~~employing agency which knowingly employs or appoints such person~~
1130 ~~without notifying the Division of Retirement to suspend~~
1131 ~~retirement benefits shall be jointly and severally liable for~~
1132 ~~reimbursement to the Retirement System Trust Fund of any~~
1133 ~~benefits paid during the reemployment limitation period. To~~
1134 ~~avoid liability, such employing agency shall have a written~~
1135 ~~statement from the retiree that he or she is not retired from a~~
1136 ~~state-administered retirement system. Any retirement benefits~~
1137 ~~received by a retired member while reemployed in excess of 780~~
1138 ~~hours during the first 12 months of retirement shall be repaid~~
1139 ~~to the Retirement System Trust Fund, and retirement benefits~~
1140 ~~shall remain suspended until repayment is made. Benefits~~
1141 ~~suspended beyond the end of the retired member's first 12 months~~
1142 ~~of retirement shall apply toward repayment of benefits received~~



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1143 ~~in violation of the 780-hour reemployment limitation.~~

1144 ~~(c) The provisions of this subsection apply to retirees, as~~
1145 ~~defined in s. 121.4501(2)(j), of the Public Employee Optional~~
1146 ~~Retirement Program created in part II, subject to the following~~
1147 ~~conditions:~~

1148 ~~1. Such retirees may not be reemployed with an employer~~
1149 ~~participating in the Florida Retirement System as provided in~~
1150 ~~paragraph (b) until such person has been retired for 3 calendar~~
1151 ~~months, unless the participant has reached the normal retirement~~
1152 ~~requirements of the defined benefit plan as provided in s.~~
1153 ~~121.021(29).~~

1154 ~~2. Such retiree employed in violation of this subsection~~
1155 ~~and any employing agency that knowingly employs or appoints such~~
1156 ~~person shall be jointly and severally liable for reimbursement~~
1157 ~~of any benefits paid to the retirement trust fund from which the~~
1158 ~~benefits were paid, including the Retirement System Trust Fund~~
1159 ~~and the Public Employee Optional Retirement Program Trust Fund,~~
1160 ~~as appropriate. To avoid liability, such employing agency must~~
1161 ~~have a written statement from the retiree that he or she is not~~
1162 ~~retired from a state-administered retirement system.~~

1163 (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and
1164 subject to ~~the provisions of this section,~~ the Deferred
1165 Retirement Option Program, hereinafter referred to as the DROP,
1166 is a program under which an eligible member of the Florida
1167 Retirement System may elect to participate, deferring receipt of
1168 retirement benefits while continuing employment with his or her
1169 Florida Retirement System employer. The deferred monthly
1170 benefits shall accrue in the Florida Retirement System Trust
1171 Fund on behalf of the participant, plus interest compounded



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1172 monthly, for the specified period of ~~the~~ DROP participation, as
1173 provided in paragraph (c). Upon termination of employment, the
1174 participant shall receive the total DROP benefits and begin to
1175 receive the previously determined normal retirement benefits.
1176 Participation in ~~the~~ DROP does not guarantee employment for the
1177 specified period of DROP. Participation in ~~the~~ DROP by an
1178 eligible member beyond the initial 60-month period as authorized
1179 in this subsection shall be on an annual contractual basis for
1180 all participants.

1181 (a) *Eligibility of member to participate in ~~the~~ DROP.*—All
1182 active Florida Retirement System members in a regularly
1183 established position, and all active members of ~~either~~ the
1184 Teachers' Retirement System established in chapter 238 or the
1185 State and County Officers' and Employees' Retirement System
1186 established in chapter 122, which ~~systems~~ are consolidated
1187 within the Florida Retirement System under s. 121.011, are
1188 eligible to elect participation in ~~the~~ DROP if provided that:

1189 1. The member is not a renewed member ~~of the Florida~~
1190 ~~Retirement System~~ under s. 121.122, or a member of the State
1191 Community College System Optional Retirement Program under s.
1192 121.051, the Senior Management Service Optional Annuity Program
1193 under s. 121.055, or the optional retirement program for the
1194 State University System under s. 121.35.

1195 2. Except as provided in subparagraph 6., election to
1196 participate is made within 12 months immediately following the
1197 date ~~on which~~ the member first reaches normal retirement date,
1198 or, for a member who reaches normal retirement date ~~based on~~
1199 ~~service~~ before he or she reaches age 62, or age 55 for Special
1200 Risk Class members, election to participate may be deferred to



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1201 the 12 months immediately following the date the member attains
1202 57, or age 52 for Special Risk Class members. Except as provided
1203 in subparagraph 6., a member who delays DROP participation
1204 during the 12-month period immediately following his or her
1205 maximum DROP deferral date, loses a month of DROP participation
1206 for each month delayed. ~~For a member who first reached normal~~
1207 ~~retirement date or the deferred eligibility date described above~~
1208 ~~prior to the effective date of this section, election to~~
1209 ~~participate shall be made within 12 months after the effective~~
1210 ~~date of this section.~~ A member who fails to make an election
1211 within the such 12-month limitation period forfeits shall
1212 ~~forfeit~~ all rights to participate in ~~the~~ DROP. The member must
1213 ~~shall~~ advise his or her employer and the division in writing of
1214 the date ~~on which the~~ DROP begins shall begin. The Such
1215 beginning date may be after ~~subsequent to~~ the 12-month election
1216 period, but must be within the original 60-month participation
1217 ~~or, with respect to members who are instructional personnel~~
1218 ~~employed by the Florida School for the Deaf and the Blind and~~
1219 ~~who have received authorization by the Board of Trustees of the~~
1220 ~~Florida School for the Deaf and the Blind to participate in the~~
1221 ~~DROP beyond 60 months, or who are instructional personnel as~~
1222 ~~defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have~~
1223 ~~received authorization by the district school superintendent to~~
1224 ~~participate in the DROP beyond 60 months, the 96-month~~
1225 ~~limitation period as provided in subparagraph (b)1.~~ When
1226 establishing eligibility of the member to participate in ~~the~~
1227 DROP ~~for the 60-month or, with respect to members who are~~
1228 ~~instructional personnel employed by the Florida School for the~~
1229 ~~Deaf and the Blind and who have received authorization by the~~



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1230 ~~Board of Trustees of the Florida School for the Deaf and the~~
1231 ~~Blind to participate in the DROP beyond 60 months, or who are~~
1232 ~~instructional personnel as defined in s. 1012.01(2) (a) - (d) in~~
1233 ~~grades K-12 and who have received authorization by the district~~
1234 ~~school superintendent to participate in the DROP beyond 60~~
1235 ~~months, the 96-month maximum participation period, the member~~
1236 may elect to include or exclude any optional service credit
1237 purchased by the member from the total service used to establish
1238 the normal retirement date. A member who has ~~with~~ dual normal
1239 retirement dates is ~~shall be~~ eligible to elect to participate in
1240 DROP ~~within 12 months~~ after attaining normal retirement date in
1241 either class.

1242 3. The employer of a member electing to participate in ~~the~~
1243 DROP, or employers if dually employed, shall acknowledge in
1244 writing to the division the date the member's participation in
1245 ~~the~~ DROP begins and the date the member's employment and DROP
1246 participation will terminate.

1247 4. Simultaneous employment of a participant by additional
1248 Florida Retirement System employers subsequent to the
1249 commencement of participation in ~~the~~ DROP is ~~shall be~~
1250 permissible if the ~~provided such~~ employers acknowledge in
1251 writing a DROP termination date no later than the participant's
1252 existing termination date or the maximum participation ~~60-month~~
1253 ~~limitation~~ period as provided in subparagraph (b)1.

1254 5. A DROP participant may change employers while
1255 participating in ~~the~~ DROP, subject to the following:

1256 a. A change of employment must take place without a break
1257 in service so that the member receives salary for each month of
1258 continuous DROP participation. If a member receives no salary



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1259 during a month, DROP participation ceases ~~shall cease~~ unless the
1260 employer verifies a continuation of the employment relationship
1261 for such participant pursuant to s. 121.021(39) (b).

1262 b. Such participant and new employer shall notify the
1263 division of the identity of the new employer on forms required
1264 by the division ~~as to the identity of the new employer.~~

1265 c. The new employer shall acknowledge, in writing, the
1266 participant's DROP termination date, which may be extended but
1267 not beyond the maximum participation ~~original 60-month or, with~~
1268 ~~respect to members who are instructional personnel employed by~~
1269 ~~the Florida School for the Deaf and the Blind and who have~~
1270 ~~received authorization by the Board of Trustees of the Florida~~
1271 ~~School for the Deaf and the Blind to participate in the DROP~~
1272 ~~beyond 60 months, or who are instructional personnel as defined~~
1273 ~~in s. 1012.01(2) (a) - (d) in grades K-12 and who have received~~
1274 ~~authorization by the district school superintendent to~~
1275 ~~participate in the DROP beyond 60 months, the 96-month period~~
1276 provided in subparagraph (b)1., shall acknowledge liability for
1277 any additional retirement contributions and interest required if
1278 the participant fails to timely terminate employment, and is
1279 ~~shall be~~ subject to the adjustment required in sub-subparagraph
1280 (c)5.d.

1281 6. Effective July 1, 2001, for instructional personnel as
1282 defined in s. 1012.01(2), election to participate in ~~the~~ DROP is
1283 ~~shall be~~ made at any time following the date on which the member
1284 first reaches normal retirement date. The member shall advise
1285 his or her employer and the division in writing of the date on
1286 which DROP begins ~~the Deferred Retirement Option Program shall~~
1287 ~~begin~~. When establishing eligibility of the member to



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1288 participate in ~~the~~ DROP for the 60-month ~~or, with respect to~~
1289 ~~members who are instructional personnel employed by the Florida~~
1290 ~~School for the Deaf and the Blind and who have received~~
1291 ~~authorization by the Board of Trustees of the Florida School for~~
1292 ~~the Deaf and the Blind to participate in the DROP beyond 60~~
1293 ~~months, or who are instructional personnel as defined in s.~~
1294 ~~1012.01(2) (a)-(d) in grades K-12 and who have received~~
1295 ~~authorization by the district school superintendent to~~
1296 ~~participate in the DROP beyond 60 months, the 96-month maximum~~
1297 ~~participation period, as provided in subparagraph (b)1., the~~
1298 member may elect to include or exclude any optional service
1299 credit purchased by the member from the total service used to
1300 establish the normal retirement date. A member who has ~~with~~ dual
1301 normal retirement dates is ~~shall be~~ eligible to elect to
1302 participate in either class.

1303 (b) *Participation in ~~the~~ DROP.*—

1304 1. An eligible member may elect to participate in ~~the~~ DROP
1305 for a period not to exceed a maximum of 60 calendar months. ~~or,~~
1306 ~~with respect to~~ However, members who are instructional personnel
1307 employed by the Florida School for the Deaf and the Blind and
1308 authorized ~~who have received authorization~~ by the Board of
1309 Trustees of the Florida School for the Deaf and the Blind ~~to~~
1310 ~~participate in the DROP beyond 60 months,~~ or who are
1311 instructional personnel as defined in s. 1012.01(2) (a)-(d) in
1312 grades K-12 and authorized ~~who have received authorization~~ by
1313 the district school superintendent ~~to participate in the DROP~~
1314 ~~beyond 60 calendar months,~~ or who are instructional personnel as
1315 defined in s. 1012.01(2) employed by a developmental research
1316 school and authorized by the school's director, or if the school



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1317 has no director, by the school's principal, may participate in
1318 DROP for up to 36 calendar months beyond the 60-month period. 96
1319 ~~calendar months immediately following the date on which the~~
1320 ~~member first reaches his or her normal retirement date or the~~
1321 ~~date to which he or she is eligible to defer his or her election~~
1322 ~~to participate as provided in subparagraph (a)2. However, a~~
1323 ~~member who has reached normal retirement date prior to the~~
1324 ~~effective date of the DROP shall be eligible to participate in~~
1325 ~~the DROP for a period of time not to exceed 60 calendar months~~
1326 ~~or, with respect to members who are instructional personnel~~
1327 ~~employed by the Florida School for the Deaf and the Blind and~~
1328 ~~who have received authorization by the Board of Trustees of the~~
1329 ~~Florida School for the Deaf and the Blind to participate in the~~
1330 ~~DROP beyond 60 months, or who are instructional personnel as~~
1331 ~~defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have~~
1332 ~~received authorization by the district school superintendent to~~
1333 ~~participate in the DROP beyond 60 calendar months, 96 calendar~~
1334 ~~months immediately following the effective date of the DROP,~~
1335 ~~except a member of the Special Risk Class who has reached normal~~
1336 ~~retirement date prior to the effective date of the DROP and~~
1337 ~~whose total accrued value exceeds 75 percent of average final~~
1338 ~~compensation as of his or her effective date of retirement shall~~
1339 ~~be eligible to participate in the DROP for no more than 36~~
1340 ~~calendar months immediately following the effective date of the~~
1341 ~~DROP.~~

1342 2. Upon deciding to participate in the DROP, the member
1343 shall submit, on forms required by the division:

- 1344 a. A written election to participate in the DROP;
1345 b. Selection of the DROP participation and termination



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1346 dates, which satisfy the limitations stated in paragraph (a) and
1347 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a
1348 binding letter of resignation to ~~with~~ the employer, establishing
1349 a deferred termination date. The member may change the
1350 termination date within the limitations of subparagraph 1., but
1351 only with the written approval of the ~~his or her~~ employer;

1352 c. A properly completed DROP application for service
1353 retirement as provided in this section; and

1354 d. Any other information required by the division.

1355 3. The DROP participant is ~~shall be~~ a retiree under the
1356 Florida Retirement System for all purposes, except for paragraph
1357 (5) (f) and subsection (9) and ss. 112.3173, 112.363, 121.053,
1358 and 121.122. DROP participation is final and cannot be cancelled
1359 by the participant after the first payment is credited during
1360 the DROP participation period. However, participation in ~~the~~
1361 DROP does not alter the participant's employment status, and the
1362 member is ~~such employee shall~~ not ~~be~~ deemed retired from
1363 employment until his or her deferred resignation is effective
1364 and termination occurs as provided in s. 121.021(39).

1365 4. Elected officers are ~~shall be~~ eligible to participate in
1366 ~~the~~ DROP subject to the following:

1367 a. An elected officer who reaches normal retirement date
1368 during a term of office may defer the election to participate ~~in~~
1369 ~~the DROP~~ until the next succeeding term in that office. An ~~Such~~
1370 elected officer who exercises this option may participate in ~~the~~
1371 DROP for up to 60 calendar months or ~~a period of~~ no longer than
1372 the ~~such~~ succeeding term of office, whichever is less.

1373 b. An elected or a nonelected participant may run for a
1374 term of office while participating in DROP and, if elected,



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1375 extend the DROP termination date accordingly;~~; except,~~ however,
1376 if the ~~such~~ additional term of office exceeds the 60-month
1377 limitation established in subparagraph 1., and the officer does
1378 not resign from office within such 60-month limitation, the
1379 retirement and the participant's DROP is ~~shall be~~ null and void
1380 as provided in sub-subparagraph (c)5.d.

1381 c. For DROP participation ending:

1382 (I) Before January 1, 2010, an elected officer who is
1383 dually employed and elects to participate in DROP must ~~shall be~~
1384 ~~required to~~ satisfy the definition of termination within the
1385 original 60-month period or maximum participation ~~or, with~~
1386 ~~respect to members who are instructional personnel employed by~~
1387 ~~the Florida School for the Deaf and the Blind and who have~~
1388 ~~received authorization by the Board of Trustees of the Florida~~
1389 ~~School for the Deaf and the Blind to participate in the DROP~~
1390 ~~beyond 60 months, or who are instructional personnel as defined~~
1391 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~
1392 ~~authorization by the district school superintendent to~~
1393 ~~participate in the DROP beyond 60 months, the 96-month~~
1394 ~~limitation~~ period as provided in subparagraph 1. for the
1395 nonelected position and may continue employment as an elected
1396 officer as provided in s. 121.053. The elected officer shall
1397 ~~will~~ be enrolled as a renewed member in the Elected Officers'
1398 Class or the Regular Class, as provided in ss. 121.053 and
1399 121.122, on the first day of the month after termination of
1400 employment in the nonelected position and termination of DROP.
1401 Distribution of the DROP benefits shall be made as provided in
1402 paragraph (c).

1403 (II) On or after January 1, 2010, an elected officer who is



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1404 dually employed and elects to participate in DROP must satisfy
1405 the definition of termination in s. 121.021(39) for the
1406 nonelected position within the original 60-month period or
1407 maximum period as provided in subparagraph 1. If the elected
1408 officer does not terminate from elective office within the
1409 original 60-month period or maximum period, he or she may defer
1410 termination as provided in s. 121.053 but is subject to
1411 termination in s. 121.021(39) to finalize retirement.

1412 (c) *Benefits payable under ~~the~~ DROP.*—

1413 1. Effective on ~~with~~ the date of DROP participation, the
1414 member's initial normal monthly benefit, including creditable
1415 service, optional form of payment, and average final
1416 compensation, and the effective date of retirement are ~~shall be~~
1417 fixed. The beneficiary established under the Florida Retirement
1418 System is ~~shall be~~ the beneficiary eligible to receive any DROP
1419 benefits payable if the DROP participant dies before completing
1420 ~~prior to the completion of~~ the period of DROP participation. If
1421 ~~In the event~~ a joint annuitant predeceases the member, the
1422 member may name a beneficiary to receive accumulated DROP
1423 benefits payable. The ~~Such~~ retirement benefit, the annual cost
1424 of living adjustments provided in s. 121.101, and interest ~~shall~~
1425 accrue monthly in the Florida Retirement System Trust Fund. The
1426 ~~Such~~ interest accrues ~~shall accrue~~ at an effective annual rate
1427 of 6.5 percent compounded monthly, on the prior month's
1428 accumulated ending balance, up to the month of termination or
1429 death.

1430 2. Each employee who elects to participate in ~~the~~ DROP may
1431 ~~shall be allowed to~~ elect to receive a lump-sum payment for
1432 accrued annual leave earned in accordance with agency policy



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1433 upon beginning participation in ~~the~~ DROP. The ~~Such~~ accumulated
1434 leave payment certified to the division upon commencement of
1435 DROP must ~~shall~~ be included in the calculation of the member's
1436 average final compensation. The employee electing the ~~such~~ lump-
1437 sum payment is ~~upon beginning participation in DROP will~~ not be
1438 eligible to receive a second lump-sum payment upon termination,
1439 except to the extent the employee has earned additional annual
1440 leave which combined with the original payment does not exceed
1441 the maximum lump-sum payment allowed by the employing agency's
1442 policy or rules. An ~~Such~~ early lump-sum payment shall be based
1443 on the hourly wage of the employee at the time he or she begins
1444 participation in ~~the~~ DROP. If the member elects to wait and
1445 receive a such lump-sum payment upon termination of DROP and
1446 termination of employment with the employer, any accumulated
1447 leave payment made at that time may not ~~cannot~~ be included in
1448 the member's retirement benefit, which was determined and fixed
1449 by law when the employee elected to participate in ~~the~~ DROP.

1450 3. The effective date of DROP participation and the
1451 effective date of retirement of a DROP participant is ~~shall be~~
1452 the first day of the month selected by the member to begin
1453 participation in ~~the~~ DROP, if ~~provided~~ such date is properly
1454 established, with the written confirmation of the employer, and
1455 the approval of the division, on forms required by the division.

1456 4. Normal retirement benefits and any interest ~~thereon~~
1457 ~~shall~~ continue to accrue in ~~the~~ DROP until the established
1458 termination date of ~~the~~ DROP, or until the participant
1459 terminates employment or dies before ~~prior to~~ such date.
1460 Although individual DROP accounts may ~~shall~~ not be established,
1461 a separate accounting of each participant's accrued benefits



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1462 under ~~the~~ DROP shall be calculated and provided to participants.

1463 5. At the conclusion of the participant's DROP, the
1464 division shall distribute the participant's total accumulated
1465 DROP benefits, subject to the following provisions:

1466 a. The division shall receive verification by the
1467 participant's employer or employers that the ~~such~~ participant
1468 has terminated employment as provided in s. 121.021(39)(b).

1469 b. The terminated DROP participant or, if deceased, the
1470 ~~such~~ participant's named beneficiary, shall elect on forms
1471 provided by the division to receive payment of ~~the~~ DROP benefits
1472 in accordance with one of the options listed below. If ~~For~~ a
1473 participant or beneficiary ~~who~~ fails to elect a method of
1474 payment within 60 days after ~~of~~ termination of ~~the~~ DROP, the
1475 division shall ~~will~~ pay a lump sum as provided in sub-sub-
1476 subparagraph (I).

1477 (I) Lump sum.—All accrued DROP benefits, plus interest,
1478 less withholding taxes remitted to the Internal Revenue Service,
1479 shall be paid to ~~the~~ DROP participant or surviving beneficiary.

1480 (II) Direct rollover.—All accrued DROP benefits, plus
1481 interest, shall be paid from ~~the~~ DROP directly to the custodian
1482 of an eligible retirement plan as defined in s. 402(c)(8)(B) of
1483 the Internal Revenue Code. However, in the case of an eligible
1484 rollover distribution to the surviving spouse of a deceased
1485 participant, an eligible retirement plan is an individual
1486 retirement account or an individual retirement annuity as
1487 described in s. 402(c)(9) of the Internal Revenue Code.

1488 (III) Partial lump sum.—A portion of the accrued DROP
1489 benefits shall be paid to ~~the~~ DROP participant or surviving
1490 spouse, less withholding taxes remitted to the Internal Revenue



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1491 Service, and the remaining DROP benefits must ~~shall~~ be
1492 transferred directly to the custodian of an eligible retirement
1493 plan as defined in s. 402(c)(8)(B) of the Internal Revenue Code.
1494 However, in the case of an eligible rollover distribution to the
1495 surviving spouse of a deceased participant, an eligible
1496 retirement plan is an individual retirement account or an
1497 individual retirement annuity as described in s. 402(c)(9) of
1498 the Internal Revenue Code. The proportions must ~~shall~~ be
1499 specified by the DROP participant or surviving beneficiary.

1500 c. The form of payment selected by the DROP participant or
1501 surviving beneficiary must comply ~~complies~~ with the minimum
1502 distribution requirements of the Internal Revenue Code.

1503 d. A DROP participant who fails to terminate employment as
1504 defined in s. 121.021(39)(b) shall be deemed as not ~~to be~~
1505 retired, and the DROP election is ~~shall be~~ null and void.
1506 Florida Retirement System membership shall be reestablished
1507 retroactively to the date of the commencement of ~~the~~ DROP, and
1508 each employer with whom the participant continues employment
1509 must ~~shall be required to~~ pay to the Florida Retirement System
1510 Trust Fund the difference between the DROP contributions paid in
1511 paragraph (i) and the contributions required for the applicable
1512 Florida Retirement System class of membership during the period
1513 the member participated in ~~the~~ DROP, plus 6.5 percent interest
1514 compounded annually.

1515 6. The retirement benefits of a retiree who participated in
1516 DROP and meets the definition of termination in s.
1517 121.021(39)(b), but is in violation of the reemployment
1518 provisions provided in subsection (9), must be suspended during
1519 the months in which the reemployed retiree is in violation. A



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1520 retiree reemployed in violation of this subparagraph and the
1521 agency that employs or appoints such member without notifying
1522 the Division of Retirement to suspend retirement benefits are
1523 jointly and severally liable for any benefits paid during the
1524 reemployment limitation period. To avoid liability, the
1525 employing agency must have a written statement from the retiree
1526 that he or she is not retired from a state-administered
1527 retirement system.

1528 a. For DROP participation ending before January 1, 2010,
1529 any retirement benefits received by a retiree while employed in
1530 violation of the reemployment limitations during the 12-month
1531 limitation period must be repaid to the Florida Retirement
1532 System Trust Fund, and his or her retirement benefits shall
1533 remain suspended until payment is made. Benefits suspended
1534 beyond the end of the retiree's 12-calendar month limitation
1535 period apply toward repayment of benefits received in violation
1536 of the reemployment limitations.

1537 b. For DROP participation ending on or after January 1,
1538 2010, any retirement benefits received by a retiree while
1539 employed in violation of the reemployment limitations must be
1540 repaid to the Florida Retirement System Trust Fund, and his or
1541 her retirement benefits remain suspended until payment is made.
1542 Benefits suspended after the retiree has terminated employment
1543 apply toward repayment of benefits received in violation of the
1544 reemployment limitations.

1545 ~~7.6.~~ The accrued benefits of any DROP participant, and any
1546 contributions accumulated under the ~~such~~ program, are ~~shall~~ not
1547 be subject to assignment, execution, attachment, or to any legal
1548 process whatsoever, except for qualified domestic relations



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1549 orders by a court of competent jurisdiction, income deduction
1550 orders as provided in s. 61.1301, and federal income tax levies.

1551 ~~8.7.~~ DROP participants are ~~shall~~ not ~~be~~ eligible for
1552 disability retirement benefits as provided in subsection (4).

1553 (d) *Death benefits under ~~the~~ DROP.*—

1554 1. Upon the death of a DROP participant, the named
1555 beneficiary is ~~shall be~~ entitled to apply for and receive the
1556 accrued benefits in ~~the~~ DROP as provided in sub-subparagraph
1557 (c)5.b.

1558 2. The normal retirement benefit accrued to ~~the~~ DROP during
1559 the month of a participant's death is ~~shall be~~ the final monthly
1560 benefit credited for such DROP participant.

1561 3. Eligibility to participate in ~~the~~ DROP terminates upon
1562 death of the participant. If the participant dies on or after
1563 the effective date of enrollment in ~~the~~ DROP, but before ~~prior~~
1564 ~~to~~ the first monthly benefit is ~~being~~ credited to ~~the~~ DROP,
1565 Florida Retirement System benefits are ~~shall be~~ paid in
1566 accordance with subparagraph (7) (c)1. or subparagraph 2.

1567 4. A DROP participant's ~~participants'~~ survivors are ~~shall~~
1568 not ~~be~~ eligible to receive Florida Retirement System death
1569 benefits as provided in paragraph (7) (d).

1570 (e) *Cost-of-living adjustment.*—On each July 1, the
1571 participant's ~~participants'~~ normal retirement benefit shall be
1572 increased as provided in s. 121.101.

1573 (f) *Retiree health insurance subsidy.*—DROP participants are
1574 not eligible to apply for the retiree health insurance subsidy
1575 payments ~~as~~ provided in s. 112.363 until such participants have
1576 terminated employment and participation in ~~the~~ DROP.

1577 (g) *Renewed membership.*—



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1578 1. DROP participants who end DROP participation before
1579 January 1, 2010, are ~~shall~~ not be eligible for renewed
1580 membership in the Florida Retirement System under ss. 121.053
1581 and 121.122 until termination of employment is effectuated as
1582 provided in s. 121.021(39)(b).

1583 2. DROP participants who end DROP participation on or after
1584 January 1, 2010, are not eligible for renewed membership in a
1585 state-administered retirement system.

1586 (h) *Employment limitation after DROP participation.*—Upon
1587 ~~satisfying the definition of~~ termination of employment as
1588 provided in s. 121.021(39)(b), DROP participants are ~~shall be~~
1589 subject to the same ~~such~~ reemployment limitations as other
1590 retirees. Reemployment restrictions applicable to retirees as
1591 provided in subsection (9) do ~~shall~~ not apply to DROP
1592 participants until their employment and participation in ~~the~~
1593 DROP are terminated.

1594 (i) *Contributions.*—

1595 1. All employers paying the salary of a DROP participant
1596 filling a regularly established position shall contribute 8.0
1597 percent of such participant's gross compensation for the period
1598 of July 1, 2002, through June 30, 2003, and the 11.56 percent of
1599 such compensation required by s. 121.71 thereafter, which shall
1600 constitute the entire employer DROP contribution with respect to
1601 such participant. Such contributions, payable to the Florida
1602 Retirement System Trust Fund in the same manner as required in
1603 s. 121.071, must ~~shall~~ be made as appropriate for each pay
1604 period and are in addition to contributions required for social
1605 security and the Retiree Health Insurance Subsidy Trust Fund.
1606 Such employer, social security, and health insurance subsidy



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1607 contributions are not included in ~~the~~ DROP.

1608 2. The employer shall, in addition to subparagraph 1., also
1609 withhold one-half of the entire social security contribution
1610 required for the participant. Contributions for social security
1611 by each participant and each employer, in the amount required
1612 for social security coverage as ~~now or hereafter~~ provided by the
1613 federal Social Security Act, are ~~shall be~~ in addition to
1614 contributions specified in subparagraph 1.

1615 3. All employers paying the salary of a DROP participant
1616 filling a regularly established position shall contribute the
1617 percent of such participant's gross compensation required in s.
1618 121.071(4), which ~~shall~~ constitute the employer's health
1619 insurance subsidy contribution with respect to such participant.
1620 Such contributions must ~~shall~~ be deposited by the administrator
1621 in the Retiree Health Insurance Subsidy Trust Fund.

1622 (j) *Forfeiture of retirement benefits.* ~~Nothing in~~ This
1623 section does not ~~shall be construed to~~ remove DROP participants
1624 from the scope of s. 8(d), Art. II of the State Constitution, s.
1625 112.3173, and paragraph (5)(f). DROP participants who commit a
1626 specified felony offense while employed are ~~will be~~ subject to
1627 forfeiture of all retirement benefits, including DROP benefits,
1628 pursuant to those provisions of law.

1629 (k) *Administration of program.* ~~The division shall~~ adopt
1630 ~~make such~~ rules as ~~are~~ necessary for the effective and efficient
1631 administration of this subsection. The division is ~~shall~~ not ~~be~~
1632 required to advise members of the federal tax consequences of an
1633 election related to the DROP but may advise members to seek
1634 independent advice.

1635 Section 6. Section 121.122, Florida Statutes, is amended to



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1636 read:

1637 121.122 Renewed membership in system.—

1638 (1) A retiree of a state-administered retirement system who
1639 is initially reemployed on or after January 1, 2010, is not
1640 eligible for renewed membership.

1641 (2) Except as provided in s. 121.053, effective July 1,
1642 1991, through December 31, 2009, any retiree of a state-
1643 administered retirement system who is initially reemployed
1644 ~~employed~~ in a regularly established position with a covered
1645 employer shall be enrolled as a compulsory member of the Regular
1646 Class of the Florida Retirement System or, effective July 1,
1647 1997, through December 31, 2009, any retiree of a state-
1648 administered retirement system who is initially reemployed
1649 ~~employed~~ in a position included in the Senior Management Service
1650 Class shall be enrolled as a compulsory member of the Senior
1651 Management Service Class of the Florida Retirement System as
1652 provided in s. 121.055, and is shall be entitled to receive an
1653 additional retirement benefit, subject to the following
1654 conditions:

1655 ~~(1)~~ (a) Such member must shall resatisfy the age and service
1656 requirements ~~as~~ provided in this chapter for initial membership
1657 under the system, unless the such member elects to participate
1658 in the Senior Management Service Optional Annuity Program in
1659 lieu of the Senior Management Service Class, as provided in s.
1660 121.055(6).

1661 (b) Such member is shall not ~~be~~ entitled to disability
1662 benefits as provided in s. 121.091(4).

1663 (c) Such member must meet the reemployment after retirement
1664 limitations as provided in s. 121.091(9), as applicable.



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1665 ~~(3)-(2)~~ Upon reemployment of a retiree ~~renewed membership,~~
1666 the employer of such member shall pay the applicable employer
1667 contributions as required by ss. 121.71, 121.74, 121.76, and
1668 112.363 ~~ss. 121.055(3) and 121.071(1)(a) and (4).~~

1669 ~~(4)-(3)~~ The retiree of a state-administered retirement
1670 system who is initially reemployed before January 1, 2010, is
1671 ~~Such member shall be~~ entitled to purchase additional retirement
1672 credit in the Regular Class or the Senior Management Service
1673 Class, as applicable, for any postretirement service performed
1674 in a regularly established position as follows:

1675 (a) For regular class service before ~~prior to~~ July 1, 1991,
1676 by paying the Regular Class applicable employee and employer
1677 contributions for the period being claimed, plus 4 percent
1678 interest compounded annually from first year of service claimed
1679 until July 1, 1975, and 6.5 percent interest compounded
1680 thereafter, until full payment is made to the Florida Retirement
1681 System Trust Fund; or

1682 (b) For Senior Management Service Class before ~~prior to~~
1683 June 1, 1997, as provided in s. 121.055(1)(j).

1684
1685 The contribution for postretirement service between July 1,
1686 1985, and July 1, 1991, for which the reemployed retiree
1687 contribution was paid, is ~~shall be~~ the difference between the
1688 ~~such~~ contribution and the total applicable contribution for the
1689 period being claimed, plus interest. The employer of such member
1690 may pay the applicable employer contribution in lieu of the
1691 member. If a member does not wish to claim credit for all of the
1692 postretirement service for which he or she is eligible, the
1693 service the member claims must be the most recent service.



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1694 ~~(5)-(4) No~~ Creditable service for which credit was received,
1695 or which remained unclaimed, at retirement may not be claimed or
1696 applied toward service credit earned following renewed
1697 membership. However, for retirees initially reemployed before
1698 January 1, 2010, service earned as an elected officer with
1699 renewed membership in the Elected Officers' Class may be used in
1700 conjunction with creditable service earned under this section,
1701 if provided the applicable vesting requirements and other
1702 existing statutory conditions required by this chapter are met.

1703 ~~(6)-(5)~~ Notwithstanding any other limitations ~~provided~~ in
1704 this section, a participant of the State University System
1705 Optional Retirement Program, the State Community College
1706 Optional Retirement Program, or the Senior Management Service
1707 Optional Annuity Program who terminated employment and commenced
1708 receiving a distribution ~~an annuity~~ under ~~the provisions of the~~
1709 optional program, who initially renews membership before January
1710 1, 2010, ~~in the Regular Class~~ as required by this section upon
1711 reemployment after retirement, and who had previously earned
1712 creditable Florida Retirement System service that was not
1713 included in any retirement benefit may include such previous
1714 service toward vesting and service credit in the second career
1715 benefit provided under renewed membership.

1716 ~~(7)-(6)~~ A ~~Any~~ renewed member who is not receiving the
1717 maximum health insurance subsidy provided in s. 112.363 is shall
1718 ~~be~~ entitled to earn additional credit toward the maximum health
1719 insurance subsidy. Any additional subsidy due because of such
1720 additional credit may shall be received only at the time of
1721 payment of the second career retirement benefit. ~~In no case~~
1722 ~~shall~~ The total health insurance subsidy received by a retiree



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1723 receiving benefits from initial and renewed membership may not
1724 exceed the maximum allowed in s. 112.363.

1725 Section 7. Paragraph (h) of subsection (3) and paragraphs
1726 (a) and (e) of subsection (5) of section 121.35, Florida
1727 Statutes, are amended, and paragraph (g) is added to subsection
1728 (5) of that section, to read:

1729 121.35 Optional retirement program for the State University
1730 System.—

1731 (3) ELECTION OF OPTIONAL PROGRAM.—

1732 (h) A participant in the optional retirement program may
1733 not participate in more than one state-administered retirement
1734 system, plan, or class simultaneously. Except as provided in s.
1735 121.052(6)(d), a participant who is or becomes dually employed
1736 in two or more positions covered by the Florida Retirement
1737 System, one of which is eligible for the optional program and
1738 one of which is not, may remain a member of the optional program
1739 and contributions shall be paid as required only on the salary
1740 earned in the position eligible for the optional program during
1741 the such period of dual employment; or, within 90 days after
1742 becoming dually employed, he or she may elect membership in the
1743 Regular Class of the Florida Retirement System in lieu of the
1744 optional program and contributions shall be paid as required on
1745 the total salary received for all employment. At retirement, the
1746 average final compensation used to calculate any benefits for
1747 which the member becomes eligible under the Florida Retirement
1748 System must shall be based on all salary reported for both
1749 positions during such period of dual employment. If the When
1750 such member ceases to be dually employed, he or she may, within
1751 90 days, elect to remain in the Florida Retirement System class



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1752 for which he or she is eligible or to again become a participant
1753 in the optional retirement program. Failure to elect membership
1754 in the optional program within 90 days shall result in
1755 compulsory membership in the Florida Retirement System, except
1756 that a member filling a faculty position at ~~under~~ a college with
1757 a faculty practice plan at the University of Florida, at ~~or~~ the
1758 Medical Center at the University of South Florida, or other
1759 state university shall again participate in the optional
1760 retirement program as required in s. 121.051(1)(a).

1761 (5) BENEFITS.—

1762 (a) Benefits are ~~shall be~~ payable under the optional
1763 retirement program only to vested participants in the program,
1764 or their beneficiaries as designated by the participant in the
1765 contract with a provider company, and such benefits shall be
1766 paid only by the designated company in accordance with s. 403(b)
1767 of the Internal Revenue Code and ~~in accordance with~~ the terms of
1768 the annuity contract or contracts applicable to the participant.
1769 Benefits ~~shall~~ accrue in individual accounts that are
1770 participant-directed, portable, and funded by employer
1771 contributions and the earnings thereon. The participant must be
1772 terminated from all employment with all Florida Retirement
1773 System employers, as provided in s. 121.021(39), to begin
1774 receiving the employer-funded benefit. Benefits funded by
1775 employer contributions are ~~shall be~~ payable in accordance with
1776 the following terms and conditions:

1777 1. Benefits shall be paid ~~payable~~ only to a participant, to
1778 his or her beneficiaries, or to his or her estate, as designated
1779 by the participant.

1780 2. Benefits shall be paid by the provider company or



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1781 companies in accordance with the law, the provisions of the
1782 contract, and any applicable department board rule or policy.

1783 3. In the event of a participant's death, moneys
1784 accumulated by, or on behalf of, the participant, less
1785 withholding taxes remitted to the Internal Revenue Service, if
1786 any, shall be distributed to the participant's designated
1787 beneficiary or beneficiaries, or to the participant's estate, as
1788 if the participant retired on the date of death, as provided in
1789 paragraph (c). No other death benefits are shall be available to
1790 ~~for~~ survivors of participants under the optional retirement
1791 program except for such benefits, or coverage for such benefits,
1792 as are separately afforded by the employer, at the employer's
1793 discretion.

1794 (e) A participant who chooses to receive his or her
1795 benefits upon termination of employment as defined in s.
1796 121.021(39) must ~~shall have responsibility to~~ notify the
1797 provider company of the date ~~on which~~ he or she wishes benefits
1798 funded by employer contributions to begin. Benefits may be
1799 deferred until ~~such time as~~ the participant chooses to make such
1800 application.

1801 (g) For purposes of this section, the term "retiree" means
1802 a former participant of the optional retirement program who has
1803 terminated employment and has taken a distribution, including a
1804 rollover or trustee-to-trustee transfer, as provided in this
1805 subsection, except for a mandatory distribution of a de minimis
1806 account authorized by the department.

1807 Section 8. Paragraph (f) of subsection (2) of section
1808 121.4501, Florida Statutes, is amended to read:

1809 121.4501 Public Employee Optional Retirement Program.—



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1810 (2) DEFINITIONS.—As used in this part, the term:
1811 (f) “Eligible employee” means an officer or employee, as
1812 defined in s. 121.021(11), who:
1813 1. Is a member of, or is eligible for membership in, the
1814 Florida Retirement System, including any renewed member of the
1815 Florida Retirement System initially reemployed before January 1,
1816 2010; or
1817 2. Participates in, or is eligible to participate in, the
1818 Senior Management Service Optional Annuity Program as
1819 established under s. 121.055(6), the State Community College
1820 System Optional Retirement Program as established under s.
1821 121.051(2)(c), or the State University System Optional
1822 Retirement Program established under s. 121.35.
1823
1824 The term does not include any member participating in the
1825 Deferred Retirement Option Program established under s.
1826 121.091(13), a retiree of a state-administered retirement system
1827 initially reemployed on or after January 1, 2010, or a mandatory
1828 participant of the State University System Optional Retirement
1829 Program established under s. 121.35.
1830 Section 9. Paragraph (b) of subsection (1) of section
1831 121.591, Florida Statutes, is amended to read:
1832 121.591 Benefits payable under the Public Employee Optional
1833 Retirement Program of the Florida Retirement System.—Benefits
1834 may not be paid under this section unless the member has
1835 terminated employment as provided in s. 121.021(39)(a) or is
1836 deceased and a proper application has been filed in the manner
1837 prescribed by the state board or the department. The state board
1838 or department, as appropriate, may cancel an application for



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1839 retirement benefits when the member or beneficiary fails to
1840 timely provide the information and documents required by this
1841 chapter and the rules of the state board and department. In
1842 accordance with their respective responsibilities as provided
1843 herein, the State Board of Administration and the Department of
1844 Management Services shall adopt rules establishing procedures
1845 for application for retirement benefits and for the cancellation
1846 of such application when the required information or documents
1847 are not received. The State Board of Administration and the
1848 Department of Management Services, as appropriate, are
1849 authorized to cash out a de minimis account of a participant who
1850 has been terminated from Florida Retirement System covered
1851 employment for a minimum of 6 calendar months. A de minimis
1852 account is an account containing employer contributions and
1853 accumulated earnings of not more than \$5,000 made under the
1854 provisions of this chapter. Such cash-out must either be a
1855 complete lump-sum liquidation of the account balance, subject to
1856 the provisions of the Internal Revenue Code, or a lump-sum
1857 direct rollover distribution paid directly to the custodian of
1858 an eligible retirement plan, as defined by the Internal Revenue
1859 Code, on behalf of the participant. If any financial instrument
1860 issued for the payment of retirement benefits under this section
1861 is not presented for payment within 180 days after the last day
1862 of the month in which it was originally issued, the third-party
1863 administrator or other duly authorized agent of the State Board
1864 of Administration shall cancel the instrument and credit the
1865 amount of the instrument to the suspense account of the Public
1866 Employee Optional Retirement Program Trust Fund authorized under
1867 s. 121.4501(6). Any such amounts transferred to the suspense



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1868 account are payable upon a proper application, not to include
1869 earnings thereon, as provided in this section, within 10 years
1870 after the last day of the month in which the instrument was
1871 originally issued, after which time such amounts and any
1872 earnings thereon shall be forfeited. Any such forfeited amounts
1873 are assets of the Public Employee Optional Retirement Program
1874 Trust Fund and are not subject to the provisions of chapter 717.

1875 (1) NORMAL BENEFITS.—Under the Public Employee Optional
1876 Retirement Program:

1877 (b) If a participant elects to receive his or her benefits
1878 upon termination of employment as defined in s. 121.021(39), the
1879 participant must submit a written application or an equivalent
1880 form to the third-party administrator indicating his or her
1881 preferred distribution date and selecting an authorized method
1882 of distribution as provided in paragraph (c). The participant
1883 may defer receipt of benefits until he or she chooses to make
1884 such application, subject to federal requirements.

1885 Section 10. Subsection (1) of section 238.183, Florida
1886 Statutes, is amended to read:

1887 238.183 Developmental research school and Florida School
1888 for the Deaf and the Blind instructional personnel; reemployment
1889 after retirement.—

1890 (1) Notwithstanding any other law, instructional personnel,
1891 as defined in s. 1012.01(2), employed by a developmental
1892 research school or the Florida School for the Deaf and the Blind
1893 are eligible for reemployment after retirement in the same
1894 manner as classroom teachers who are employed by the district
1895 school boards, as described in ss. 121.091(9)(b) ~~121.091(9)(b)3.~~
1896 and 238.181(2)(c).



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1897 Section 11. Paragraph (g) of subsection (3) of section
1898 1012.33, Florida Statutes, is amended to read:

1899 1012.33 Contracts with instructional staff, supervisors,
1900 and school principals.-

1901 (3)

1902 (g) Beginning July 1, 2001, for each employee who enters
1903 into a written contract, pursuant to this section, in a school
1904 district in which the employee was not employed as of June 30,
1905 2001, or was employed as of June 30, 2001, but has since broken
1906 employment with that district for 1 school year or more, for
1907 purposes of pay, a district school board must recognize and
1908 accept each year of full-time public school teaching service
1909 earned in this state ~~the State of Florida~~ or outside the state
1910 and for which the employee received a satisfactory performance
1911 evaluation. Instructional personnel employed pursuant to s.
1912 121.091(b) ~~s. 121.091(9)(b)3.~~ are exempt from the provisions of
1913 this paragraph.

1914 Section 12. Sections 121.093 and 121.094, Florida Statutes,
1915 are repealed.

1916 Section 13. The Legislature finds that a proper and
1917 legitimate state purpose is served when employees and retirees
1918 of the state and its political subdivisions, as well as the
1919 dependents, survivors, and beneficiaries of such employees and
1920 retirees, are extended the basic protections afforded by
1921 governmental retirement systems that provide fair and adequate
1922 benefits and that are managed, administered, and funded in an
1923 actuarially sound manner as required by s. 14, Art. X of the
1924 State Constitution and part VII of chapter 112, Florida
1925 Statutes. Therefore, the Legislature determines and declares



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1926 that the amendment of s. 121.091, Florida Statutes, by this act
1927 fulfills an important state interest.

1928 Section 14. Effective upon this act becoming a law, the
1929 Department of Management Services shall request an actuarial
1930 special study to determine the employer contribution rates
1931 required by this act. The department shall notify the Governor,
1932 the President of the Senate, and the Speaker of the House of
1933 Representatives of the results of the actuarial special study
1934 within 1 week after receiving the results.

1935 Section 15. Except as otherwise expressly provided in this
1936 act and except for this section, which shall take effect upon
1937 becoming a law, this act shall take effect January 1, 2010;
1938 except that this act shall not take effect if the Department of
1939 Management Services receives an actuarial special study stating
1940 that the provisions of this act require an increase of 0.01
1941 percent or more in the employer contribution rate for any
1942 Florida Retirement System member class, subclass, or the
1943 Deferred Retirement Option Program.

1944
1945 ===== T I T L E A M E N D M E N T =====

1946 And the title is amended as follows:

1947 Delete everything before the enacting clause
1948 and insert:

1949 A bill to be entitled
1950 An act relating to the state retirement system;
1951 amending s. 121.021, F.S.; defining the term
1952 "retiree"; amending s. 121.051, F.S.; conforming a
1953 cross-reference; clarifying when a State Community
1954 College System Optional Retirement Program participant



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1955 is considered a retiree; amending s. 121.053, F.S.;

1956 revising membership criteria for renewed elected

1957 officials; amending s. 121.055, F.S.; revising benefit

1958 payment procedures for the Senior Management Service

1959 Optional Annuity Program; clarifying when a

1960 participant is considered retired; amending s.

1961 121.091, F.S.; revising and clarifying provisions

1962 relating to retirement benefits; deleting a

1963 restriction on the reemployment of certain personnel

1964 by the Florida School for the Deaf and the Blind;

1965 extending the period of time that instructional

1966 personnel employed by a developmental research school

1967 may participate in the Deferred Retirement Option

1968 Program (DROP); authorizing developmental research

1969 school and charter schools to reemploy certain

1970 retirees under specified conditions; providing

1971 applicability; clarifying that DROP participation

1972 cannot be canceled; clarifying maximum DROP

1973 participation; providing for the suspension of DROP

1974 benefits to a participant who is reemployed; deleting

1975 obsolete provisions; amending s. 121.122, F.S.;

1976 revising conditions under which a retiree is entitled

1977 to certain additional retirement benefits; amending s.

1978 121.35, F.S.; revising a compulsory membership

1979 exception for certain members failing to elect

1980 membership in the optional retirement program;

1981 amending s. 121.4501, F.S.; defining the term

1982 "retiree" for purposes of the State University System

1983 Optional Retirement Program; amending s. 121.591,



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1984 F.S.; conforming provisions; repealing ss. 121.093 and
1985 121.094, F.S., relating to instructional personnel
1986 reemployment after retirement from a developmental
1987 research school or the Florida School for the Deaf and
1988 the Blind, the provisions of which are reenacted in s.
1989 121.091, F.S., and relating to instructional personnel
1990 reemployment after retirement from a charter school,
1991 the provisions of which are reenacted in s. 121.091,
1992 F.S., respectively; providing a declaration of
1993 important state interest; requiring the Department of
1994 Management Services to request an actuarial study to
1995 determine the effect of this act on employer
1996 contributions and to notify the Governor and
1997 Legislature of the results; providing a contingent
1998 effective date.
1999