

By Senator Deutch

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1                   A bill to be entitled  
2           An act relating to retirement; amending s. 121.0515,  
3           F.S.; authorizing certain employees to purchase the  
4           retirement credit for past service at a 3-percent  
5           Special Risk Class accrual value; amending ss. 175.041  
6           and 175.371, F.S.; providing for continued receipt of  
7           premium taxes by plans established pursuant to chapter  
8           175, F.S., after the transfer, merger, or  
9           consolidation of governmental functions or the plan  
10          sponsor's election to participate in another state  
11          retirement system; amending ss. 185.03 and 185.38,  
12          F.S.; providing for continued receipt of premium taxes  
13          by plans established pursuant to ch. 185, F.S., after  
14          the transfer, merger, or consolidation of governmental  
15          functions or the plan sponsor's election to  
16          participate in another state retirement system;  
17          providing a declaration of important state interest;  
18          providing an effective date.

19  
20 Be It Enacted by the Legislature of the State of Florida:

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22           Section 1. Subsection (5) of section 121.0515, Florida  
23           Statutes, is amended to read:

24           121.0515 Special risk membership.—

25           (5) CREDIT FOR PAST SERVICE.—A special risk member may  
26           purchase retirement credit in the Special Risk Class based upon  
27           past service, and may upgrade retirement credit for such past  
28           service, to the extent of 3 ~~2~~ percent of the member's average  
29           monthly compensation as specified in s. 121.091(1)(a) for such

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30 service as follows:

31 (a) The member may purchase special risk credit for past  
32 service with a city or special district which has elected to  
33 join the Florida Retirement System, or with a participating  
34 agency to which a member's governmental unit was transferred,  
35 merged, or consolidated as provided in s. 121.081(1)(f), if the  
36 member was employed with the city or special district at the  
37 time it commenced participating in the Florida Retirement System  
38 or with the governmental unit at the time of its transfer,  
39 merger, or consolidation with the participating agency. The  
40 service must satisfy the criteria set forth in subsection (2)  
41 for special risk membership as a law enforcement officer, a  
42 firefighter, a ~~ex~~ correctional officer, or an emergency medical  
43 technician or paramedic whose employer was a licensed advanced  
44 life support or basic life support provider; however, no  
45 certificate or waiver of certificate of compliance with s.  
46 943.1395 or s. 633.35 shall be required for such service.

47 (b) Contributions for upgrading the additional special risk  
48 credit pursuant to this subsection shall be equal to the  
49 difference in the contributions paid and the special risk  
50 percentage rate of gross salary in effect at the time of  
51 purchase for the period being claimed, plus interest thereon at  
52 the rate of 4 percent a year compounded annually from the date  
53 of such service until July 1, 1975, and 6.5 percent a year  
54 thereafter until the date of payment. This past service may be  
55 purchased by the member or by the employer on behalf of the  
56 member.

57 Section 2. Subsection (3) of section 175.041, Florida  
58 Statutes, is amended to read:

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59           175.041 Firefighters' Pension Trust Fund created;  
60 applicability of provisions.—For any municipality, special fire  
61 control district, chapter plan, local law municipality, local  
62 law special fire control district, or local law plan under this  
63 chapter:

64           (3) The provisions of this chapter shall apply only to  
65 municipalities organized and established pursuant to the laws of  
66 the state and to special fire control districts, and said  
67 provisions shall not apply to the unincorporated areas of any  
68 county or counties except with respect to special fire control  
69 districts that include unincorporated areas, nor shall the  
70 provisions hereof apply to any governmental entity whose  
71 firefighters are eligible to participate in the Florida  
72 Retirement System, except as provided in s. 175.371(2).

73           (a) Special fire control districts that include, or consist  
74 exclusively of, unincorporated areas of one or more counties may  
75 levy and impose the tax and participate in the retirement  
76 programs enabled by this chapter.

77           (b) With respect to the distribution of premium taxes, a  
78 single consolidated government consisting of a former county and  
79 one or more municipalities, consolidated pursuant to s. 3 or s.  
80 6(e), Art. VIII of the State Constitution, is also eligible to  
81 participate under this chapter. The consolidated government  
82 shall notify the division when it has entered into an interlocal  
83 agreement to provide fire services to a municipality within its  
84 boundaries. The municipality may enact an ordinance levying the  
85 tax as provided in s. 175.101. Upon being provided copies of the  
86 interlocal agreement and the municipal ordinance levying the  
87 tax, the division may distribute any premium taxes reported for

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88 the municipality to the consolidated government as long as the  
89 interlocal agreement is in effect.

90 (c) Any municipality that has entered into an interlocal  
91 agreement to provide fire protection services to any other  
92 incorporated municipality, in its entirety, for a period of 12  
93 months or more may be eligible to receive the premium taxes  
94 reported for such other municipality. In order to be eligible  
95 for such premium taxes, the municipality providing the fire  
96 services must notify the division that it has entered into an  
97 interlocal agreement with another municipality. The municipality  
98 receiving the fire services may enact an ordinance levying the  
99 tax as provided in s. 175.101. Upon being provided copies of the  
100 interlocal agreement and the municipal ordinance levying the  
101 tax, the division may distribute any premium taxes reported for  
102 the municipality receiving the fire services to the  
103 participating municipality providing the fire services as long  
104 as the interlocal agreement is in effect.

105 Section 3. Subsection (2) of section 175.371, Florida  
106 Statutes, is amended to read:

107 175.371 Transfer to another state retirement system;  
108 benefits payable.—For any municipality, special fire control  
109 district, chapter plan, local law municipality, local law  
110 special fire control district, or local law plan under this  
111 chapter:

112 (2) When every active participant in any pension plan  
113 created pursuant to this chapter elects to transfer to another  
114 state retirement system, the pension plan created pursuant to  
115 this chapter shall be terminated and the assets distributed in  
116 accordance with s. 175.361. If, upon joining another state

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117 retirement system as the result of a transfer, merger, or  
118 consolidation of governmental services, or as the result of a  
119 municipality's or special fire control district's election to  
120 participate in such system, some participants in a pension plan  
121 created pursuant to this chapter elect to transfer to another  
122 state retirement system and other participants elect to remain  
123 in the existing plan created pursuant to this chapter, the plan  
124 created pursuant to this chapter shall continue to receive state  
125 premium tax moneys until fully funded. If the plan is fully  
126 funded at a particular valuation date and not fully funded at a  
127 later valuation date, the plan shall resume receipt of state  
128 premium tax moneys until the plan is once again fully funded.  
129 "Fully funded" means that the present value of all benefits,  
130 accrued and projected, is less than the available assets and the  
131 present value of future member contributions and future plan  
132 sponsor contributions on an actuarial entry age cost funding  
133 basis. Effective May 31, 1998, for plans discussed herein, the  
134 plan shall remain in effect until the final benefit payment has  
135 been made to the last participant or beneficiary and shall then  
136 be terminated in accordance with s. 175.361.

137 Section 4. Subsection (2) of section 185.03, Florida  
138 Statutes, is amended to read:

139 185.03 Municipal police officers' retirement trust funds;  
140 creation; applicability of provisions; participation by public  
141 safety officers.—For any municipality, chapter plan, local law  
142 municipality, or local law plan under this chapter:

143 (2) The provisions of this chapter shall apply only to  
144 municipalities organized and established pursuant to the laws of  
145 the state, and said provisions shall not apply to the

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146 unincorporated areas of any county or counties nor shall the  
147 provisions hereof apply to any governmental entity whose police  
148 officers are eligible to participate in the Florida Retirement  
149 System, except as provided in s. 185.38(2).

150 Section 5. Subsection (2) of section 185.38, Florida  
151 Statutes, is amended to read:

152 185.38 Transfer to another state retirement system;  
153 benefits payable.—For any municipality, chapter plan, local law  
154 municipality, or local law plan under this chapter:

155 (2) When every active participant in any pension plan  
156 created pursuant to this chapter elects to transfer to another  
157 state retirement system, the pension plan created pursuant to  
158 this chapter shall be terminated and the assets distributed in  
159 accordance with s. 185.37. If, upon joining another state  
160 retirement system as the result of a transfer, merger, or  
161 consolidation of governmental services, or as the result of a  
162 municipality's election to participate in such system, some  
163 participants in a pension plan created pursuant to this chapter  
164 elect to transfer to another state retirement system and other  
165 participants elect to remain in the existing plan created  
166 pursuant to this chapter, the plan created pursuant to this  
167 chapter shall continue to receive state premium tax moneys until  
168 fully funded. If the plan is fully funded at a particular  
169 valuation date and not fully funded at a later valuation date,  
170 the plan shall resume receipt of state premium tax moneys until  
171 the plan is once again determined to be fully funded. "Fully  
172 funded" means that the present value of all benefits, accrued  
173 and projected, is less than the available assets and the present  
174 value of future member contributions and future plan sponsor

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175 contributions on an actuarial entry age cost funding basis.  
176 Effective May 31, 1998, for plans discussed herein, the plan  
177 shall remain in effect until the final benefit payment has been  
178 made to the last participant or beneficiary and shall then be  
179 terminated in accordance with s. 185.37.

180       Section 6. The Legislature finds that a proper and  
181 legitimate state purpose is served when employees and retirees  
182 of the state and of its political subdivisions, and the  
183 dependents, survivors, and beneficiaries of such employees and  
184 retirees, are extended the basic protections afforded by  
185 governmental retirement systems that provide fair and adequate  
186 benefits and that are managed, administered, and funded in an  
187 actuarially sound manner as required by s. 14, Art. X of the  
188 State Constitution and part VII of chapter 112, Florida  
189 Statutes. Therefore, the Legislature determines and declares  
190 that the provisions of this act fulfill an important state  
191 interest.

192       Section 7. This act shall take effect July 1, 2009.