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1 A bill to be entitled
2 An act relating to firefighters and municipal police
3 officers; amending s. 175.032, F.S.; revising the
4 definition of the term "creditable service" for purposes
5 of determining credit for prior service as a firefighter;
6 revising the definition of the term "firefighter";
7 amending s. 175.061, F.S.; authorizing the terms of office
8 for the board of trustees of the firefighters' pension
9 trust fund to be revised under certain circumstances;
10 authorizing the firefighters' pension trust fund plan
11 administrator to withhold funds to pay for premiums for
12 accident, health, and long-term care insurance for the
13 retiree and the retiree's spouse and dependents; providing
14 an exemption from liability under certain circumstances;
15 amending s. 175.071, F.S.; requiring the board of trustees
16 to perform its powers subject to certain fiduciary
17 standards and ethics provisions; increasing the percentage
18 of assets of the firefighters' pension trust fund that the
19 board of trustees may invest in foreign securities on a
20 market-value basis; authorizing certain individuals to
21 sign drafts issued upon the firefighters' pension trust
22 fund; amending s. 175.101, F.S.; clarifying boundaries of
23 a special fire control district for purposes of assessment
24 and imposition of the excise tax on property insurance
25 premiums; amending s. 175.171, F.S.; authorizing retired
26 firefighters to change their designation of joint
27 annuitant or beneficiary up to two times without the
28 approval of the board of trustees or the prior joint

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29 annuitant or beneficiary; amending s. 175.361, F.S.;

30 revising fund distribution procedures with respect to plan

31 termination; providing that the Department of Management

32 Services shall effect the termination of the fund;

33 amending s. 185.02, F.S.; revising the definition of the

34 term "creditable service" for purposes of determining

35 credit for prior service as a police officer; amending s.

36 185.03, F.S.; providing that a municipality that has

37 entered into an interlocal agreement to provide police

38 protection services to another incorporated municipality,

39 in its entirety, is eligible to receive the premium taxes

40 reported for the other municipality under certain

41 circumstances; authorizing the municipality receiving the

42 police protection services to enact an ordinance levying a

43 tax as provided by law; amending s. 185.05, F.S.; revising

44 municipal police officers' retirement trust fund board of

45 trustee selection procedures; authorizing the terms of

46 office for the board of trustees of the municipal police

47 officers' retirement trust fund to be revised under

48 certain circumstances; authorizing the plan administrator

49 to withhold funds to pay for premiums for accident,

50 health, and long-term care insurance for the retiree and

51 the retiree's spouse and dependents; providing an

52 exemption from liability under certain circumstances;

53 amending s. 185.06, F.S.; requiring the board of trustees

54 to perform its powers subject to certain fiduciary

55 standards and ethics provisions; increasing the percentage

56 of assets of the municipal police officers' retirement

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57 | trust fund that the board of trustees may invest in
58 | foreign securities on a market-value basis; authorizing
59 | certain individuals to sign drafts issued upon the
60 | municipal police officers' retirement trust fund; amending
61 | s. 185.08, F.S.; authorizing certain municipalities to
62 | assess and impose the excise tax on casualty insurance
63 | premiums to receive certain police protection services;
64 | providing for distribution of premium tax proceeds;
65 | amending s. 185.161, F.S.; authorizing retired police
66 | officers to change their designation of joint annuitant or
67 | beneficiary up to two times without the approval of the
68 | board of trustees or the prior joint annuitant or
69 | beneficiary; amending s. 185.37, F.S.; revising fund
70 | distribution procedures with respect to plan termination;
71 | providing that the Department of Management Services shall
72 | effect the termination of the fund; providing an effective
73 | date.

74 |
75 | Be It Enacted by the Legislature of the State of Florida:

76 |
77 | Section 1. Paragraph (c) of subsection (4) and paragraph
78 | (a) of subsection (8) of section 175.032, Florida Statutes, are
79 | amended to read:

80 | 175.032 Definitions.--For any municipality, special fire
81 | control district, chapter plan, local law municipality, local
82 | law special fire control district, or local law plan under this
83 | chapter, the following words and phrases have the following
84 | meanings:

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85 (4) "Creditable service" or "credited service" means the
86 aggregate number of years of service, and fractional parts of
87 years of service, of any firefighter, omitting intervening years
88 and fractional parts of years when such firefighter may not have
89 been employed by the municipality or special fire control
90 district, subject to the following conditions:

91 (c) Credited service under this chapter shall be provided
92 only for service as a firefighter, as defined in subsection (8),
93 or for military service and shall not include credit for any
94 other type of service. A municipality may, by local ordinance,
95 or a special fire control district may, by resolution, provide
96 for the purchase of credit for military service prior to
97 employment as well as for prior service as a firefighter for
98 some other employer as long as a firefighter is not entitled to
99 receive a benefit for such other prior service as a firefighter.
100 For purposes of determining credit for prior service as a
101 firefighter, in addition to service as a firefighter in this
102 state, credit may be given for federal, other state, or county
103 service, as long as such prior fire service is recognized by the
104 Division of State Fire Marshal as provided under chapter 633 or
105 the firefighter provides proof to the board of trustees that
106 such service is equivalent to the service required to meet the
107 definition of a firefighter under subsection (8).

108 (8) (a) "Firefighter" means any person employed solely by a
109 constituted fire department of any municipality or special fire
110 control district who is certified as a firefighter as a
111 condition of employment in accordance with the provisions of s.
112 633.35 and whose duty it is to extinguish fires, to protect

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113 | life, or to protect property. "Firefighter" includes all
114 | certified supervisory and command personnel whose duties
115 | include, in whole or in part, the supervision, training,
116 | guidance, and management responsibilities of full-time
117 | firefighters, part-time firefighters, or auxiliary firefighters
118 | but does not include part-time firefighters or auxiliary
119 | firefighters. However, for purposes of this chapter only,
120 | "firefighter" also includes public safety officers who are
121 | responsible for performing both police and fire services, who
122 | are certified as police officers or firefighters, and who are
123 | certified by their employers to the Chief Financial Officer as
124 | participating in this chapter prior to October 1, 1979.
125 | Effective October 1, 1979, public safety officers who have not
126 | been certified as participating in this chapter shall be
127 | considered police officers for retirement purposes and shall be
128 | eligible to participate in chapter 185. Any plan may provide
129 | that the fire chief shall have an option to participate, or not,
130 | in that plan.

131 | Section 2. Paragraph (a) of subsection (1) and subsection
132 | (7) of section 175.061, Florida Statutes, are amended to read:

133 | 175.061 Board of trustees; members; terms of office;
134 | meetings; legal entity; costs; attorney's fees.--For any
135 | municipality, special fire control district, chapter plan, local
136 | law municipality, local law special fire control district, or
137 | local law plan under this chapter:

138 | (1) In each municipality and in each special fire control
139 | district there is hereby created a board of trustees of the
140 | firefighters' pension trust fund, which shall be solely

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141 responsible for administering the trust fund. Effective October
142 1, 1986, and thereafter:

143 (a) The membership of the board of trustees for a chapter
144 plan shall consist of five members, two of whom, unless
145 otherwise prohibited by law, shall be legal residents of the
146 municipality or special fire control district, who shall be
147 appointed by the governing body of the municipality or special
148 fire control district, and two of whom shall be full-time
149 firefighters as defined in s. 175.032 who shall be elected by a
150 majority of the active firefighters who are members of such
151 plan. With respect to any chapter plan or local law plan that,
152 on January 1, 1997, allowed retired firefighters to vote in such
153 elections, retirees may continue to vote in such elections. The
154 fifth member shall be chosen by a majority of the previous four
155 members as provided for herein, and such person's name shall be
156 submitted to the governing body of the municipality or special
157 fire control district. Upon receipt of the fifth person's name,
158 the governing body of the municipality or special fire control
159 district shall, as a ministerial duty, appoint such person to
160 the board of trustees as its fifth member. The fifth member
161 shall have the same rights as each of the other four members
162 appointed or elected as herein provided, shall serve as trustee
163 for a period of 2 years, and may succeed himself or herself in
164 office. Each resident member shall serve as trustee for a period
165 of 2 years, unless sooner replaced by the governing body at
166 whose pleasure he or she shall serve, and may succeed himself or
167 herself as a trustee. Each firefighter member shall serve as
168 trustee for a period of 2 years, unless he or she sooner leaves

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169 the employment of the municipality or special fire control
170 district as a firefighter, whereupon a successor shall be chosen
171 in the same manner as an original appointment. Each firefighter
172 may succeed himself or herself in office. The terms of office of
173 the appointed and elected members of the board of trustees may
174 be amended by municipal ordinance, special act of the
175 Legislature, or resolution adopted by the governing body of the
176 special fire control district to extend the terms of office from
177 2 years to 4 years. The length of the terms of office shall be
178 the same for all board members.

179 (7) The board of trustees may, upon written request by the
180 retiree of the plan, or by a dependent, when authorized by the
181 retiree or the retiree's beneficiary, authorize the plan
182 administrator to withhold from the monthly retirement payment
183 those funds that are necessary to pay for the benefits being
184 received through the governmental entity from which the employee
185 retired, to pay the certified bargaining agent of the
186 governmental entity, and to make any payments for child support
187 or alimony. Further, the board of trustees may, upon the written
188 request of the retiree of the plan, authorize the plan
189 administrator to withhold from the retirement payment those
190 funds that are necessary to pay for premiums for accident,
191 health, and long-term care insurance for the retiree and the
192 retiree's spouse and dependents. A retirement plan does not
193 incur any liability for participation in this permissive program
194 if its actions are taken in good faith.

195 Section 3. Subsection (1) of section 175.071, Florida
196 Statutes, is amended to read:

197 175.071 General powers and duties of board of
 198 trustees.--For any municipality, special fire control district,
 199 chapter plan, local law municipality, local law special fire
 200 control district, or local law plan under this chapter:

201 (1) The board of trustees, subject to the fiduciary
 202 standards in ss. 112.656, 112.661, and 518.11 and the Code of
 203 Ethics in ss. 112.311-112.3187, may:

204 (a) Invest and reinvest the assets of the firefighters'
 205 pension trust fund in annuity and life insurance contracts of
 206 life insurance companies in amounts sufficient to provide, in
 207 whole or in part, the benefits to which all of the participants
 208 in the firefighters' pension trust fund shall be entitled under
 209 the provisions of this chapter and pay the initial and
 210 subsequent premiums thereon.

211 (b) Invest and reinvest the assets of the firefighters'
 212 pension trust fund in:

213 1. Time or savings accounts of a national bank, a state
 214 bank insured by the Bank Insurance Fund, or a savings, building,
 215 and loan association insured by the Savings Association
 216 Insurance Fund which is administered by the Federal Deposit
 217 Insurance Corporation or a state or federal chartered credit
 218 union whose share accounts are insured by the National Credit
 219 Union Share Insurance Fund.

220 2. Obligations of the United States or obligations
 221 guaranteed as to principal and interest by the government of the
 222 United States.

223 3. Bonds issued by the State of Israel.

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224 4. Bonds, stocks, or other evidences of indebtedness
225 issued or guaranteed by a corporation organized under the laws
226 of the United States, any state or organized territory of the
227 United States, or the District of Columbia, provided:

228 a. The corporation is listed on any one or more of the
229 recognized national stock exchanges or on the National Market
230 System of the NASDAQ Stock Market and, in the case of bonds
231 only, holds a rating in one of the three highest classifications
232 by a major rating service; and

233 b. The board of trustees shall not invest more than 5
234 percent of its assets in the common stock or capital stock of
235 any one issuing company, nor shall the aggregate investment in
236 any one issuing company exceed 5 percent of the outstanding
237 capital stock of that company or the aggregate of its
238 investments under this subparagraph at cost exceed 50 percent of
239 the assets of the fund.

240
241 This paragraph shall apply to all boards of trustees and
242 participants. However, in the event that a municipality or
243 special fire control district has a duly enacted pension plan
244 pursuant to, and in compliance with, s. 175.351, and the
245 trustees thereof desire to vary the investment procedures
246 herein, the trustees of such plan shall request a variance of
247 the investment procedures as outlined herein only through a
248 municipal ordinance, special act of the Legislature, or
249 resolution by the governing body of the special fire control
250 district; where a special act, or a municipality by ordinance
251 adopted prior to July 1, 1998, permits a greater than 50-percent

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252 equity investment, such municipality shall not be required to
 253 comply with the aggregate equity investment provisions of this
 254 paragraph. Notwithstanding any other provision of law to the
 255 contrary, nothing in this section may be construed to take away
 256 any preexisting legal authority to make equity investments that
 257 exceed the requirements of this paragraph. Notwithstanding any
 258 law to the contrary, the board of trustees may invest up to 25
 259 10 percent of plan assets in foreign securities on a market-
 260 value basis.

261 (c) Issue drafts upon the firefighters' pension trust fund
 262 pursuant to this act and rules and regulations prescribed by the
 263 board of trustees. All such drafts shall be consecutively
 264 numbered, be signed by the chair and secretary or by two
 265 individuals designated by the board who are subject to the same
 266 fiduciary standards as required for the board of trustees under
 267 this subsection, and state upon their faces the purpose for
 268 which the drafts are drawn. The treasurer or depository of each
 269 municipality or special fire control district shall retain such
 270 drafts when paid, as permanent vouchers for disbursements made,
 271 and no money shall be otherwise drawn from the fund.

272 (d) Convert into cash any securities of the fund.

273 (e) Keep a complete record of all receipts and
 274 disbursements and of the board's acts and proceedings.

275 Section 4. Subsection (1) of section 175.101, Florida
 276 Statutes, is amended to read:

277 175.101 State excise tax on property insurance premiums
 278 authorized; procedure.--For any municipality, special fire
 279 control district, chapter plan, local law municipality, local

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280 law special fire control district, or local law plan under this
281 chapter:

282 (1) Each municipality or special fire control district in
283 this state described and classified in s. 175.041, having a
284 lawfully established firefighters' pension trust fund or
285 municipal fund or special fire control district fund, by
286 whatever name known, providing pension benefits to firefighters
287 as provided under this chapter, may assess and impose on every
288 insurance company, corporation, or other insurer now engaged in
289 or carrying on, or who shall hereinafter engage in or carry on,
290 the business of property insurance as shown by the records of
291 the Office of Insurance Regulation of the Financial Services
292 Commission an excise tax in addition to any lawful license or
293 excise tax now levied by each of the municipalities or special
294 fire control districts, respectively, amounting to 1.85 percent
295 of the gross amount of receipts of premiums from policyholders
296 on all premiums collected on property insurance policies
297 covering property within the corporate limits of such
298 municipalities or within the legally defined boundaries of
299 special fire control districts, respectively. Whenever the
300 boundaries of a special fire control district that has lawfully
301 established a firefighters' pension trust fund encompass a
302 portion of the corporate territory of a municipality that has
303 also lawfully established a firefighters' pension trust fund,
304 that portion of the tax receipts attributable to insurance
305 policies covering property situated both within the municipality
306 and the special fire control district shall be given to the fire
307 service provider. For the purpose of this section, the

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308 boundaries of a special fire control district shall be deemed to
309 include an area that has been annexed until the completion of
310 the 4-year period provided for in s. 171.093(4), or other
311 agreed-upon extension, or when a special fire control district
312 is providing services pursuant to an interlocal agreement
313 executed pursuant to s. 171.093(3). The agent shall identify the
314 fire service provider on the property owner's application for
315 insurance. Remaining revenues collected pursuant to this chapter
316 shall be distributed to the municipality or special fire control
317 district according to the location of the insured property.

318
319 This section also applies to any municipality consisting of a
320 single consolidated government which is made up of a former
321 county and one or more municipalities, consolidated pursuant to
322 the authority in s. 3 or s. 6(e), Art. VIII of the State
323 Constitution, and to property insurance policies covering
324 property within the boundaries of the consolidated government,
325 regardless of whether the properties are located within one or
326 more separately incorporated areas within the consolidated
327 government, provided the properties are being provided fire
328 protection services by the consolidated government. This section
329 also applies to any municipality, as provided in s.
330 175.041(3)(c), which has entered into an interlocal agreement to
331 receive fire protection services from another municipality
332 participating under this chapter. The excise tax may be levied
333 on all premiums collected on property insurance policies
334 covering property located within the corporate limits of the
335 municipality receiving the fire protection services, but will be

336 available for distribution to the municipality providing the
 337 fire protection services.

338 Section 5. Paragraph (c) of subsection (1) of section
 339 175.171, Florida Statutes, is amended to read:

340 175.171 Optional forms of retirement income.--For any
 341 municipality, special fire control district, chapter plan, local
 342 law municipality, local law special fire control district, or
 343 local law plan under this chapter:

344 (1) In lieu of the amount and form of retirement income
 345 payable in the event of normal or early retirement as specified
 346 in s. 175.162, a firefighter, upon written request to the board
 347 of trustees and subject to the approval of the board of
 348 trustees, may elect to receive a retirement income or benefit of
 349 equivalent actuarial value payable in accordance with one of the
 350 following options:

351 (c) Such other amount and form of retirement payments or
 352 benefits as, in the opinion of the board of trustees, will best
 353 meet the circumstances of the retiring firefighter.

354 1. The firefighter upon electing any option of this
 355 section will designate the joint pensioner or beneficiary (or
 356 beneficiaries) to receive the benefit, if any, payable under the
 357 plan in the event of his or her death, and will have the power
 358 to change such designation from time to time, but any such
 359 change shall be deemed a new election and will be subject to
 360 approval by the board of trustees. Such designation will name a
 361 joint pensioner or one or more primary beneficiaries where
 362 applicable. If a firefighter has elected an option with a joint
 363 pensioner or beneficiary and his or her retirement income

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364 benefits have commenced, the firefighter may thereafter change
365 the designated joint pensioner or beneficiary, but only if the
366 board of trustees consents to such change and if the joint
367 pensioner last previously designated by the firefighter is alive
368 when the firefighter files with the board of trustees a request
369 for such change.

370 2. The consent of a firefighter's joint pensioner or
371 beneficiary to any such change shall not be required.

372 3. The board of trustees may request such evidence of the
373 good health of the joint pensioner that is being removed as it
374 may require and the amount of the retirement income payable to
375 the firefighter upon designation of a new joint pensioner shall
376 be actuarially redetermined taking into account the age and sex
377 of the former joint pensioner, the new joint pensioner, and the
378 firefighter. Each such designation will be made in writing on a
379 form prepared by the board of trustees and on completion will be
380 filed with the board of trustees. In the event that no
381 designated beneficiary survives the firefighter, such benefits
382 as are payable in the event of the death of the firefighter
383 subsequent to his or her retirement shall be paid as provided in
384 s. 175.181.

385 4. Notwithstanding the provisions of this paragraph, the
386 retired firefighter may change his or her designation of joint
387 annuitant or beneficiary up to two times as provided in s.
388 175.333 without the approval of the board of trustees or the
389 prior joint annuitant or beneficiary. The retiree does not have
390 to provide proof of good health of the joint annuitant or

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391 beneficiary being removed, and the joint annuitant or
 392 beneficiary being removed does not have to be living.

393 Section 6. Section 175.361, Florida Statutes, is amended
 394 to read:

395 175.361 Termination of plan and distribution of fund.--For
 396 any municipality, special fire control district, chapter plan,
 397 local law municipality, local law special fire control district,
 398 or local law plan under this chapter, the plan may be terminated
 399 by the municipality or special fire control district. Upon
 400 termination of the plan by the municipality or special fire
 401 control district for any reason or because of a transfer,
 402 merger, or consolidation of governmental units, services, or
 403 functions as provided in chapter 121, or upon written notice by
 404 the municipality or special fire control district to the board
 405 of trustees that contributions under the plan are being
 406 permanently discontinued, the rights of all employees to
 407 benefits accrued to the date of such termination and the amounts
 408 credited to the employees' accounts are nonforfeitable. The fund
 409 shall be ~~apportioned and~~ distributed in accordance with the
 410 following procedures:

411 (1) The board of trustees shall determine the date of
 412 distribution and the asset value required to fund all the
 413 nonforfeitable benefits ~~to be distributed~~, after taking into
 414 account the expenses of such distribution. The board shall
 415 inform the municipality or special fire control district if
 416 additional assets are required, in which event the municipality
 417 or special fire control district shall continue to financially

418 support the plan until all nonforfeitable benefits have been
 419 funded.

420 (2) The board of trustees shall determine the method of
 421 distribution of the asset value, that is, whether distribution
 422 shall be by payment in cash, by the maintenance of another or
 423 substituted trust fund, by the purchase of insured annuities, or
 424 otherwise, for each firefighter entitled to benefits under the
 425 plan as specified in subsection (3).

426 (3) The board of trustees shall distribute ~~apportion~~ the
 427 asset value as of the date of termination in the manner set
 428 forth in this subsection, on the basis that the amount required
 429 to provide any given retirement income shall mean the
 430 actuarially computed single-sum value of such retirement income,
 431 except that if the method of distribution determined under
 432 subsection (2) involves the purchase of an insured annuity, the
 433 amount required to provide the given retirement income shall
 434 mean the single premium payable for such annuity. The actuarial
 435 single-sum value shall not be less than the employee's
 436 accumulated contributions to the plan, with interest if provided
 437 by the plan, less the value of any plan benefits previously paid
 438 to the employee.

439 ~~(a) Apportionment shall first be made in respect of each~~
 440 ~~retired firefighter receiving a retirement income hereunder on~~
 441 ~~such date, each person receiving a retirement income on such~~
 442 ~~date on account of a retired (but since deceased) firefighter,~~
 443 ~~and each firefighter who has, by such date, become eligible for~~
 444 ~~normal retirement but has not yet retired, in the amount~~
 445 ~~required to provide such retirement income, provided that, if~~

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446 ~~such asset value is less than the aggregate of such amounts,~~
447 ~~such amounts shall be proportionately reduced so that the~~
448 ~~aggregate of such reduced amounts will be equal to such asset~~
449 ~~value.~~

450 ~~(b) If there is any asset value remaining after the~~
451 ~~apportionment under paragraph (a), apportionment shall next be~~
452 ~~made in respect of each firefighter in the service of the~~
453 ~~municipality or special fire control district on such date who~~
454 ~~has completed at least 10 years of credited service, in the~~
455 ~~firefighters' pension trust fund for at least 10 years, and who~~
456 ~~is not entitled to an apportionment under paragraph (a), in the~~
457 ~~amount required to provide the actuarial equivalent of the~~
458 ~~accrued normal retirement income, based on the firefighter's~~
459 ~~credited service and earnings to such date, and each former~~
460 ~~participant then entitled to a benefit under the provisions of~~
461 ~~s. 175.211 who has not by such date reached his or her normal~~
462 ~~retirement date, in the amount required to provide the actuarial~~
463 ~~equivalent of the accrued normal retirement income to which he~~
464 ~~or she is entitled under s. 175.211; provided that, if such~~
465 ~~remaining asset value is less than the aggregate of the amounts~~
466 ~~apportioned hereunder, such latter amounts shall be~~
467 ~~proportionately reduced so that the aggregate of such reduced~~
468 ~~amounts will be equal to such remaining asset value.~~

469 ~~(c) If there is any asset value after the apportionments~~
470 ~~under paragraphs (a) and (b), apportionment shall lastly be made~~
471 ~~in respect of each firefighter in the service of the~~
472 ~~municipality or special fire control district on such date who~~
473 ~~is not entitled to an apportionment under paragraphs (a) and (b)~~

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474 ~~in the amount equal to the firefighter's total contributions to~~
 475 ~~the plan to date of termination; provided that, if such~~
 476 ~~remaining asset value is less than the aggregate of the amounts~~
 477 ~~apportioned hereunder, such latter amounts shall be~~
 478 ~~proportionately reduced so that the aggregate of such reduced~~
 479 ~~amounts will be equal to such remaining asset value.~~

480 (4)~~(d)~~ In the event that there is asset value remaining
 481 after the full distribution ~~apportionment~~ specified in
 482 subsection (3), and after the payment of any expenses incurred
 483 with such distribution ~~paragraphs (a), (b), and (c),~~ such excess
 484 shall be returned to the municipality or special fire control
 485 district, less return to the state of the state's contributions,
 486 provided that, if the excess is less than the total
 487 contributions made by the municipality or special fire control
 488 district and the state to date of termination of the plan, such
 489 excess shall be divided proportionately to the total
 490 contributions made by the municipality or special fire control
 491 district and the state.

492 (5)~~(4)~~ The board of trustees shall distribute, in
 493 accordance with the manner of distribution determined under
 494 subsection (2), the amounts determined ~~apportioned~~ under
 495 subsection (3).

496
 497 If, after a period of 24 months after the date on which the plan
 498 terminated or the date on which the board received written
 499 notice that the contributions thereunder were being permanently
 500 discontinued, the municipality or special fire control district
 501 or the board of trustees of the firefighters' pension trust fund

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502 affected has not complied with all the provisions in this
 503 section, the Department of Management Services ~~division~~ shall
 504 effect the termination of the fund in accordance with this
 505 section.

506 Section 7. Paragraph (c) of subsection (5) of section
 507 185.02, Florida Statutes, is amended to read:

508 185.02 Definitions.--For any municipality, chapter plan,
 509 local law municipality, or local law plan under this chapter,
 510 the following words and phrases as used in this chapter shall
 511 have the following meanings, unless a different meaning is
 512 plainly required by the context:

513 (5) "Creditable service" or "credited service" means the
 514 aggregate number of years of service and fractional parts of
 515 years of service of any police officer, omitting intervening
 516 years and fractional parts of years when such police officer may
 517 not have been employed by the municipality subject to the
 518 following conditions:

519 (c) Credited service under this chapter shall be provided
 520 only for service as a police officer, as defined in subsection
 521 (11), or for military service and shall not include credit for
 522 any other type of service. A municipality may, by local
 523 ordinance, provide for the purchase of credit for military
 524 service occurring prior to employment as well as prior service
 525 as a police officer for some other employer as long as the
 526 police officer is not entitled to receive a benefit for such
 527 other prior service as a police officer. For purposes of
 528 determining credit for prior service as a police officer, in
 529 addition to service as a police officer in this state, credit

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530 may be given for federal, other state, or county service, as
531 long as such prior police service is recognized by the Criminal
532 Justice Standards and Training Commission within the Department
533 of Law Enforcement as provided under chapter 943 or the police
534 officer provides proof to the board of trustees that such
535 service is equivalent to the service required to meet the
536 definition of a police officer under subsection (11).

537 Section 8. Subsection (2) of section 185.03, Florida
538 Statutes, is amended to read:

539 185.03 Municipal police officers' retirement trust funds;
540 creation; applicability of provisions; participation by public
541 safety officers.--For any municipality, chapter plan, local law
542 municipality, or local law plan under this chapter:

543 (2) (a) ~~The provisions of This chapter applies shall apply~~
544 ~~only to municipalities organized and established under pursuant~~
545 ~~to the laws of the state, and does said provisions shall not~~
546 ~~apply to the unincorporated areas of any county or counties or~~
547 ~~nor shall the provisions hereof apply to any governmental entity~~
548 whose police officers are eligible to participate in the Florida
549 Retirement System.

550 (b) A municipality that has entered into an interlocal
551 agreement to provide police protection services to any other
552 incorporated municipality, in its entirety, for a period of 12
553 months or more may be eligible to receive the premium taxes
554 reported for such other municipality. To be eligible for the
555 premium taxes, the municipality providing the police protection
556 services must notify the division that it has entered into an
557 interlocal agreement with another municipality. The municipality

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558 receiving the police protection services may enact an ordinance
559 levying the tax as provided in s. 185.08. Upon being provided
560 copies of the interlocal agreement and the municipal ordinance
561 levying the tax, the division may distribute any premium taxes
562 reported for the municipality receiving the police protection
563 services to the participating municipality providing the police
564 protection services as long as the interlocal agreement is in
565 effect.

566 Section 9. Paragraph (a) of subsection (1) and subsection
567 (6) of section 185.05, Florida Statutes, are amended to read:

568 185.05 Board of trustees; members; terms of office;
569 meetings; legal entity; costs; attorney's fees.--For any
570 municipality, chapter plan, local law municipality, or local law
571 plan under this chapter:

572 (1) In each municipality described in s. 185.03 there is
573 hereby created a board of trustees of the municipal police
574 officers' retirement trust fund, which shall be solely
575 responsible for administering the trust fund. Effective October
576 1, 1986, and thereafter:

577 (a) The membership of the board of trustees for chapter
578 plans shall consist of five members, two of whom, unless
579 otherwise prohibited by law, shall be legal residents of the
580 municipality, who shall be appointed by the legislative body of
581 the municipality, and two of whom shall be police officers as
582 defined in s. 185.02 who shall be elected by a majority of the
583 active police officers who are members of such plan. With
584 respect to any chapter plan or local law plan that, on January
585 1, 1997, allowed retired police officers to vote in such

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586 elections, retirees may continue to vote in such elections. The
587 fifth member shall be chosen by a majority of the previous four
588 members, and such person's name shall be submitted to the
589 legislative body of the municipality. Upon receipt of the fifth
590 person's name, the legislative body of the municipality shall,
591 as a ministerial duty, appoint such person to the board of
592 trustees as its fifth member. The fifth member shall have the
593 same rights as each of the other four members appointed or
594 elected as herein provided, shall serve as trustee for a period
595 of 2 years, and may succeed himself or herself in office. Each
596 resident member shall serve as trustee for a period of 2 years,
597 unless sooner replaced by the legislative body at whose pleasure
598 the member shall serve, and may succeed himself or herself as a
599 trustee. Each police officer member shall serve as trustee for a
600 period of 2 years, unless he or she sooner leaves the employment
601 of the municipality as a police officer, whereupon ~~the~~
602 ~~legislative body of the municipality shall choose~~ a successor
603 shall be chosen in the same manner as an original appointment.
604 Each police officer may succeed himself or herself in office.
605 The terms of office of the appointed and elected members of the
606 board of trustees may be amended by municipal ordinance or
607 special act of the Legislature to extend the terms of office
608 from 2 years to 4 years. The length of the terms of office shall
609 be the same for all board members.

610 (6) The board of trustees may, upon written request by the
611 retiree of the plan, or by a dependent, when authorized by the
612 retiree or the retiree's beneficiary, authorize the plan
613 administrator to withhold from the monthly retirement payment

614 those funds that are necessary to pay for the benefits being
 615 received through the governmental entity from which the employee
 616 retired, to pay the certified bargaining agent of the
 617 governmental entity, and to make any payments for child support
 618 or alimony. Further, the board of trustees may, upon the written
 619 request of the retiree of the plan, authorize the plan
 620 administrator to withhold from the retirement payment those
 621 funds that are necessary to pay for premiums for accident,
 622 health, and long-term care insurance for the retiree and the
 623 retiree's spouse and dependents. A retirement plan does not
 624 incur any liability for participation in this permissive program
 625 if its actions are taken in good faith.

626 Section 10. Subsection (1) of section 185.06, Florida
 627 Statutes, is amended to read:

628 185.06 General powers and duties of board of
 629 trustees.--For any municipality, chapter plan, local law
 630 municipality, or local law plan under this chapter:

631 (1) The board of trustees, subject to the fiduciary
 632 standards in ss. 112.656, 112.661, and 518.11 and the Code of
 633 Ethics in ss. 112.311-112.3187, may:

634 (a) Invest and reinvest the assets of the retirement trust
 635 fund in annuity and life insurance contracts of life insurance
 636 companies in amounts sufficient to provide, in whole or in part,
 637 the benefits to which all of the participants in the municipal
 638 police officers' retirement trust fund shall be entitled under
 639 the provisions of this chapter, and pay the initial and
 640 subsequent premiums thereon.

641 (b) Invest and reinvest the assets of the retirement trust
 642 fund in:

643 1. Time or savings accounts of a national bank, a state
 644 bank insured by the Bank Insurance Fund, or a savings and loan
 645 association insured by the Savings Association Insurance Fund
 646 which is administered by the Federal Deposit Insurance
 647 Corporation or a state or federal chartered credit union whose
 648 share accounts are insured by the National Credit Union Share
 649 Insurance Fund.

650 2. Obligations of the United States or obligations
 651 guaranteed as to principal and interest by the United States.

652 3. Bonds issued by the State of Israel.

653 4. Bonds, stocks, or other evidences of indebtedness
 654 issued or guaranteed by a corporation organized under the laws
 655 of the United States, any state or organized territory of the
 656 United States, or the District of Columbia, provided:

657 a. The corporation is listed on any one or more of the
 658 recognized national stock exchanges or on the National Market
 659 System of the NASDAQ Stock Market and, in the case of bonds
 660 only, holds a rating in one of the three highest classifications
 661 by a major rating service; and

662 b. The board of trustees shall not invest more than 5
 663 percent of its assets in the common stock or capital stock of
 664 any one issuing company, nor shall the aggregate investment in
 665 any one issuing company exceed 5 percent of the outstanding
 666 capital stock of the company or the aggregate of its investments
 667 under this subparagraph at cost exceed 50 percent of the fund's
 668 assets.

669
670 This paragraph shall apply to all boards of trustees and
671 participants. However, in the event that a municipality has a
672 duly enacted pension plan pursuant to, and in compliance with,
673 s. 185.35 and the trustees thereof desire to vary the investment
674 procedures herein, the trustees of such plan shall request a
675 variance of the investment procedures as outlined herein only
676 through a municipal ordinance or special act of the Legislature;
677 where a special act, or a municipality by ordinance adopted
678 prior to July 1, 1998, permits a greater than 50-percent equity
679 investment, such municipality shall not be required to comply
680 with the aggregate equity investment provisions of this
681 paragraph. Notwithstanding any other provision of law to the
682 contrary, nothing in this section may be construed to take away
683 any preexisting legal authority to make equity investments that
684 exceed the requirements of this paragraph. Notwithstanding any
685 law to the contrary, the board of trustees may invest up to 25
686 10 percent of plan assets in foreign securities on a market-
687 value basis.

688 (c) Issue drafts upon the municipal police officers'
689 retirement trust fund pursuant to this act and rules and
690 regulations prescribed by the board of trustees. All such drafts
691 shall be consecutively numbered, be signed by the chair and
692 secretary or by two individuals designated by the board who are
693 subject to the same fiduciary standards as required for the
694 board of trustees under this subsection, and state upon their
695 faces the purposes for which the drafts are drawn. The city
696 treasurer or other depository shall retain such drafts when

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697 | paid, as permanent vouchers for disbursements made, and no money
 698 | shall otherwise be drawn from the fund.

699 | (d) Finally decide all claims to relief under the board's
 700 | rules and regulations and pursuant to the provisions of this
 701 | act.

702 | (e) Convert into cash any securities of the fund.

703 | (f) Keep a complete record of all receipts and
 704 | disbursements and of the board's acts and proceedings.

705 | Section 11. Section 185.08, Florida Statutes, is amended
 706 | to read:

707 | 185.08 State excise tax on casualty insurance premiums
 708 | authorized; procedure.--For any municipality, chapter plan,
 709 | local law municipality, or local law plan under this chapter:

710 | (1) Each incorporated municipality in this state described
 711 | and classified in s. 185.03, as well as each other city or town
 712 | of this state which on July 31, 1953, had a lawfully established
 713 | municipal police officers' retirement trust fund or city fund,
 714 | by whatever name known, providing pension or relief benefits to
 715 | police officers as provided under this chapter, may assess and
 716 | impose on every insurance company, corporation, or other insurer
 717 | now engaged in or carrying on, or who shall hereafter engage in
 718 | or carry on, the business of casualty insurance as shown by
 719 | records of the Office of Insurance Regulation of the Financial
 720 | Services Commission, an excise tax in addition to any lawful
 721 | license or excise tax now levied by each of the ~~said~~
 722 | municipalities, respectively, amounting to .85 percent of the
 723 | gross amount of receipts of premiums from policyholders on all
 724 | premiums collected on casualty insurance policies covering

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725 property within the corporate limits of such municipalities,
726 respectively.

727 (2) In the case of multiple peril policies with a single
728 premium for both property and casualty coverages in such
729 policies, 30 percent of such premium shall be used as the basis
730 for the .85-percent tax above.

731 (3) The excise tax shall be payable annually March 1 of
732 each year after the passing of an ordinance assessing and
733 imposing the tax herein authorized. Installments of taxes shall
734 be paid according to ~~the provisions of~~ s. 624.5092(2)(a), (b),
735 and (c).

736
737 This section also applies to any municipality that has entered
738 into an interlocal agreement to receive police protection
739 services from another municipality under s. 185.03. The excise
740 tax may be levied on all premiums collected on casualty
741 insurance policies covering property located within the
742 corporate limits of the municipality receiving the police
743 protection services but is available for distribution to the
744 municipality providing the police protection services.

745 Section 12. Paragraph (c) is added to subsection (1) of
746 section 185.161, Florida Statutes, to read:

747 185.161 Optional forms of retirement income.--For any
748 municipality, chapter plan, local law municipality, or local law
749 plan under this chapter:

750 (1)

751 (c) Notwithstanding paragraph (b), the retired police
752 officer may change his or her designation of joint annuitant or

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753 beneficiary up to two times as provided in s. 185.341 without
 754 the approval of the board of trustees or the prior joint
 755 annuitant or beneficiary. The retiree does not have to provide
 756 proof of good health of the joint annuitant or beneficiary being
 757 removed, and the joint annuitant or beneficiary being removed
 758 does not have to be living.

759 Section 13. Section 185.37, Florida Statutes, is amended
 760 to read:

761 185.37 Termination of plan and distribution of fund.--For
 762 any municipality, chapter plan, local law municipality, or local
 763 law plan under this chapter, the plan may be terminated by the
 764 municipality. Upon termination of the plan by the municipality
 765 for any reason, or because of a transfer, merger, or
 766 consolidation of governmental units, services, or functions as
 767 provided in chapter 121, or upon written notice to the board of
 768 trustees by the municipality that contributions under the plan
 769 are being permanently discontinued, the rights of all employees
 770 to benefits accrued to the date of such termination or
 771 discontinuance and the amounts credited to the employees'
 772 accounts are nonforfeitable. The fund shall be ~~apportioned and~~
 773 distributed in accordance with the following procedures:

774 (1) The board of trustees shall determine the date of
 775 distribution and the asset value required to fund all the
 776 nonforfeitable benefits ~~to be distributed~~, after taking into
 777 account the expenses of such distribution. The board shall
 778 inform the municipality if additional assets are required, in
 779 which event the municipality shall continue to financially

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780 support the plan until all nonforfeitable benefits have been
781 funded.

782 (2) The board of trustees shall determine the method of
783 distribution of the asset value, that is, whether distribution
784 shall be by payment in cash, by the maintenance of another or
785 substituted trust fund, by the purchase of insured annuities, or
786 otherwise, for each police officer entitled to benefits under
787 the plan, as specified in subsection (3).

788 (3) The board of trustees shall distribute ~~apportion~~ the
789 asset value as of the date of termination in the manner set
790 forth in this subsection, on the basis that the amount required
791 to provide any given retirement income shall mean the
792 actuarially computed single-sum value of such retirement income,
793 except that if the method of distribution determined under
794 subsection (2) involves the purchase of an insured annuity, the
795 amount required to provide the given retirement income shall
796 mean the single premium payable for such annuity. The actuarial
797 single-sum value shall not be less than the employee's
798 accumulated contributions to the plan, with interest if provided
799 by the plan, less the value of any plan benefits previously paid
800 to the employee.

801 ~~(a) Apportionment shall first be made in respect of each~~
802 ~~retired police officer receiving a retirement income hereunder~~
803 ~~on such date, each person receiving a retirement income on such~~
804 ~~date on account of a retired (but since deceased) police~~
805 ~~officer, and each police officer who has, by such date, become~~
806 ~~eligible for normal retirement but has not yet retired, in the~~
807 ~~amount required to provide such retirement income, provided~~

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808 ~~that, if such asset value is less than the aggregate of such~~
809 ~~amounts, such amounts shall be proportionately reduced so that~~
810 ~~the aggregate of such reduced amounts will be equal to such~~
811 ~~asset value.~~

812 ~~(b) If there is any asset value remaining after the~~
813 ~~apportionment under paragraph (a), apportionment shall next be~~
814 ~~made in respect of each police officer in the service of the~~
815 ~~municipality on such date who has completed at least 10 years of~~
816 ~~credited service, in the municipal police officers' retirement~~
817 ~~trust fund for at least 10 years, and who is not entitled to an~~
818 ~~apportionment under paragraph (a), in the amount required to~~
819 ~~provide the actuarial equivalent of the accrued normal~~
820 ~~retirement income, based on the police officer's credited~~
821 ~~service and earnings to such date, and each former participant~~
822 ~~then entitled to a benefit under the provisions of s. 185.19 who~~
823 ~~has not by such date reached his or her normal retirement date,~~
824 ~~in the amount required to provide the actuarial equivalent of~~
825 ~~the accrued normal retirement income to which he or she is~~
826 ~~entitled under s. 185.19, provided that, if such remaining asset~~
827 ~~value is less than the aggregate of the amounts apportioned~~
828 ~~hereunder, such latter amounts shall be proportionately reduced~~
829 ~~so that the aggregate of such reduced amounts will be equal to~~
830 ~~such remaining asset value.~~

831 ~~(c) If there is an asset value after the apportionments~~
832 ~~under paragraphs (a) and (b), apportionment shall lastly be made~~
833 ~~in respect of each police officer in the service of the~~
834 ~~municipality on such date who is not entitled to an~~
835 ~~apportionment under paragraphs (a) and (b) in the amount equal~~

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836 ~~to the police officer's total contributions to the plan to date~~
837 ~~of termination, provided that, if such remaining asset value is~~
838 ~~less than the aggregate of the amounts apportioned hereunder,~~
839 ~~such latter amounts shall be proportionately reduced so that the~~
840 ~~aggregate of such reduced amounts will be equal to such~~
841 ~~remaining asset value.~~

842 (4)~~(d)~~ In the event that there is asset value remaining
843 after the full distribution ~~apportionment~~ specified in
844 subsection (3), and after the payment of any expenses incurred
845 with such distribution ~~paragraphs (a), (b), and (c),~~ such excess
846 shall be returned to the municipality, less return to the state
847 of the state's contributions, provided that, if the excess is
848 less than the total contributions made by the municipality and
849 the state to date of termination of the plan, such excess shall
850 be divided proportionately to the total contributions made by
851 the municipality and the state.

852 (5)~~(4)~~ The board of trustees shall distribute, in
853 accordance with the manner of distribution determined under
854 subsection (2), the amounts determined ~~apportioned~~ under
855 subsection (3).

856
857 If, after a period of 24 months after the date on which the plan
858 terminated or the date on which the board received written
859 notice that the contributions thereunder were being permanently
860 discontinued, the municipality or the board of trustees of the
861 municipal police officers' retirement trust fund affected has
862 not complied with all the provisions in this section, the

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863 | Department of Management Services ~~division~~ shall effect the
864 | termination of the fund in accordance with this section.

865 | Section 14. This act shall take effect July 1, 2009.