

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; providing that investment caps on  
21          foreign securities may only be revised, amended,  
22          increased, or repealed by an act of the Legislature;  
23          authorizing certain individuals to sign drafts issued upon  
24          the firefighters' pension trust fund; requiring the board  
25          of trustees to identify and divest of any scrutinized  
26          companies by a certain date; amending s. 175.101, F.S.;  
27          clarifying boundaries of a special fire control district  
28          for purposes of assessment and imposition of the excise

29 tax on property insurance premiums; amending s. 175.171,  
30 F.S.; authorizing retired firefighters to change their  
31 designation of joint annuitant or beneficiary up to two  
32 times without the approval of the board of trustees or the  
33 prior joint annuitant or beneficiary; conforming  
34 provisions relating to joint pensioner or beneficiary to  
35 reflect joint annuitant or beneficiary; amending s.  
36 175.361, F.S.; revising fund distribution procedures with  
37 respect to plan termination; providing that the Department  
38 of Management Services shall effect the termination of the  
39 fund; amending s. 185.02, F.S.; revising the definition of  
40 the term "creditable service" for purposes of determining  
41 credit for prior service as a police officer; amending s.  
42 185.03, F.S.; clarifying the applicability of ch. 185,  
43 F.S.; amending s. 185.05, F.S.; revising municipal police  
44 officers' retirement trust fund board of trustee selection  
45 procedures; authorizing the terms of office for the board  
46 of trustees of the municipal police officers' retirement  
47 trust fund to be revised under certain circumstances;  
48 authorizing the plan administrator to withhold funds to  
49 pay for premiums for accident, health, and long-term care  
50 insurance for the retiree and the retiree's spouse and  
51 dependents; providing an exemption from liability under  
52 certain circumstances; amending s. 185.06, F.S.; requiring  
53 the board of trustees to perform its powers subject to  
54 certain fiduciary standards and ethics provisions;  
55 increasing the percentage of assets of the municipal  
56 police officers' retirement trust fund that the board of

57 | trustees may invest in foreign securities on a market-  
 58 | value basis; providing that the investment cap on foreign  
 59 | securities may only be revised, amended, increased, or  
 60 | repealed by an act of the Legislature; authorizing certain  
 61 | individuals to sign drafts issued upon the municipal  
 62 | police officers' retirement trust fund; requiring the  
 63 | board of trustees to identify and divest of any  
 64 | scrutinized companies by a certain date; amending s.  
 65 | 185.08, F.S.; making editorial changes; amending s.  
 66 | 185.161, F.S.; authorizing retired police officers to  
 67 | change their designation of joint annuitant or beneficiary  
 68 | up to two times without the approval of the board of  
 69 | trustees or the prior joint annuitant or beneficiary;  
 70 | conforming provisions relating to joint pensioner or  
 71 | beneficiary to reflect joint annuitant or beneficiary;  
 72 | amending s. 185.37, F.S.; revising fund distribution  
 73 | procedures with respect to plan termination; providing  
 74 | that the Department of Management Services shall effect  
 75 | the termination of the fund; providing an effective date.

76 |

77 | Be It Enacted by the Legislature of the State of Florida:

78 |

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

82 | 175.032 Definitions.--For any municipality, special fire  
 83 | control district, chapter plan, local law municipality, local  
 84 | law special fire control district, or local law plan under this

85 chapter, the following words and phrases have the following  
86 meanings:

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

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

110 (8) (a) "Firefighter" means any person employed solely by a  
111 constituted fire department of any municipality or special fire  
112 control district who is certified as a firefighter as a

113 | condition of employment in accordance with the provisions of s.  
 114 | 633.35 and whose duty it is to extinguish fires, to protect  
 115 | life, or to protect property. "Firefighter" includes all  
 116 | certified supervisory and command personnel whose duties  
 117 | include, in whole or in part, the supervision, training,  
 118 | guidance, and management responsibilities of full-time  
 119 | firefighters, part-time firefighters, or auxiliary firefighters  
 120 | but does not include part-time firefighters or auxiliary  
 121 | firefighters. However, for purposes of this chapter only,  
 122 | "firefighter" also includes public safety officers who are  
 123 | responsible for performing both police and fire services, who  
 124 | are certified as police officers or firefighters, and who are  
 125 | certified by their employers to the Chief Financial Officer as  
 126 | participating in this chapter prior to October 1, 1979.  
 127 | Effective October 1, 1979, public safety officers who have not  
 128 | been certified as participating in this chapter shall be  
 129 | considered police officers for retirement purposes and shall be  
 130 | eligible to participate in chapter 185. Any plan may provide  
 131 | that the fire chief shall have an option to participate, or not,  
 132 | in that plan.

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

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

140 | (1) In each municipality and in each special fire control

141 district there is hereby created a board of trustees of the  
142 firefighters' pension trust fund, which shall be solely  
143 responsible for administering the trust fund. Effective October  
144 1, 1986, and thereafter:

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

169 herself as a trustee. Each firefighter member shall serve as  
170 trustee for a period of 2 years, unless he or she sooner leaves  
171 the employment of the municipality or special fire control  
172 district as a firefighter, whereupon a successor shall be chosen  
173 in the same manner as an original appointment. Each firefighter  
174 may succeed himself or herself in office. The terms of office of  
175 the appointed and elected members of the board of trustees may  
176 be amended by municipal ordinance, special act of the  
177 Legislature, or resolution adopted by the governing body of the  
178 special fire control district to extend the terms of office from  
179 2 years to 4 years. The length of the terms of office shall be  
180 the same for all board members.

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

197 Section 3. Subsection (1) of section 175.071, Florida  
 198 Statutes, is amended, and subsection (8) is added to that  
 199 section, to read:

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

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

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

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

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



223           2. Obligations of the United States or obligations  
 224 guaranteed as to principal and interest by the government of the  
 225 United States.

226           3. Bonds issued by the State of Israel.

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

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

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

243  
 244 This paragraph shall apply to all boards of trustees and  
 245 participants. However, in the event that a municipality or  
 246 special fire control district has a duly enacted pension plan  
 247 pursuant to, and in compliance with, s. 175.351, and the  
 248 trustees thereof desire to vary the investment procedures  
 249 herein, the trustees of such plan shall request a variance of  
 250 the investment procedures as outlined herein only through a

251 municipal ordinance, special act of the Legislature, or  
 252 resolution by the governing body of the special fire control  
 253 district; where a special act, or a municipality by ordinance  
 254 adopted prior to July 1, 1998, permits a greater than 50-percent  
 255 equity investment, such municipality shall not be required to  
 256 comply with the aggregate equity investment provisions of this  
 257 paragraph. Notwithstanding any other provision of law to the  
 258 contrary, nothing in this section may be construed to take away  
 259 any preexisting legal authority to make equity investments that  
 260 exceed the requirements of this paragraph. Notwithstanding any  
 261 law to the contrary, the board of trustees may invest up to 25  
 262 10 percent of plan assets in foreign securities on a market-  
 263 value basis. The investment cap on foreign securities may not be  
 264 revised, amended, increased, or repealed except as provided by  
 265 general law.

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

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

278 (e) Keep a complete record of all receipts and

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279 disbursements and of the board's acts and proceedings.

280 (8) Notwithstanding the provisions of paragraph (1)(b) and  
281 as provided in s. 215.473, the board of trustees shall identify  
282 and publicly report any direct or indirect holdings it may have  
283 in any scrutinized company, as defined in s. 215.473, and  
284 proceed to sell, redeem, divest, or withdraw all publicly traded  
285 securities it may have in such company beginning January 1,  
286 2010. The divestiture of any such security must be completed by  
287 March 1, 2010. The board and its named officers or investment  
288 advisors may not be deemed to have breached their fiduciary duty  
289 in any action taken to dispose of any such security, and the  
290 board shall have satisfactorily discharged the fiduciary duties  
291 of loyalty, prudence, and sole and exclusive benefit to the  
292 participants of the pension fund and their beneficiaries if the  
293 actions it takes are consistent with the duties imposed by s.  
294 215.473, and the manner of the disposition, if any, is  
295 reasonable as to the means chosen. For the purposes of effecting  
296 compliance with s. 215.473, the pension fund shall designate  
297 terror-free plans that allocate their funds among securities not  
298 subject to divestiture. No person may bring any civil, criminal,  
299 or administrative action against the board of trustees or any  
300 employee, officer, director, or advisor of such pension fund  
301 based upon the divestiture of any security pursuant to this  
302 subsection.

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

305 175.101 State excise tax on property insurance premiums  
306 authorized; procedure.--For any municipality, special fire

307 control district, chapter plan, local law municipality, local  
308 law special fire control district, or local law plan under this  
309 chapter:

310 (1) Each municipality or special fire control district in  
311 this state described and classified in s. 175.041, having a  
312 lawfully established firefighters' pension trust fund or  
313 municipal fund or special fire control district fund, by  
314 whatever name known, providing pension benefits to firefighters  
315 as provided under this chapter, may assess and impose on every  
316 insurance company, corporation, or other insurer now engaged in  
317 or carrying on, or who shall hereinafter engage in or carry on,  
318 the business of property insurance as shown by the records of  
319 the Office of Insurance Regulation of the Financial Services  
320 Commission an excise tax in addition to any lawful license or  
321 excise tax now levied by each of the municipalities or special  
322 fire control districts, respectively, amounting to 1.85 percent  
323 of the gross amount of receipts of premiums from policyholders  
324 on all premiums collected on property insurance policies  
325 covering property within the corporate limits of such  
326 municipalities or within the legally defined boundaries of  
327 special fire control districts, respectively. Whenever the  
328 boundaries of a special fire control district that has lawfully  
329 established a firefighters' pension trust fund encompass a  
330 portion of the corporate territory of a municipality that has  
331 also lawfully established a firefighters' pension trust fund,  
332 that portion of the tax receipts attributable to insurance  
333 policies covering property situated both within the municipality  
334 and the special fire control district shall be given to the fire

335 service provider. For the purpose of this section, the  
336 boundaries of a special fire control district shall be deemed to  
337 include an area that has been annexed until the completion of  
338 the 4-year period provided for in s. 171.093(4), or other  
339 agreed-upon extension, or when a special fire control district  
340 is providing services pursuant to an interlocal agreement  
341 executed pursuant to s. 171.093(3). The agent shall identify the  
342 fire service provider on the property owner's application for  
343 insurance. Remaining revenues collected pursuant to this chapter  
344 shall be distributed to the municipality or special fire control  
345 district according to the location of the insured property.

346  
347 This section also applies to any municipality consisting of a  
348 single consolidated government which is made up of a former  
349 county and one or more municipalities, consolidated pursuant to  
350 the authority in s. 3 or s. 6(e), Art. VIII of the State  
351 Constitution, and to property insurance policies covering  
352 property within the boundaries of the consolidated government,  
353 regardless of whether the properties are located within one or  
354 more separately incorporated areas within the consolidated  
355 government, provided the properties are being provided fire  
356 protection services by the consolidated government. This section  
357 also applies to any municipality, as provided in s.  
358 175.041(3)(c), which has entered into an interlocal agreement to  
359 receive fire protection services from another municipality  
360 participating under this chapter. The excise tax may be levied  
361 on all premiums collected on property insurance policies  
362 covering property located within the corporate limits of the

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363 municipality receiving the fire protection services, but will be  
364 available for distribution to the municipality providing the  
365 fire protection services.

366 Section 5. Paragraphs (b) and (c) of subsection (1) and  
367 paragraph (b) of subsection (2) of section 175.171, Florida  
368 Statutes, are amended to read:

369 175.171 Optional forms of retirement income.--For any  
370 municipality, special fire control district, chapter plan, local  
371 law municipality, local law special fire control district, or  
372 local law plan under this chapter:

373 (1) In lieu of the amount and form of retirement income  
374 payable in the event of normal or early retirement as specified  
375 in s. 175.162, a firefighter, upon written request to the board  
376 of trustees and subject to the approval of the board of  
377 trustees, may elect to receive a retirement income or benefit of  
378 equivalent actuarial value payable in accordance with one of the  
379 following options:

380 (b) A retirement income of a modified monthly amount,  
381 payable to the firefighter during the joint lifetime of the  
382 firefighter and a joint annuitant ~~pensioner~~ designated by the  
383 firefighter, and following the death of either of them, 100  
384 percent, 75 percent, 66 2/3 percent, or 50 percent of such  
385 monthly amounts payable to the survivor for the lifetime of the  
386 survivor.

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

390 1. The firefighter upon electing any option of this  
391 section shall ~~will~~ designate the joint annuitant ~~pensioner~~ or  
392 beneficiary ~~(or beneficiaries)~~ to receive the benefit, if any,  
393 payable under the plan in the event of his or her death, and may  
394 ~~will have the power to~~ change such designation ~~from time to~~  
395 ~~time~~, but any such change shall be deemed a new election and is  
396 ~~will be~~ subject to approval by the board of trustees. Such  
397 designation must ~~will~~ name a joint annuitant ~~pensioner~~ or one or  
398 more primary beneficiaries where applicable. If a firefighter  
399 has elected an option with a joint annuitant ~~pensioner~~ or  
400 beneficiary and his or her retirement income benefits have  
401 commenced, the firefighter may ~~thereafter~~ change the designated  
402 joint annuitant ~~pensioner~~ or beneficiary, but only if the board  
403 of trustees consents to such change and if the joint annuitant  
404 ~~pensioner~~ last previously designated by the firefighter is alive  
405 when the firefighter files with the board of trustees a request  
406 for such change.

407 2. The consent of a firefighter's joint annuitant  
408 ~~pensioner~~ or beneficiary to any such change is ~~shall not be~~  
409 required.

410 3. The board of trustees may request ~~such~~ evidence of the  
411 good health of the joint annuitant ~~pensioner~~ that is being  
412 removed ~~as it may require~~ and the amount of the retirement  
413 income payable to the firefighter upon designation of a new  
414 joint annuitant ~~pensioner~~ shall be actuarially redetermined  
415 taking into account the age and gender ~~sex~~ of the former joint  
416 annuitant ~~pensioner~~, the new joint annuitant ~~pensioner~~, and the  
417 firefighter. Each ~~such~~ designation shall ~~will~~ be made in writing

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418 on a form prepared by the board of trustees and ~~on completion~~  
419 ~~will be~~ filed with the board of trustees. If ~~In the event that~~  
420 no designated beneficiary survives the firefighter, such  
421 benefits as are payable in the event of the death of the  
422 firefighter subsequent to his or her retirement shall be paid as  
423 provided in s. 175.181.

424 4. Notwithstanding the provisions of this paragraph, a  
425 retired firefighter may change his or her designation of joint  
426 annuitant or beneficiary up to two times as provided in s.  
427 175.333 without the approval of the board of trustees or the  
428 current joint annuitant or beneficiary. The retiree need not  
429 provide proof of the good health of the joint annuitant or  
430 beneficiary being removed, and the joint annuitant or  
431 beneficiary being removed need not be living.

432 (2) Retirement income payments shall be made under the  
433 option elected in accordance with the provisions of this section  
434 and shall be subject to the following limitations:

435 (b) If the designated beneficiary ~~(or beneficiaries)~~ or  
436 joint annuitant ~~pensioner~~ dies before the firefighter's  
437 retirement under the plan, the option elected will be canceled  
438 automatically and a retirement income of the normal form and  
439 amount will be payable to the firefighter upon retirement as if  
440 the election had not been made, unless a new election is made in  
441 accordance with the provisions of this section or a new  
442 beneficiary is designated by the firefighter before his or her  
443 ~~prior to~~ retirement and within 90 days after the death of the  
444 beneficiary.



445 Section 6. Section 175.361, Florida Statutes, is amended  
446 to read:

447 175.361 Termination of plan and distribution of fund.--For  
448 any municipality, special fire control district, chapter plan,  
449 local law municipality, local law special fire control district,  
450 or local law plan under this chapter, the plan may be terminated  
451 by the municipality or special fire control district. Upon  
452 termination of the plan by the municipality or special fire  
453 control district for any reason or because of a transfer,  
454 merger, or consolidation of governmental units, services, or  
455 functions as provided in chapter 121, or upon written notice by  
456 the municipality or special fire control district to the board  
457 of trustees that contributions under the plan are being  
458 permanently discontinued, the rights of all employees to  
459 benefits accrued to the date of such termination and the amounts  
460 credited to the employees' accounts are nonforfeitable. The fund  
461 shall be ~~apportioned and~~ distributed in accordance with the  
462 following procedures:

463 (1) The board of trustees shall determine the date of  
464 distribution and the asset value required to fund all the  
465 nonforfeitable benefits to be distributed, after taking into  
466 account the expenses of such distribution. The board shall  
467 inform the municipality or special fire control district if  
468 additional assets are required, in which event the municipality  
469 or special fire control district shall continue to financially  
470 support the plan until all nonforfeitable benefits have been  
471 funded.

472 (2) The board of trustees shall determine the method of  
473 distribution of the asset value, that is, whether distribution  
474 shall be by payment in cash, by the maintenance of another or  
475 substituted trust fund, by the purchase of insured annuities, or  
476 otherwise, for each firefighter entitled to benefits under the  
477 plan as specified in subsection (3).

478 (3) The board of trustees shall distribute ~~apportion~~ the  
479 asset value as of the date of termination in the manner set  
480 forth in this subsection, on the basis that the amount required  
481 to provide any given retirement income shall mean the  
482 actuarially computed single-sum value of such retirement income,  
483 except that if the method of distribution determined under  
484 subsection (2) involves the purchase of an insured annuity, the  
485 amount required to provide the given retirement income shall  
486 mean the single premium payable for such annuity. The actuarial  
487 single-sum value shall not be less than the employee's  
488 accumulated contributions to the plan, with interest if provided  
489 by the plan, less the value of any plan benefits previously paid  
490 to the employee.

491 ~~(a) Apportionment shall first be made in respect of each~~  
492 ~~retired firefighter receiving a retirement income hereunder on~~  
493 ~~such date, each person receiving a retirement income on such~~  
494 ~~date on account of a retired (but since deceased) firefighter,~~  
495 ~~and each firefighter who has, by such date, become eligible for~~  
496 ~~normal retirement but has not yet retired, in the amount~~  
497 ~~required to provide such retirement income, provided that, if~~  
498 ~~such asset value is less than the aggregate of such amounts,~~  
499 ~~such amounts shall be proportionately reduced so that the~~

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500 ~~aggregate of such reduced amounts will be equal to such asset~~  
501 ~~value.~~

502 ~~(b) If there is any asset value remaining after the~~  
503 ~~apportionment under paragraph (a), apportionment shall next be~~  
504 ~~made in respect of each firefighter in the service of the~~  
505 ~~municipality or special fire control district on such date who~~  
506 ~~has completed at least 10 years of credited service, in the~~  
507 ~~firefighters' pension trust fund for at least 10 years, and who~~  
508 ~~is not entitled to an apportionment under paragraph (a), in the~~  
509 ~~amount required to provide the actuarial equivalent of the~~  
510 ~~accrued normal retirement income, based on the firefighter's~~  
511 ~~credited service and earnings to such date, and each former~~  
512 ~~participant then entitled to a benefit under the provisions of~~  
513 ~~s. 175.211 who has not by such date reached his or her normal~~  
514 ~~retirement date, in the amount required to provide the actuarial~~  
515 ~~equivalent of the accrued normal retirement income to which he~~  
516 ~~or she is entitled under s. 175.211; provided that, if such~~  
517 ~~remaining asset value is less than the aggregate of the amounts~~  
518 ~~apportioned hereunder, such latter amounts shall be~~  
519 ~~proportionately reduced so that the aggregate of such reduced~~  
520 ~~amounts will be equal to such remaining asset value.~~

521 ~~(c) If there is any asset value after the apportionments~~  
522 ~~under paragraphs (a) and (b), apportionment shall lastly be made~~  
523 ~~in respect of each firefighter in the service of the~~  
524 ~~municipality or special fire control district on such date who~~  
525 ~~is not entitled to an apportionment under paragraphs (a) and (b)~~  
526 ~~in the amount equal to the firefighter's total contributions to~~  
527 ~~the plan to date of termination; provided that, if such~~

528 ~~remaining asset value is less than the aggregate of the amounts~~  
 529 ~~apportioned hereunder, such latter amounts shall be~~  
 530 ~~proportionately reduced so that the aggregate of such reduced~~  
 531 ~~amounts will be equal to such remaining asset value.~~

532 (4)~~(d)~~ In the event that there is asset value remaining  
 533 after the full distribution ~~apportionment~~ specified in  
 534 subsection (3), and after the payment of any expenses incurred  
 535 with such distribution ~~paragraphs (a), (b), and (c),~~ such excess  
 536 shall be returned to the municipality or special fire control  
 537 district, less return to the state of the state's contributions,  
 538 provided that, if the excess is less than the total  
 539 contributions made by the municipality or special fire control  
 540 district and the state to date of termination of the plan, such  
 541 excess shall be divided proportionately to the total  
 542 contributions made by the municipality or special fire control  
 543 district and the state.

544 (5)~~(4)~~ The board of trustees shall distribute, in  
 545 accordance with the manner of distribution determined under  
 546 subsection (2), the amounts determined ~~apportioned~~ under  
 547 subsection (3).

548  
 549 If, after a period of 24 months after the date on which the plan  
 550 terminated or the date on which the board received written  
 551 notice that the contributions thereunder were being permanently  
 552 discontinued, the municipality or special fire control district  
 553 or the board of trustees of the firefighters' pension trust fund  
 554 affected has not complied with all the provisions in this  
 555 section, the Department of Management Services ~~division~~ shall

556 effect the termination of the fund in accordance with this  
 557 section.

558 Section 7. Paragraph (c) of subsection (5) of section  
 559 185.02, Florida Statutes, is amended to read:

560 185.02 Definitions.--For any municipality, chapter plan,  
 561 local law municipality, or local law plan under this chapter,  
 562 the following words and phrases as used in this chapter shall  
 563 have the following meanings, unless a different meaning is  
 564 plainly required by the context:

565 (5) "Creditable service" or "credited service" means the  
 566 aggregate number of years of service and fractional parts of  
 567 years of service of any police officer, omitting intervening  
 568 years and fractional parts of years when such police officer may  
 569 not have been employed by the municipality subject to the  
 570 following conditions:

571 (c) Credited service under this chapter shall be provided  
 572 only for service as a police officer, as defined in subsection  
 573 (11), or for military service and shall not include credit for  
 574 any other type of service. A municipality may, by local  
 575 ordinance, provide for the purchase of credit for military  
 576 service occurring prior to employment as well as prior service  
 577 as a police officer for some other employer as long as the  
 578 police officer is not entitled to receive a benefit for such  
 579 other prior service as a police officer. For purposes of  
 580 determining credit for prior service as a police officer, in  
 581 addition to service as a police officer in this state, credit  
 582 may be given for federal, other state, or county service, as  
 583 long as such prior police service is recognized by the Criminal

584 Justice Standards and Training Commission within the Department  
 585 of Law Enforcement as provided under chapter 943 or the police  
 586 officer provides proof to the board of trustees that such  
 587 service is equivalent to the service required to meet the  
 588 definition of a police officer under subsection (11).

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

591 185.03 Municipal police officers' retirement trust funds;  
 592 creation; applicability of provisions; participation by public  
 593 safety officers.--For any municipality, chapter plan, local law  
 594 municipality, or local law plan under this chapter:

595 (2) ~~The provisions of This chapter applies shall apply~~  
 596 ~~only to municipalities organized and established under pursuant~~  
 597 ~~to the laws of the state, and does said provisions shall not~~  
 598 ~~apply to the unincorporated areas of any county or counties or~~  
 599 ~~nor shall the provisions hereof apply to any governmental entity~~  
 600 whose police officers are eligible to participate in the Florida  
 601 Retirement System.

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

604 185.05 Board of trustees; members; terms of office;  
 605 meetings; legal entity; costs; attorney's fees.--For any  
 606 municipality, chapter plan, local law municipality, or local law  
 607 plan under this chapter:

608 (1) In each municipality described in s. 185.03 there is  
 609 hereby created a board of trustees of the municipal police  
 610 officers' retirement trust fund, which shall be solely

611 responsible for administering the trust fund. Effective October  
612 1, 1986, and thereafter:

613 (a) The membership of the board of trustees for chapter  
614 plans shall consist of five members, two of whom, unless  
615 otherwise prohibited by law, shall be legal residents of the  
616 municipality, who shall be appointed by the legislative body of  
617 the municipality, and two of whom shall be police officers as  
618 defined in s. 185.02 who shall be elected by a majority of the  
619 active police officers who are members of such plan. With  
620 respect to any chapter plan or local law plan that, on January  
621 1, 1997, allowed retired police officers to vote in such  
622 elections, retirees may continue to vote in such elections. The  
623 fifth member shall be chosen by a majority of the previous four  
624 members, and such person's name shall be submitted to the  
625 legislative body of the municipality. Upon receipt of the fifth  
626 person's name, the legislative body of the municipality shall,  
627 as a ministerial duty, appoint such person to the board of  
628 trustees as its fifth member. The fifth member shall have the  
629 same rights as each of the other four members appointed or  
630 elected as herein provided, shall serve as trustee for a period  
631 of 2 years, and may succeed himself or herself in office. Each  
632 resident member shall serve as trustee for a period of 2 years,  
633 unless sooner replaced by the legislative body at whose pleasure  
634 the member shall serve, and may succeed himself or herself as a  
635 trustee. Each police officer member shall serve as trustee for a  
636 period of 2 years, unless he or she sooner leaves the employment  
637 of the municipality as a police officer, whereupon ~~the~~  
638 ~~legislative body of the municipality shall choose a successor~~

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639 shall be chosen in the same manner as an original appointment.  
640 Each police officer may succeed himself or herself in office.  
641 The terms of office of the appointed and elected members of the  
642 board of trustees may be amended by municipal ordinance or  
643 special act of the Legislature to extend the terms of office  
644 from 2 years to 4 years. The length of the terms of office shall  
645 be the same for all board members.

646 (6) The board of trustees may, upon written request by the  
647 retiree of the plan, or by a dependent, when authorized by the  
648 retiree or the retiree's beneficiary, authorize the plan  
649 administrator to withhold from the monthly retirement payment  
650 those funds that are necessary to pay for the benefits being  
651 received through the governmental entity from which the employee  
652 retired, to pay the certified bargaining agent of the  
653 governmental entity, and to make any payments for child support  
654 or alimony. Further, the board of trustees may, upon the written  
655 request of the retiree of the plan, authorize the plan  
656 administrator to withhold from the retirement payment those  
657 funds that are necessary to pay for premiums for accident,  
658 health, and long-term care insurance for the retiree and the  
659 retiree's spouse and dependents. A retirement plan does not  
660 incur any liability for participation in this permissive program  
661 if its actions are taken in good faith.

662 Section 10. Subsection (1) of section 185.06, Florida  
663 Statutes, is amended, and subsection (7) is added to that  
664 section, to read:



665           185.06 General powers and duties of board of  
 666 trustees.--For any municipality, chapter plan, local law  
 667 municipality, or local law plan under this chapter:

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

671           (a) Invest and reinvest the assets of the retirement trust  
 672 fund in annuity and life insurance contracts of life insurance  
 673 companies in amounts sufficient to provide, in whole or in part,  
 674 the benefits to which all of the participants in the municipal  
 675 police officers' retirement trust fund shall be entitled under  
 676 the provisions of this chapter, and pay the initial and  
 677 subsequent premiums thereon.

678           (b) Invest and reinvest the assets of the retirement trust  
 679 fund in:

680           1. Time or savings accounts of a national bank, a state  
 681 bank insured by the Bank Insurance Fund, or a savings and loan  
 682 association insured by the Savings Association Insurance Fund  
 683 which is administered by the Federal Deposit Insurance  
 684 Corporation or a state or federal chartered credit union whose  
 685 share accounts are insured by the National Credit Union Share  
 686 Insurance Fund.

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

689           3. Bonds issued by the State of Israel.

690           4. Bonds, stocks, or other evidences of indebtedness  
 691 issued or guaranteed by a corporation organized under the laws

692 of the United States, any state or organized territory of the  
 693 United States, or the District of Columbia, provided:

694 a. The corporation is listed on any one or more of the  
 695 recognized national stock exchanges or on the National Market  
 696 System of the NASDAQ Stock Market and, in the case of bonds  
 697 only, holds a rating in one of the three highest classifications  
 698 by a major rating service; and

699 b. The board of trustees shall not invest more than 5  
 700 percent of its assets in the common stock or capital stock of  
 701 any one issuing company, nor shall the aggregate investment in  
 702 any one issuing company exceed 5 percent of the outstanding  
 703 capital stock of the company or the aggregate of its investments  
 704 under this subparagraph at cost exceed 50 percent of the fund's  
 705 assets.

706  
 707 This paragraph shall apply to all boards of trustees and  
 708 participants. However, in the event that a municipality has a  
 709 duly enacted pension plan pursuant to, and in compliance with,  
 710 s. 185.35 and the trustees thereof desire to vary the investment  
 711 procedures herein, the trustees of such plan shall request a  
 712 variance of the investment procedures as outlined herein only  
 713 through a municipal ordinance or special act of the Legislature;  
 714 where a special act, or a municipality by ordinance adopted  
 715 prior to July 1, 1998, permits a greater than 50-percent equity  
 716 investment, such municipality shall not be required to comply  
 717 with the aggregate equity investment provisions of this  
 718 paragraph. Notwithstanding any other provision of law to the  
 719 contrary, nothing in this section may be construed to take away

720 any preexisting legal authority to make equity investments that  
721 exceed the requirements of this paragraph. Notwithstanding any  
722 law to the contrary, the board of trustees may invest up to 25  
723 10 percent of plan assets in foreign securities on a market-  
724 value basis. The investment cap on foreign securities may not be  
725 revised, amended, increased, or repealed except as provided by  
726 general law.

727 (c) Issue drafts upon the municipal police officers'  
728 retirement trust fund pursuant to this act and rules and  
729 regulations prescribed by the board of trustees. All such drafts  
730 shall be consecutively numbered, be signed by the chair and  
731 secretary or by two individuals designated by the board who are  
732 subject to the same fiduciary standards as required for the  
733 board of trustees under this subsection, and state upon their  
734 faces the purposes for which the drafts are drawn. The city  
735 treasurer or other depository shall retain such drafts when  
736 paid, as permanent vouchers for disbursements made, and no money  
737 shall otherwise be drawn from the fund.

738 (d) Finally decide all claims to relief under the board's  
739 rules and regulations and pursuant to the provisions of this  
740 act.

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

742 (f) Keep a complete record of all receipts and  
743 disbursements and of the board's acts and proceedings.

744 (7) Notwithstanding the provisions of paragraph (1) (b) and  
745 as provided in s. 215.473, the board of trustees shall identify  
746 and publicly report any direct or indirect holdings it may have  
747 in any scrutinized company, as defined in s. 215.473, and

748 proceed to sell, redeem, divest, or withdraw all publicly traded  
 749 securities it may have in such company beginning January 1,  
 750 2010. The divestiture of any such security must be completed by  
 751 March 1, 2010. The board and its named officers or investment  
 752 advisors may not be deemed to have breached their fiduciary duty  
 753 in any action taken to dispose of any such security, and the  
 754 board shall have satisfactorily discharged the fiduciary duties  
 755 of loyalty, prudence, and sole and exclusive benefit to the  
 756 participants of the pension fund and their beneficiaries if the  
 757 actions it takes are consistent with the duties imposed by s.  
 758 215.473, and the manner of the disposition, if any, is  
 759 reasonable as to the means chosen. For the purposes of effecting  
 760 compliance with s. 215.473, the pension fund shall designate  
 761 terror-free plans that allocate their funds among securities not  
 762 subject to divestiture. No person may bring any civil, criminal,  
 763 or administrative action against the board of trustees or any  
 764 employee, officer, director, or advisor of such pension fund  
 765 based upon the divestiture of any security pursuant to this  
 766 subsection.

767 Section 11. Section 185.08, Florida Statutes, is amended  
 768 to read:

769 185.08 State excise tax on casualty insurance premiums  
 770 authorized; procedure.--For any municipality, chapter plan,  
 771 local law municipality, or local law plan under this chapter:

772 (1) Each incorporated municipality in this state described  
 773 and classified in s. 185.03, as well as each other city or town  
 774 of this state which on July 31, 1953, had a lawfully established  
 775 municipal police officers' retirement trust fund or city fund,

776 by whatever name known, providing pension or relief benefits to  
 777 police officers as provided under this chapter, may assess and  
 778 impose on every insurance company, corporation, or other insurer  
 779 now engaged in or carrying on, or who shall hereafter engage in  
 780 or carry on, the business of casualty insurance as shown by  
 781 records of the Office of Insurance Regulation of the Financial  
 782 Services Commission, an excise tax in addition to any lawful  
 783 license or excise tax now levied by each of the ~~said~~  
 784 municipalities, respectively, amounting to .85 percent of the  
 785 gross amount of receipts of premiums from policyholders on all  
 786 premiums collected on casualty insurance policies covering  
 787 property within the corporate limits of such municipalities,  
 788 respectively.

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

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

798 Section 12. Subsection (1) and paragraph (b) of subsection  
 799 (2) of section 185.161, Florida Statutes, are amended to read:

800 185.161 Optional forms of retirement income.--For any  
 801 municipality, chapter plan, local law municipality, or local law  
 802 plan under this chapter:

803 (1) (a) In lieu of the amount and form of retirement income

804 payable in the event of normal or early retirement as specified  
805 in s. 185.16, a police officer, upon written request to the  
806 board of trustees and subject to the approval of the board of  
807 trustees, may elect to receive a retirement income or benefit of  
808 equivalent actuarial value payable in accordance with one of the  
809 following options:

810 1. A retirement income of larger monthly amount, payable  
811 to the police officer for his or her lifetime only.

812 2. A retirement income of a modified monthly amount,  
813 payable to the police officer during the joint lifetime of the  
814 police officer and a joint annuitant ~~pensioner~~ designated by the  
815 police officer, and following the death of either of them, 100  
816 percent, 75 percent, 66 2/3 percent, or 50 percent of such  
817 monthly amount payable to the survivor for the lifetime of the  
818 survivor.

819 3. Such other amount and form of retirement payments or  
820 benefit as, in the opinion of the board of trustees, will best  
821 meet the circumstances of the retiring police officer.

822 (b) The police officer upon electing any option of this  
823 section shall ~~will~~ designate the joint annuitant ~~pensioner~~ or  
824 beneficiary ~~(or beneficiaries)~~ to receive the benefit, if any,  
825 payable under the plan in the event of the police officer's  
826 death, and may ~~will have the power to~~ change such designation  
827 ~~from time to time~~ but any such change shall be deemed a new  
828 election and is ~~will be~~ subject to approval by the pension  
829 committee. Such designation must ~~will~~ name a joint annuitant  
830 ~~pensioner~~ or one or more primary beneficiaries where applicable.  
831 If a police officer has elected an option with a joint annuitant

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832 ~~pensioner~~ or beneficiary and his or her retirement income  
833 benefits have commenced, he or she may ~~thereafter~~ change the  
834 designated joint annuitant ~~pensioner~~ or beneficiary but only if  
835 the board of trustees consents to such change and if the joint  
836 annuitant ~~pensioner~~ last previously designated by the police  
837 officer is alive when he or she files with the board of trustees  
838 a request for such change. The consent of a police officer's  
839 joint annuitant ~~pensioner~~ or beneficiary to any such change is  
840 ~~shall not be~~ required. The board of trustees may request ~~such~~  
841 evidence of the good health of the joint annuitant ~~pensioner~~  
842 ~~that is~~ being removed ~~as it may require~~ and the amount of the  
843 retirement income payable to the police officer upon the  
844 designation of a new joint annuitant ~~pensioner~~ shall be  
845 actuarially redetermined taking into account the ages and gender  
846 ~~sex~~ of the former joint annuitant ~~pensioner~~, the new joint  
847 annuitant ~~pensioner~~, and the police officer. Each ~~such~~  
848 designation shall ~~will~~ be made in writing on a form prepared by  
849 the board of trustees, ~~and on completion will be~~ filed with the  
850 board of trustees. If ~~In the event that~~ no designated  
851 beneficiary survives the police officer, such benefits as are  
852 payable in the event of the death of the police officer  
853 subsequent to his or her retirement shall be paid as provided in  
854 s. 185.162.

855 (c) Notwithstanding paragraph (b), a retired police  
856 officer may change his or her designation of joint annuitant or  
857 beneficiary up to two times as provided in s. 185.341 without  
858 the approval of the board of trustees or the current joint  
859 annuitant or beneficiary. The retiree need not provide proof of

860 the good health of the joint annuitant or beneficiary being  
 861 removed, and the joint annuitant or beneficiary being removed  
 862 need not be living.

863 (2) Retirement income payments shall be made under the  
 864 option elected in accordance with the provisions of this section  
 865 and shall be subject to the following limitations:

866 (b) If the designated beneficiary ~~(or beneficiaries)~~ or  
 867 joint annuitant pensioner dies before the police officer's  
 868 retirement under the plan, the option elected will be canceled  
 869 automatically and a retirement income of the normal form and  
 870 amount will be payable to the police officer upon his or her  
 871 retirement as if the election had not been made, unless a new  
 872 election is made in accordance with the provisions of this  
 873 section or a new beneficiary is designated by the police officer  
 874 before ~~prior to~~ his or her retirement and within 90 days after  
 875 the death of the beneficiary.

876 Section 13. Section 185.37, Florida Statutes, is amended  
 877 to read:

878 185.37 Termination of plan and distribution of fund.--For  
 879 any municipality, chapter plan, local law municipality, or local  
 880 law plan under this chapter, the plan may be terminated by the  
 881 municipality. Upon termination of the plan by the municipality  
 882 for any reason, or because of a transfer, merger, or  
 883 consolidation of governmental units, services, or functions as  
 884 provided in chapter 121, or upon written notice to the board of  
 885 trustees by the municipality that contributions under the plan  
 886 are being permanently discontinued, the rights of all employees  
 887 to benefits accrued to the date of such termination or



888 discontinuance and the amounts credited to the employees'  
889 accounts are nonforfeitable. The fund shall be ~~apportioned and~~  
890 distributed in accordance with the following procedures:

891 (1) The board of trustees shall determine the date of  
892 distribution and the asset value required to fund all the  
893 nonforfeitable benefits to be distributed, after taking into  
894 account the expenses of such distribution. The board shall  
895 inform the municipality if additional assets are required, in  
896 which event the municipality shall continue to financially  
897 support the plan until all nonforfeitable benefits have been  
898 funded.

899 (2) The board of trustees shall determine the method of  
900 distribution of the asset value, that is, whether distribution  
901 shall be by payment in cash, by the maintenance of another or  
902 substituted trust fund, by the purchase of insured annuities, or  
903 otherwise, for each police officer entitled to benefits under  
904 the plan, as specified in subsection (3).

905 (3) The board of trustees shall distribute ~~apportion~~ the  
906 asset value as of the date of termination in the manner set  
907 forth in this subsection, on the basis that the amount required  
908 to provide any given retirement income shall mean the  
909 actuarially computed single-sum value of such retirement income,  
910 except that if the method of distribution determined under  
911 subsection (2) involves the purchase of an insured annuity, the  
912 amount required to provide the given retirement income shall  
913 mean the single premium payable for such annuity. The actuarial  
914 single-sum value shall not be less than the employee's  
915 accumulated contributions to the plan, with interest if provided

916 by the plan, less the value of any plan benefits previously paid  
 917 to the employee.

918 ~~(a) Apportionment shall first be made in respect of each~~  
 919 ~~retired police officer receiving a retirement income hereunder~~  
 920 ~~on such date, each person receiving a retirement income on such~~  
 921 ~~date on account of a retired (but since deceased) police~~  
 922 ~~officer, and each police officer who has, by such date, become~~  
 923 ~~eligible for normal retirement but has not yet retired, in the~~  
 924 ~~amount required to provide such retirement income, provided~~  
 925 ~~that, if such asset value is less than the aggregate of such~~  
 926 ~~amounts, such amounts shall be proportionately reduced so that~~  
 927 ~~the aggregate of such reduced amounts will be equal to such~~  
 928 ~~asset value.~~

929 ~~(b) If there is any asset value remaining after the~~  
 930 ~~apportionment under paragraph (a), apportionment shall next be~~  
 931 ~~made in respect of each police officer in the service of the~~  
 932 ~~municipality on such date who has completed at least 10 years of~~  
 933 ~~credited service, in the municipal police officers' retirement~~  
 934 ~~trust fund for at least 10 years, and who is not entitled to an~~  
 935 ~~apportionment under paragraph (a), in the amount required to~~  
 936 ~~provide the actuarial equivalent of the accrued normal~~  
 937 ~~retirement income, based on the police officer's credited~~  
 938 ~~service and earnings to such date, and each former participant~~  
 939 ~~then entitled to a benefit under the provisions of s. 185.19 who~~  
 940 ~~has not by such date reached his or her normal retirement date,~~  
 941 ~~in the amount required to provide the actuarial equivalent of~~  
 942 ~~the accrued normal retirement income to which he or she is~~  
 943 ~~entitled under s. 185.19, provided that, if such remaining asset~~

944 value is less than the aggregate of the amounts apportioned  
945 hereunder, such latter amounts shall be proportionately reduced  
946 so that the aggregate of such reduced amounts will be equal to  
947 such remaining asset value.

948 ~~(c)~~ If there is an asset value after the apportionments  
949 under paragraphs (a) and (b), apportionment shall lastly be made  
950 in respect of each police officer in the service of the  
951 municipality on such date who is not entitled to an  
952 apportionment under paragraphs (a) and (b) in the amount equal  
953 to the police officer's total contributions to the plan to date  
954 of termination, provided that, if such remaining asset value is  
955 less than the aggregate of the amounts apportioned hereunder,  
956 such latter amounts shall be proportionately reduced so that the  
957 aggregate of such reduced amounts will be equal to such  
958 remaining asset value.

959 (4)~~(d)~~ In the event that there is asset value remaining  
960 after the full distribution ~~apportionment~~ specified in  
961 subsection (3), and after the payment of any expenses incurred  
962 with such distribution ~~paragraphs (a), (b), and (c)~~, such excess  
963 shall be returned to the municipality, less return to the state  
964 of the state's contributions, provided that, if the excess is  
965 less than the total contributions made by the municipality and  
966 the state to date of termination of the plan, such excess shall  
967 be divided proportionately to the total contributions made by  
968 the municipality and the state.

969 (5)~~(4)~~ The board of trustees shall distribute, in  
970 accordance with the manner of distribution determined under

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971 subsection (2), the amounts determined ~~apportioned~~ under  
972 subsection (3).

973

974 If, after a period of 24 months after the date on which the plan  
975 terminated or the date on which the board received written  
976 notice that the contributions thereunder were being permanently  
977 discontinued, the municipality or the board of trustees of the  
978 municipal police officers' retirement trust fund affected has  
979 not complied with all the provisions in this section, the  
980 Department of Management Services ~~division~~ shall effect the  
981 termination of the fund in accordance with this section.

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