

HB 1353

2010

1 A bill to be entitled
2 An act relating to the Florida Protection of Public
3 Employee Retirement Benefits Act; amending s. 112.61,
4 F.S.; revising legislative intent; amending s. 112.62,
5 F.S.; revising application; amending s. 112.661, F.S.;
6 revising the scope of limitations and conditions on the
7 investment of the assets of any covered local retirement
8 system or plan; providing for severability; providing an
9 effective date.

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11 Be It Enacted by the Legislature of the State of Florida:

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13 Section 1. Section 112.61, Florida Statutes, is amended to
14 read:

15 112.61 Legislative intent.—It is the intent of the
16 Legislature in implementing the provisions of s. 14, Art. X of
17 the State Constitution, relating to governmental retirement
18 systems, that such retirement systems or plans be managed,
19 administered, operated, and funded in such a manner as to
20 maximize the protection of public employee retirement benefits.
21 Inherent in this intent is the recognition that the pension
22 liabilities attributable to the benefits promised public
23 employees be fairly, orderly, and equitably funded by the
24 current, as well as future, taxpayers. Accordingly, except as
25 herein provided, it is the intent of this act to prohibit the
26 use of any procedure, methodology, or assumptions the effect of
27 which is to transfer to future taxpayers any portion of the
28 costs which may reasonably have been expected to be paid by the

29 | current taxpayers. Actuarial experience may be used to fund
 30 | additional benefits, provided that the present value of such
 31 | benefits does not exceed the net actuarial experience
 32 | accumulated from all sources of gains and losses. This act
 33 | hereby establishes minimum standards for the operation and
 34 | funding of all public employee retirement systems and plans.

35 | Section 2. Section 112.62, Florida Statutes, is amended to
 36 | read:

37 | 112.62 Application.—The provisions of this part are
 38 | applicable to ~~any and~~ all units, agencies, branches,
 39 | departments, boards, and institutions of state, county, special
 40 | district, and municipal governments which participate in,
 41 | operate, or administer a retirement system or plan for public
 42 | employees, funded in whole or in part by public funds. The
 43 | provisions of this part supplement and, to the extent there are
 44 | conflicts, prevail over the provisions of existing laws and
 45 | local ordinances relating to such retirement systems or plans.

46 | Section 3. Paragraph (a) of subsection (5) of section
 47 | 112.661, Florida Statutes, is amended to read:

48 | 112.661 Investment policies.—Investment of the assets of
 49 | any local retirement system or plan must be consistent with a
 50 | written investment policy adopted by the board. Such policies
 51 | shall be structured to maximize the financial return to the
 52 | retirement system or plan consistent with the risks incumbent in
 53 | each investment and shall be structured to establish and
 54 | maintain an appropriate diversification of the retirement system
 55 | or plan's assets.

56 | (5) AUTHORIZED INVESTMENTS.—

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57 (a) The investment policy shall list investments
58 authorized by the board. Investments not listed in the
59 investment policy are prohibited. ~~Unless otherwise authorized by~~
60 ~~law or ordinance,~~ The investment of the assets of any local
61 retirement system or plan covered by this part shall be subject
62 to the limitations and conditions set forth in s. 215.47(1)-(6),
63 (8), (9), (11) and (17).

64 Section 4. If any provision of this act or its application
65 to any person or circumstance is held invalid, the invalidity
66 does not affect other provisions or applications of the act
67 which can be given effect without the invalid provision or
68 application, and to this end the provisions of this act are
69 severable.

70 Section 5. This act shall take effect upon becoming a law.