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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/15/2011	.	
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The Committee on Budget (Richter) recommended the following:

1 **Senate Amendment to Amendment (138858) (with title**
2 **amendment)**

3
4 Delete lines 269 - 343
5 and insert:

6 (2) The premium tax provided by this chapter shall in all
7 cases be used in its entirety to provide extra benefits to
8 firefighters, or to firefighters and police officers if, ~~where~~
9 included. However, local law plans in effect on October 1, 1998,
10 must ~~shall be required to~~ comply with the minimum benefit
11 provisions of this chapter only to the extent that additional
12 premium tax revenues become available to incrementally fund the
13 cost of such compliance as provided in s. 175.162(2)(a). If ~~When~~



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14 a plan is in compliance with such minimum benefit provisions, as
15 subsequent additional premium tax revenues become available,
16 they must ~~shall~~ be used to provide extra benefits. Local law
17 plans created by special act before May 27, 1939, shall be
18 deemed to comply with this chapter. For the purpose of this
19 chapter, the term:

20 (a) "Additional premium tax revenues" means revenues
21 received by a municipality or special fire control district
22 pursuant to s. 175.121 which exceed that amount received for
23 calendar year 1997, ~~and the term~~

24 (b) "Extra benefits" means benefits in addition to or
25 greater than those provided to general employees of the
26 municipality and in addition to those in existence for
27 firefighters on March 12, 1999.

28 (c) "Adjusted base amount" means the amount received for
29 calendar year 1997, plus any amount attributable to the
30 enactment of minimum benefits and any amount attributable to
31 extra benefit improvements enacted since March 12, 1999. ~~Local~~
32 ~~law plans created by special act before May 23, 1939, shall be~~
33 ~~deemed to comply with this chapter.~~

34 (3) In addition to defined benefit plans, each plan sponsor
35 must have a defined contribution supplemental plan by October 1,
36 2011. However, the plan sponsor of any plan established by
37 special act of the Legislature has until July 1, 2012, to create
38 a defined contribution supplemental plan.

39 (a) Notwithstanding any other provisions of this section,
40 if, based on the most recent actuarial valuation, a defined
41 benefit plan's market value of assets, divided by present value
42 of accrued benefits:



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43 1. Is higher than 80 percent and:

44 a. The plan meets the minimum standards of this chapter,
45 then all additional premium tax revenues in excess of the
46 adjusted base amount and all accumulated additional premium tax
47 revenues held in reserve must be used to fund a defined
48 contribution supplemental plan; or

49 b. The plan does not meet the minimum standards of this
50 chapter, then all additional premium tax revenues in excess of
51 the adjusted base amount and all accumulated additional premium
52 tax revenues held in reserve must be used to meet the minimum
53 standards of this chapter.

54 2. Is 80 percent or less and:

55 a. The plan meets the minimum standards of this chapter,
56 then one-half of additional premium tax revenues in excess of
57 the adjusted base amount and one-half of accumulated additional
58 premium tax revenues held in reserve must be used to pay the
59 plan's actuarial accrued liability until the market value of
60 assets, divided by the present value of accrued benefits,
61 exceeds 80 percent. The other one-half of additional premium tax
62 revenues in excess of the adjusted base amount and one-half of
63 accumulated additional premium tax revenues held in reserve must
64 be used to fund a defined contribution supplemental plan; or

65 b. The plan does not meet the minimum standards of this
66 chapter, then one-half of additional premium tax revenues in
67 excess of the adjusted base amount and one-half of accumulated
68 additional premium tax revenues held in reserve must be used to
69 pay the plan's actuarial accrued liability until the market
70 value of assets, divided by the present value of accrued
71 benefits, exceeds 80 percent. The other one-half of additional



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72 premium tax revenues in excess of the adjusted base amount and
73 one-half of accumulated additional premium tax revenues held in
74 reserve must be used to meet the minimum standards of this
75 chapter.

76 (b) For a supplemental plan that exists in conjunction with
77 a defined benefit plan under this chapter, if the defined
78 benefit plan's market value of assets, divided by present value
79 of accrued benefits:

80 1. Is higher than 70 percent and:

81 a. The plan meets the minimum standards of this chapter,
82 then all additional premium tax revenues in excess of the
83 premium tax revenues received for calendar year 2009 and all
84 accumulated additional premium tax revenues held in reserve must
85 be used to fund a defined contribution supplemental plan; or

86 b. The plan does not meet the minimum standards of this
87 chapter, then all additional premium tax revenues in excess of
88 the premium tax revenues received for calendar year 2009 and all
89 accumulated additional premium tax revenues held in reserve must
90 be used to meet the minimum standards of this chapter.

91 2. Is 70 percent or less and:

92 a. The plan meets the minimum standards of this chapter,
93 then all additional premium tax revenues in excess of the
94 premium tax revenues received for calendar year 2009 and all
95 accumulated additional premium tax revenues held in reserve must
96 be used to pay the plan's actuarial accrued liability until the
97 market value of assets, divided by the present value of accrued
98 benefits, exceeds 80 percent; or

99 b. The plan does not meet the minimum standards of this
100 chapter, then one-half of additional premium tax revenues in



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101 excess of the premium tax revenues received for calendar year
102 2009 and one-half of accumulated additional premium tax revenues
103 held in reserve must be used to pay the plan's actuarial accrued
104 liability until the market value of assets, divided by the
105 present value of accrued benefits, exceeds 80 percent. The other
106 one-half of additional premium tax revenues in excess of the
107 premium tax revenues received for calendar year 2009 and one-
108 half of accumulated additional premium tax revenues held in
109 reserve must be used to meet the minimum standards of this
110 chapter.

111
112 This subsection is effective July 1, 2011, for plans that have
113 defined contribution supplemental plans as of July 1, 2011.
114 Plans without defined contribution supplemental plans as of July
115 1, 2011, have until July 1, 2012, to comply with this
116 subsection.

117 (4)(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No
118 retirement plan or amendment to a retirement plan ~~may not shall~~
119 be proposed for adoption unless the proposed plan or amendment
120 contains an actuarial estimate of the costs involved. No Such
121 proposed plan or proposed plan change ~~may not shall~~ be adopted
122 without the approval of the municipality, special fire control
123 district, or, where permitted, the Legislature. Copies of the
124 proposed plan or proposed plan change and the actuarial impact
125 statement of the proposed plan or proposed plan change shall be
126 furnished to the division ~~prior to~~ before the last public
127 hearing thereon. Such statement ~~shall~~ must also indicate whether
128 the proposed plan or proposed plan change is in compliance with
129 s. 14, Art. X of the State Constitution and those provisions of



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130 part VII of chapter 112 which are not expressly provided in this
131 chapter. Notwithstanding any other provision, only those local
132 law plans created by special act of legislation before ~~prior to~~
133 May 27 ~~23~~, 1939, are ~~shall be~~ deemed to meet the minimum
134 benefits and minimum standards only in this chapter.

135 (5) ~~(3)~~ Notwithstanding any other provision, with respect to
136 any supplemental plan municipality:

137 (a) ~~Section 175.032(3)(a) shall not apply, and~~ A local law
138 plan and a supplemental plan may continue to use their
139 definition of compensation or salary in existence on March 12,
140 1999 ~~the effective date of this act.~~

141 (b) Section 175.061(1)(b) does ~~shall~~ not apply, and a local
142 law plan and a supplemental plan shall continue to be
143 administered by a board or boards of trustees numbered,
144 constituted, and selected as the board or boards were numbered,
145 constituted, and selected on December 1, 2000.

146 (c) The election set forth in paragraph (1)(b) is ~~shall be~~
147 deemed to have been made.

148 (6) ~~(4)~~ The retirement plan setting forth the benefits and
149 Delete lines 430 - 504

150 and insert:

151 (2) The premium tax provided by this chapter shall in all
152 cases be used in its entirety to provide extra benefits to
153 police officers, or to police officers and firefighters if
154 ~~where~~ included. However, local law plans in effect on October 1,
155 1998, must ~~shall be required to~~ comply with the minimum benefit
156 provisions of this chapter only to the extent that additional
157 premium tax revenues become available to incrementally fund the
158 cost of such compliance as provided in s. 185.16(2). If ~~When~~ a



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159 plan is in compliance with such minimum benefit provisions, as
160 subsequent additional tax revenues become available, they shall
161 be used to provide extra benefits. Local law plans created by
162 special act before May 27, 1939, shall be deemed to comply with
163 this chapter. For the purpose of this chapter, the term:

164 (a) "Additional premium tax revenues" means revenues
165 received by a municipality pursuant to s. 185.10 which exceed
166 the amount received for calendar year 1997., ~~and the term~~

167 (b) "Extra benefits" means benefits in addition to or
168 greater than those provided to general employees of the
169 municipality and in addition to those in existence for police
170 officers on March 12, 1999.

171 (c) "Adjusted base amount" means the amount received for
172 calendar year 1997, plus any amount attributable to the
173 enactment of minimum benefits and any amount attributable to
174 extra benefit improvements enacted since March 12, 1999. ~~Local~~
175 ~~law plans created by special act before May 23, 1939, shall be~~
176 ~~deemed to comply with this chapter.~~

177 (3) In addition to defined benefit plans, each plan sponsor
178 must have a defined contribution supplemental plan by October 1,
179 2011. However, the plan sponsor of any plan established by
180 special act of the Legislature has until July 1, 2012, to create
181 a defined contribution supplemental plan.

182 (a) Notwithstanding any other provisions of this section,
183 if, based on the most recent actuarial valuation, a defined
184 benefit plan's market value of assets, divided by present value
185 of accrued benefits:

186 1. Is higher than 80 percent and:

187 a. The plan meets the minimum standards of this chapter,



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188 then all additional premium tax revenues in excess of the
189 adjusted base amount and all accumulated additional premium tax
190 revenues held in reserve must be used to fund a defined
191 contribution supplemental plan; or

192 b. The plan does not meet the minimum standards of this
193 chapter, then all additional premium tax revenues in excess of
194 the adjusted base amount and all accumulated additional premium
195 tax revenues held in reserve must be used to meet the minimum
196 standards of this chapter.

197 2. Is 80 percent or less and:

198 a. The plan meets the minimum standards of this chapter,
199 then one-half of additional premium tax revenues in excess of
200 the adjusted base amount and one-half of accumulated additional
201 premium tax revenues held in reserve must be used to pay the
202 plan's actuarial accrued liability until the market value of
203 assets, divided by the present value of accrued benefits,
204 exceeds 80 percent. The other one-half of additional premium tax
205 revenues in excess of the adjusted base amount and one-half of
206 accumulated additional premium tax revenues held in reserve must
207 be used to fund a defined contribution supplemental plan; or

208 b. The plan does not meet the minimum standards of this
209 chapter, then one-half of additional premium tax revenues in
210 excess of the adjusted base amount and one-half of accumulated
211 additional premium tax revenues held in reserve must be used to
212 pay the plan's actuarial accrued liability until the market
213 value of assets, divided by the present value of accrued
214 benefits, exceeds 80 percent. The other one-half of additional
215 premium tax revenues in excess of the adjusted base amount and
216 one-half of accumulated additional premium tax revenues held in



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217 reserve must be used to meet the minimum standards of this
218 chapter.

219 (b) For a supplemental plan that exists in conjunction with
220 a defined benefit plan under this chapter, if the defined
221 benefit plan's market value of assets, divided by present value
222 of accrued benefits:

223 1. Is higher than 70 percent and:

224 a. The plan meets the minimum standards of this chapter,
225 then all additional premium tax revenues in excess of the
226 premium tax revenues received for calendar year 2009 and all
227 accumulated additional premium tax revenues held in reserve must
228 be used to fund a defined contribution supplemental plan; or

229 b. The plan does not meet the minimum standards of this
230 chapter, then all additional premium tax revenues in excess of
231 the premium tax revenues received for calendar year 2009 and all
232 accumulated additional premium tax revenues held in reserve must
233 be used to meet the minimum standards of this chapter.

234 2. Is 70 percent or less and:

235 a. The plan meets the minimum standards of this chapter,
236 then all additional premium tax revenues in excess of the
237 premium tax revenues received for calendar year 2009 and all
238 accumulated additional premium tax revenues held in reserve must
239 be used to pay the plan's actuarial accrued liability until the
240 market value of assets, divided by the present value of accrued
241 benefits, exceeds 80 percent; or

242 b. The plan does not meet the minimum standards of this
243 chapter, then one-half of additional premium tax revenues in
244 excess of the premium tax revenues received for calendar year
245 2009 and one-half of accumulated additional premium tax revenues



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246 held in reserve must be used to pay the plan's actuarial accrued
247 liability until the market value of assets, divided by the
248 present value of accrued benefits, exceeds 80 percent. The other
249 one-half of additional premium tax revenues in excess of the
250 premium tax revenues received for calendar year 2009 and one-
251 half of accumulated additional premium tax revenues held in
252 reserve must be used to meet the minimum standards of this
253 chapter.

254
255 This subsection is effective July 1, 2011, for plans that have
256 defined contribution supplemental plans as of July 1, 2011.
257 Plans without defined contribution supplemental plans as of July
258 1, 2011, have until July 1, 2012, to comply with this
259 subsection.

260 (4)-(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No
261 retirement plan or amendment to a retirement plan ~~may not shall~~
262 be proposed for adoption unless the proposed plan or amendment
263 contains an actuarial estimate of the costs involved. No Such
264 proposed plan or proposed plan change ~~may not shall~~ be adopted
265 without the approval of the municipality or, where permitted,
266 the Legislature. Copies of the proposed plan or proposed plan
267 change and the actuarial impact statement of the proposed plan
268 or proposed plan change shall be furnished to the division
269 before ~~prior to~~ the last public hearing thereon. Such statement
270 must ~~shall~~ also indicate whether the proposed plan or proposed
271 plan change is in compliance with s. 14, Art. X of the State
272 Constitution and those provisions of part VII of chapter 112
273 which are not expressly provided in this chapter.
274 Notwithstanding any other provision, only those local law plans



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275 created by special act of legislation before ~~prior to~~ May 27 ~~23~~,
276 1939, are ~~shall be~~ deemed to meet the minimum benefits and
277 minimum standards only in this chapter.

278 ~~(5)(3)~~ Notwithstanding any other provision, with respect to
279 any supplemental plan municipality:

280 (a) Section 185.02(4)(a) does ~~shall~~ not apply, and a local
281 law plan and a supplemental plan may continue to use their
282 definition of compensation or salary in existence on March 12,
283 1999 ~~the effective date of this act.~~

284 (b) Section 185.05(1)(b) does ~~shall~~ not apply, and a local
285 law plan and a supplemental plan shall continue to be
286 administered by a board or boards of trustees numbered,
287 constituted, and selected as the board or boards were numbered,
288 constituted, and selected on December 1, 2000.

289 (c) The election set forth in paragraph (1)(b) is ~~shall be~~
290 deemed to have been made.

291 ~~(6)(4)~~ The retirement plan setting forth the benefits and
292

293 ===== T I T L E A M E N D M E N T =====

294 And the title is amended as follows:

295 Delete lines 660 - 671

296 and insert:

297 purposes of firefighters' pensions; amending s.
298 175.351, F.S.; revising provisions relating to
299 benefits paid from the premium tax by a municipality
300 or special fire control district that has its own
301 pension plan; providing for the use of accumulated
302 additional premium tax revenues; requiring such
303 revenues to be used to fund a defined contribution



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304 supplemental plan under certain circumstances;
305 conforming a cross-reference; amending s. 185.02,
306 F.S.; revising the definition of the terms
307 "compensation" and "salary" for purposes of police
308 officers' pensions; amending s. 185.35, F.S.; revising
309 provisions relating to benefits paid by a municipality
310 that has its own pension plan; providing for the use
311 of accumulated additional premium tax revenues;
312 requiring such revenues to be used to fund a defined
313 contribution supplemental plan under certain
314 circumstances;