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LEGISLATIVE ACTION

Senate

House

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05/02/2011 11:49 AM

Senator Ring moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Present paragraph (f) of subsection (1) of
section 112.63, Florida Statutes, is redesignated as paragraph
(g), and a new paragraph (f) is added to that subsection, to
read:

112.63 Actuarial reports and statements of actuarial
impact; review.—

(1) Each retirement system or plan subject to the
provisions of this act shall have regularly scheduled actuarial
reports prepared and certified by an enrolled actuary. The



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14 actuarial report shall consist of, but shall not be limited to,
15 the following:

16 (f) A disclosure of the present value of the plan's accrued
17 vested, nonvested, and total benefits, as adopted by the
18 Financial Accounting Standards Board, using the Florida
19 Retirement System's assumed rate of return, in order to promote
20 the comparability of actuarial data between local plans.

21
22 The actuarial cost methods utilized for establishing the amount
23 of the annual actuarial normal cost to support the promised
24 benefits shall only be those methods approved in the Employee
25 Retirement Income Security Act of 1974 and as permitted under
26 regulations prescribed by the Secretary of the Treasury.

27 Section 2. Subsections (11) through (13) are added to
28 section 112.66, Florida Statutes, to read:

29 112.66 General provisions.—The following general provisions
30 relating to the operation and administration of any retirement
31 system or plan covered by this part shall be applicable:

32 (11) For noncollectively bargained service earned on or
33 after July 1, 2011, or for service earned under collective
34 bargaining agreements entered into on or after July 1, 2011,
35 when calculating retirement benefits, a defined benefit pension
36 system or plan sponsored by a local government may include up to
37 300 hours per year of overtime compensation as specified in the
38 plan or collective bargaining agreement, but may not include any
39 payments for accrued unused sick leave or annual leave. For
40 those members whose terms and conditions of employment are
41 collectively bargained, this subsection is effective for the
42 first agreement entered into on or after July 1, 2011. This



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43 subsection does not apply to state-administered retirement
44 systems or plans.

45 (12) An actuarial or cash surplus in any system or plan may
46 not be used for any expenses outside the plan.

47 (13) A local government sponsor of a retirement system or
48 plan may not reduce contributions required to fund the normal
49 cost. This subsection does not apply to state-administered
50 retirement systems or plans.

51 Section 3. Present paragraphs (e) and (f) of subsection (1)
52 of section 112.665, Florida Statutes, are redesignated as
53 paragraphs (f) and (g), respectively, and a new paragraph (e) is
54 added to that subsection, to read:

55 112.665 Duties of Department of Management Services.—

56 (1) The Department of Management Services shall:

57 (e) Provide a fact sheet for each participating local
58 government defined benefit pension plan summarizing the plan's
59 actuarial status. The fact sheet should provide a summary of the
60 plan's most current actuarial data, minimum funding requirements
61 as a percentage of pay, and a 5-year history of funded ratios.
62 The fact sheet must include a brief explanation of each element
63 in order to maximize the transparency of the local government
64 plans. These documents shall be posted on the department's
65 website. Plan sponsors that have websites must provide a link to
66 the department's website.

67 Section 4. Subsection (3) of section 175.032, Florida
68 Statutes, is amended to read:

69 175.032 Definitions.—For any municipality, special fire
70 control district, chapter plan, local law municipality, local
71 law special fire control district, or local law plan under this



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72 chapter, the following words and phrases have the following
73 meanings:

74 (3) "Compensation" or "salary" means, for noncollectively
75 bargained service earned before July 1, 2011, or for service
76 earned under collective bargaining agreements in place before
77 July 1, 2011, the fixed monthly remuneration paid a firefighter.
78 ~~If, where, as in the case of a volunteer firefighter,~~
79 remuneration is based on actual services rendered, as in the
80 case of a volunteer firefighter, the term means the total cash
81 remuneration received yearly for such services, prorated on a
82 monthly basis. For noncollectively bargained service earned on
83 or after July 1, 2011, or for service earned under collective
84 bargaining agreements entered into on or after July 1, 2011, the
85 term has the same meaning except that when calculating
86 retirement benefits, up to 300 hours per year in overtime
87 compensation may be included as specified in the plan or
88 collective bargaining agreement, but payments for accrued unused
89 sick or annual leave may not be included.

90 ~~(a) A retirement trust fund or plan may use a definition of~~
91 ~~salary other than the definition in this subsection but only if~~
92 ~~the monthly retirement income payable to each firefighter~~
93 ~~covered by the retirement trust fund or plan, as determined~~
94 ~~under s. 175.162(2)(a) and using such other definition, equals~~
95 ~~or exceeds the monthly retirement income that would be payable~~
96 ~~to each firefighter if his or her monthly retirement income were~~
97 ~~determined under s. 175.162(2)(a) and using the definition in~~
98 ~~this subsection.~~

99 (a) ~~(b)~~ Any retirement trust fund or plan that ~~which now or~~
100 ~~hereafter~~ meets the requirements of this chapter does ~~shall~~ not,



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101 solely by virtue of this subsection, reduce or diminish the
102 monthly retirement income otherwise payable to each firefighter
103 covered by the retirement trust fund or plan.

104 (b)~~(e)~~ The member's compensation or salary contributed as
105 employee-elective salary reductions or deferrals to any salary
106 reduction, deferred compensation, or tax-sheltered annuity
107 program authorized under the Internal Revenue Code shall be
108 deemed to be the compensation or salary the member would receive
109 if he or she were not participating in such program and shall be
110 treated as compensation for retirement purposes under this
111 chapter.

112 (c)~~(d)~~ For any person who first becomes a member in any
113 plan year beginning on or after January 1, 1996, compensation
114 for that ~~any~~ plan year may ~~shall~~ not include any amounts in
115 excess of the Internal Revenue Code s. 401(a)(17) limitation,
116 ~~(as amended by the Omnibus Budget Reconciliation Act of 1993)~~,
117 which limitation of \$150,000 shall be adjusted as required by
118 federal law for qualified government plans and shall be further
119 adjusted for changes in the cost of living in the manner
120 provided by Internal Revenue Code s. 401(a)(17)(B). For any
121 person who first became a member before ~~prior to~~ the first plan
122 year beginning on or after January 1, 1996, the limitation on
123 compensation may ~~shall be~~ not be less than the maximum
124 compensation amount that was allowed to be taken into account
125 under the plan ~~as~~ in effect on July 1, 1993, which limitation
126 shall be adjusted for changes in the cost of living since 1989
127 in the manner provided by Internal Revenue Code s.
128 401(a)(17)(1991).

129 Section 5. Paragraph (b) of subsection (1) of section



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130 175.061, Florida Statutes, is amended to read:

131 175.061 Board of trustees; members; terms of office;
132 meetings; legal entity; costs; attorney's fees.—For any
133 municipality, special fire control district, chapter plan, local
134 law municipality, local law special fire control district, or
135 local law plan under this chapter:

136 (1) In each municipality and in each special fire control
137 district there is hereby created a board of trustees of the
138 firefighters' pension trust fund, which shall be solely
139 responsible for administering the trust fund. Effective October
140 1, 1986, and thereafter:

141 (b) The membership of boards of trustees for local law
142 plans shall be as follows:

143 1. If a municipality or special fire control district has a
144 pension plan for firefighters only, the provisions of paragraph
145 (a) ~~shall~~ apply.

146 2. If a municipality has a pension plan for firefighters
147 and police officers, the provisions of paragraph (a) ~~shall~~
148 apply, except that one member of the board must ~~shall~~ be a
149 firefighter ~~as defined in s. 175.032~~ and one member of the board
150 must ~~shall~~ be a police officer as defined in s. 185.02,
151 respectively elected by a majority of the active firefighters or
152 police officers who are members of the plan.

153 3. A ~~Any~~ board of trustees operating a local law plan on
154 July 1, 1999, which is combined with a plan for general
155 employees shall hold an election of the firefighters, or
156 firefighters and police officers, if included, to determine
157 whether a plan is to be established for firefighters only, or
158 for firefighters and police officers where included. Based on



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159 the election results, a new board shall be established as
160 provided in subparagraph 1. or subparagraph 2., as appropriate.
161 The municipality or fire control district shall enact an
162 ordinance or resolution to implement the new board by October 1,
163 1999. The newly established board shall take whatever action is
164 necessary to determine the amount of assets ~~which is~~
165 attributable to firefighters, or firefighters and police
166 officers where included. Such assets ~~shall~~ include all employer,
167 employee, and state contributions made by or on behalf of
168 firefighters, or firefighters and police officers where
169 included, and any investment income derived from such
170 contributions. All such moneys shall be transferred into the
171 newly established retirement plan, as directed by the board.
172

173 With respect to a any board of trustees operating a local law
174 plan on June 30, 1986, ~~nothing in this paragraph~~ does not shall
175 permit the reduction of the membership percentage of
176 firefighters, or of firefighters and police officers where a
177 joint or mixed fund exists. However, for the sole purpose of
178 changing municipal representation, a municipality may by
179 ordinance change the municipal representation on the board of
180 trustees operating a local law plan by ordinance, only if such
181 change does not reduce the membership percentage of
182 firefighters, or firefighters and police officers, or the
183 membership percentage of the municipal representation.

184 Section 6. Paragraph (b) of subsection (2) of section
185 175.091, Florida Statutes, is amended to read:

186 175.091 Creation and maintenance of fund.—For any
187 municipality, special fire control district, chapter plan, local



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188 law municipality, local law special fire control district, or
189 local law plan under this chapter:

190 (2) Member contribution rates may be adjusted as follows:

191 (b) Firefighter member contributions may be increased by
192 consent of the members' collective bargaining representative or,
193 if none, by majority consent of firefighter members of the fund
194 ~~to provide greater benefits.~~

195

196 Nothing in this section shall be construed to require adjustment
197 of member contribution rates in effect on the date this act
198 becomes a law, including rates that exceed 5 percent of salary,
199 provided that such rates are at least one-half of 1 percent of
200 salary.

201 Section 7. Section 175.351, Florida Statutes, is amended to
202 read:

203 175.351 Municipalities and special fire control districts
204 having their own pension plans for firefighters.—For any
205 municipality, special fire control district, local law
206 municipality, local law special fire control district, or local
207 law plan under this chapter, in order for municipalities and
208 special fire control districts with their own pension plans for
209 firefighters, or for firefighters and police officers if, ~~where~~
210 included, to participate in the distribution of the tax fund
211 established pursuant to s. 175.101, local law plans must meet
212 the minimum benefits and minimum standards set forth in this
213 chapter.

214 (1) ~~PREMIUM TAX INCOME.~~—If a municipality has a pension
215 plan for firefighters, or a pension plan for firefighters and
216 police officers if, ~~where~~ included, which in the opinion of the



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217 division meets the minimum benefits and minimum standards set
218 forth in this chapter, the board of trustees of the pension
219 plan, as approved by a majority of firefighters of the
220 municipality, may:

221 (a) Place the income from the premium tax in s. 175.101 in
222 such pension plan for the sole and exclusive use of its
223 firefighters, or for firefighters and police officers if, ~~where~~
224 included, where it shall become an integral part of that pension
225 plan and shall be used to pay extra benefits to the firefighters
226 included in that pension plan; or

227 (b) Place the income from the premium tax in s. 175.101 in
228 a separate supplemental plan to pay extra benefits to
229 firefighters, or to firefighters and police officers if ~~where~~
230 included, participating in such separate supplemental plan.

231 (2) The premium tax provided by this chapter shall in all
232 cases be used in its entirety to provide extra benefits to
233 firefighters, or to firefighters and police officers if, ~~where~~
234 included. However, local law plans in effect on October 1, 1998,
235 must ~~shall be required to~~ comply with the minimum benefit
236 provisions of this chapter only to the extent that additional
237 premium tax revenues become available to incrementally fund the
238 cost of such compliance as provided in s. 175.162(2)(a). If ~~When~~
239 a plan is in compliance with such minimum benefit provisions, as
240 subsequent additional premium tax revenues become available,
241 they must ~~shall~~ be used to provide extra benefits. Local law
242 plans created by special act before May 27, 1939, are deemed to
243 comply with this chapter. For the purpose of this chapter, the
244 term:

245 (a) "Additional premium tax revenues" means revenues



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246 received by a municipality or special fire control district
247 pursuant to s. 175.121 which exceed that amount received for
248 calendar year 1997., ~~and the term~~

249 (b) "Extra benefits" means benefits in addition to or
250 greater than those provided to general employees of the
251 municipality and in addition to those in existence for
252 firefighters on March 12, 1999. ~~Local law plans created by~~
253 ~~special act before May 23, 1939, shall be deemed to comply with~~
254 ~~this chapter.~~

255 (3) ~~(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No~~
256 retirement plan or amendment to a retirement plan may not ~~shall~~
257 be proposed for adoption unless the proposed plan or amendment
258 contains an actuarial estimate of the costs involved. ~~No~~ Such
259 proposed plan or proposed plan change may not ~~shall~~ be adopted
260 without the approval of the municipality, special fire control
261 district, or, where permitted, the Legislature. Copies of the
262 proposed plan or proposed plan change and the actuarial impact
263 statement of the proposed plan or proposed plan change shall be
264 furnished to the division before ~~prior to~~ the last public
265 hearing thereon. Such statement must ~~shall~~ also indicate whether
266 the proposed plan or proposed plan change is in compliance with
267 s. 14, Art. X of the State Constitution and those provisions of
268 part VII of chapter 112 which are not expressly provided in this
269 chapter. Notwithstanding any other provision, only those local
270 law plans created by special act of legislation before ~~prior to~~
271 May 27 ~~23~~, 1939, are ~~shall be~~ deemed to meet the minimum
272 benefits and minimum standards only in this chapter.

273 (4) ~~(3)~~ Notwithstanding any other provision, with respect to
274 any supplemental plan municipality:



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275 (a) ~~Section 175.032(3)(a) shall not apply,~~ and A local law
276 plan and a supplemental plan may continue to use their
277 definition of compensation or salary in existence on March 12,
278 1999 ~~the effective date of this act.~~

279 (b) Section 175.061(1)(b) does shall not apply, and a local
280 law plan and a supplemental plan shall continue to be
281 administered by a board or boards of trustees numbered,
282 constituted, and selected as the board or boards were numbered,
283 constituted, and selected on December 1, 2000.

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

286 (5)(4) The retirement plan setting forth the benefits and
287 the trust agreement, if any, covering the duties and
288 responsibilities of the trustees and the regulations of the
289 investment of funds must be in writing, and copies ~~thereof must~~
290 ~~be~~ made available to the participants and to the general public.

291 Section 8. Subsection (4) of section 185.02, Florida
292 Statutes, is amended to read:

293 185.02 Definitions.—For any municipality, chapter plan,
294 local law municipality, or local law plan under this chapter,
295 the following words and phrases as used in this chapter shall
296 have the following meanings, unless a different meaning is
297 plainly required by the context:

298 (4) "Compensation" or "salary" means, for noncollectively
299 bargained service earned before July 1, 2011, or for service
300 earned under collective bargaining agreements in place before
301 July 1, 2011, the total cash remuneration including "overtime"
302 paid by the primary employer to a police officer for services
303 rendered, but not including any payments for extra duty or a



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304 special detail work performed on behalf of a second party
305 employer. ~~However,~~ A local law plan may limit the amount of
306 overtime payments which can be used for retirement benefit
307 calculation purposes; however, but in no event shall such
308 overtime limit may not be less than 300 hours per officer per
309 calendar year. For noncollectively bargained service earned on
310 or after July 1, 2011, or for service earned under collective
311 bargaining agreements entered into on or after July 1, 2011, the
312 term has the same meaning except that when calculating
313 retirement benefits, up to 300 hours per year in overtime
314 compensation may be included as specified in the plan or
315 collective bargaining agreement, but payments for accrued unused
316 sick or annual leave may not be included.

317 (a) Any retirement trust fund or plan that ~~which now or~~
318 ~~hereafter~~ meets the requirements of this chapter does ~~shall~~ not,
319 solely by virtue of this subsection, reduce or diminish the
320 monthly retirement income otherwise payable to each police
321 officer covered by the retirement trust fund or plan.

322 (b) The member's compensation or salary contributed as
323 employee-elective salary reductions or deferrals to any salary
324 reduction, deferred compensation, or tax-sheltered annuity
325 program authorized under the Internal Revenue Code shall be
326 deemed to be the compensation or salary the member would receive
327 if he or she were not participating in such program and shall be
328 treated as compensation for retirement purposes under this
329 chapter.

330 (c) For any person who first becomes a member in any plan
331 year beginning on or after January 1, 1996, compensation for
332 that ~~any~~ plan year may ~~shall~~ not include any amounts in excess



333 of the Internal Revenue Code s. 401(a)(17) limitation, ~~as~~
334 amended by the Omnibus Budget Reconciliation Act of 1993), which
335 limitation of \$150,000 shall be adjusted as required by federal
336 law for qualified government plans and shall be further adjusted
337 for changes in the cost of living in the manner provided by
338 Internal Revenue Code s. 401(a)(17)(B). For any person who first
339 became a member before ~~prior to~~ the first plan year beginning on
340 or after January 1, 1996, the limitation on compensation may
341 ~~shall be~~ not be less than the maximum compensation amount that
342 was allowed to be taken into account under the plan as in effect
343 on July 1, 1993, which limitation shall be adjusted for changes
344 in the cost of living since 1989 in the manner provided by
345 Internal Revenue Code s. 401(a)(17)(1991).

346 Section 9. Paragraph (b) of subsection (1) of section
347 185.05, Florida Statutes, is amended to read:

348 185.05 Board of trustees; members; terms of office;
349 meetings; legal entity; costs; attorney's fees.—For any
350 municipality, chapter plan, local law municipality, or local law
351 plan under this chapter:

352 (1) In each municipality described in s. 185.03 there is
353 hereby created a board of trustees of the municipal police
354 officers' retirement trust fund, which shall be solely
355 responsible for administering the trust fund. Effective October
356 1, 1986, and thereafter:

357 (b) The membership of boards of trustees for local law
358 plans is ~~shall be~~ as follows:

359 1. If a municipality has a pension plan for police officers
360 only, the provisions of paragraph (a) shall apply.

361 2. If a municipality has a pension plan for police officers



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362 and firefighters, the provisions of paragraph (a) ~~shall~~ apply,
363 except that one member of the board shall be a police officer ~~as~~
364 ~~defined in s. 185.02~~ and one member shall be a firefighter as
365 defined in s. 175.032, respectively, elected by a majority of
366 the active firefighters and police officers who are members of
367 the plan.

368 3. Any board of trustees operating a local law plan on July
369 1, 1999, which is combined with a plan for general employees
370 shall hold an election of the police officers, or police
371 officers and firefighters if included, to determine whether a
372 plan is to be established for police officers only, or for
373 police officers and firefighters where included. Based on the
374 election results, a new board shall be established as provided
375 in subparagraph 1. or subparagraph 2., as appropriate. The
376 municipality shall enact an ordinance to implement the new board
377 by October 1, 1999. The newly established board shall take
378 whatever action is necessary to determine the amount of assets
379 which is attributable to police officers, or police officers and
380 firefighters where included. Such assets shall include all
381 employer, employee, and state contributions made by or on behalf
382 of police officers, or police officers and firefighters where
383 included, and any investment income derived from such
384 contributions. All such moneys shall be transferred into the
385 newly established retirement plan, as directed by the board.

386
387 With respect to any board of trustees operating a local law plan
388 on June 30, 1986, ~~nothing in~~ this paragraph does not shall
389 permit the reduction of the membership percentage of police
390 officers or police officers and firefighters. However, for the



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391 sole purpose of changing municipal representation, a
392 municipality may by ordinance change the municipal
393 representation on the board of trustees operating a local law
394 plan by ordinance, only if such change does not reduce the
395 membership percentage of police officers, or police officers and
396 firefighters, or the membership percentage of the municipal
397 representation.

398 Section 10. Paragraph (b) of subsection (2) of section
399 185.07, Florida Statutes, is amended to read:

400 185.07 Creation and maintenance of fund.—For any
401 municipality, chapter plan, local law municipality, or local law
402 plan under this chapter:

403 (2) Member contribution rates may be adjusted as follows:

404 (b) Police officer member contributions may be increased by
405 consent of the members' collective bargaining representative or,
406 if none, by majority consent of police officer members of the
407 fund ~~to provide greater benefits.~~

408
409 Nothing in this section shall be construed to require adjustment
410 of member contribution rates in effect on the date this act
411 becomes a law, including rates that exceed 5 percent of salary,
412 provided that such rates are at least one-half of 1 percent of
413 salary.

414 Section 11. Section 185.35, Florida Statutes, is amended to
415 read:

416 185.35 Municipalities having their own pension plans for
417 police officers.—For any municipality, chapter plan, local law
418 municipality, or local law plan under this chapter, in order for
419 municipalities with their own pension plans for police officers,



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420 or for police officers and firefighters if ~~where~~ included, to
421 participate in the distribution of the tax fund established
422 pursuant to s. 185.08, local law plans must meet the minimum
423 benefits and minimum standards set forth in this chapter:

424 (1) ~~PREMIUM TAX INCOME.~~—If a municipality has a pension
425 plan for police officers, or for police officers and
426 firefighters if ~~where~~ included, which, in the opinion of the
427 division, meets the minimum benefits and minimum standards set
428 forth in this chapter, the board of trustees of the pension
429 plan, as approved by a majority of police officers of the
430 municipality, may:

431 (a) Place the income from the premium tax in s. 185.08 in
432 such pension plan for the sole and exclusive use of its police
433 officers, or its police officers and firefighters if ~~where~~
434 included, where it shall become an integral part of that pension
435 plan and shall be used to pay extra benefits to the police
436 officers included in that pension plan; or

437 (b) May place the income from the premium tax in s. 185.08
438 in a separate supplemental plan to pay extra benefits to the
439 police officers, or police officers and firefighters if ~~where~~
440 included, participating in such separate supplemental plan.

441 (2) The premium tax provided by this chapter shall in all
442 cases be used in its entirety to provide extra benefits to
443 police officers, or to police officers and firefighters if,
444 ~~where~~ included. However, local law plans in effect on October 1,
445 1998, must ~~shall be required to~~ comply with the minimum benefit
446 provisions of this chapter only to the extent that additional
447 premium tax revenues become available to incrementally fund the
448 cost of such compliance as provided in s. 185.16(2). If ~~When~~ a



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

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

457 (b) "Extra benefits" means benefits in addition to or
458 greater than those provided to general employees of the
459 municipality and in addition to those in existence for police
460 officers on March 12, 1999. ~~Local law plans created by special~~
461 ~~act before May 23, 1939, shall be deemed to comply with this~~
462 ~~chapter.~~

463 ~~(3)-(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No~~
464 retirement plan or amendment to a retirement plan may not shall
465 be proposed for adoption unless the proposed plan or amendment
466 contains an actuarial estimate of the costs involved. ~~No~~ Such
467 proposed plan or proposed plan change may not shall be adopted
468 without the approval of the municipality or, where permitted,
469 the Legislature. Copies of the proposed plan or proposed plan
470 change and the actuarial impact statement of the proposed plan
471 or proposed plan change shall be furnished to the division
472 before prior to the last public hearing thereon. Such statement
473 must shall also indicate whether the proposed plan or proposed
474 plan change is in compliance with s. 14, Art. X of the State
475 Constitution and those provisions of part VII of chapter 112
476 which are not expressly provided in this chapter.
477 Notwithstanding any other provision, only those local law plans



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478 created by special act of legislation before ~~prior to~~ May 27 ~~23~~,
479 1939, are ~~shall be~~ deemed to meet the minimum benefits and
480 minimum standards only in this chapter.

481 (4) ~~(3)~~ Notwithstanding any other provision, with respect to
482 any supplemental plan municipality:

483 (a) Section 185.02(4)(a) does ~~shall~~ not apply, and a local
484 law plan and a supplemental plan may continue to use their
485 definition of compensation or salary in existence on March 12,
486 1999 ~~the effective date of this act.~~

487 (b) ~~Section 185.05(1)(b) shall not apply,~~ and A local law
488 plan and a supplemental plan must ~~shall~~ continue to be
489 administered by a board or boards of trustees numbered,
490 constituted, and selected as the board or boards were numbered,
491 constituted, and selected on December 1, 2000.

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

494 (5) ~~(4)~~ The retirement plan setting forth the benefits and
495 the trust agreement, if any, covering the duties and
496 responsibilities of the trustees and the regulations of the
497 investment of funds must be in writing and copies made available
498 to the participants and to the general public.

499 Section 12. Financial rating of local pension plans.—The
500 Department of Management Services shall develop a plan for
501 creating standardized ratings for classifying the financial
502 strength of all local government defined benefit pension plans.

503 (1) In developing the plan, the department shall consider,
504 without limitation:

505 (a) The plan's current and future unfunded liabilities.

506 (b) The plan's net asset value, managed returns, and funded



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507 ratio.

508 (c) Metrics related to the sustainability of the plan,
509 including, but not limited to, the percentage that the annual
510 contribution is of the participating employee payroll.

511 (d) Municipal bond ratings for the local government, if
512 applicable.

513 (e) Whether the local government has reduced contribution
514 rates to the plan when the plan has an actuarial surplus.

515 (f) Whether the local government uses any actuarial surplus
516 in the plan for obligations outside the plan.

517 (2) The department may obtain data, information, and
518 assistance from state agencies, local governments, or political
519 subdivisions thereof, which shall provide the department with
520 all relevant information and assistance on any matter within
521 their knowledge or control.

522 (3) The department shall submit the plan, plus any related
523 findings and recommendations, to the Governor, the Chief
524 Financial Officer, the President of the Senate, and the Speaker
525 of the House of Representatives by January 1, 2012. The report
526 must also include specific recommendations for legislative
527 action during the 2012 Regular Session of the Legislature.

528 Section 13. Task Force on Public Employee Disability
529 Presumptions.-

530 (1) The Task Force on Public Employee Disability
531 Presumptions is created for the purpose of developing findings
532 and issuing recommendations on the disability presumptions in
533 ss. 112.18, 175.231, and 185.34, Florida Statutes.

534 (2) All members of the task force shall be appointed on or
535 before July 15, 2011, and the task force shall hold its first



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536 meeting on or before August 15, 2011. The task force shall be
537 composed of eight members as follows:

538 (a) Three members appointed by the President of the Senate,
539 one of whom must be an attorney who primarily represents
540 plaintiffs and has experience in the relevant laws, one of whom
541 must be a representative of organized labor and a member of a
542 pension plan under chapter 175, Florida Statutes, and one of
543 whom must be from the Florida Association of Counties.

544 (b) Three members appointed by the Speaker of the House of
545 Representatives, one of whom must be an attorney who primarily
546 represents defendants and has experience in the relevant laws,
547 one of whom must be a representative of organized labor and a
548 member of a pension plan under chapter 185, Florida Statutes,
549 and one of whom must be from the Florida League of Cities.

550 (c) A member employed by the Division of Retirement of the
551 Department of Management Services who has experience in local
552 government pension plans, appointed by the Governor.

553 (d) A member employed by the Department of Financial
554 Services who has relevant expertise in state risk management,
555 appointed by the Chief Financial Officer.

556 (3) The task force shall address issues, including, but not
557 limited to:

558 (a) Data related to the operation of the statutory
559 disability presumptions, and the fiscal impact on public
560 employers in the areas of pensions and workers' compensation.

561 (b) The manner in which other states handle disability
562 presumptions, and the fiscal impact on public employers.

563 (c) Proposals for changes to the existing disability
564 presumptions.



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565 (d) Evidentiary standards and burdens of proof for
566 overcoming statutory disability presumptions, and whether
567 consideration of risk factors and epidemiological data relating
568 to nonwork-related conditions unique to an individual employee,
569 such as blood cholesterol, body mass index, history of tobacco
570 and alcohol use, and other medical conditions or behaviors that
571 are associated with the diseases or conditions listed in
572 disability presumptions, are appropriate for consideration.

573 (4) The Department of Financial Services shall provide
574 administrative support to the task force.

575 (5) Members of the task force shall serve without
576 compensation while in the performance of their duties, but are
577 entitled to reimbursement for per diem and travel expenses in
578 accordance with s. 112.061, Florida Statutes.

579 (6) The task force may obtain data, information, and
580 assistance from any state agency, local government, or any
581 political subdivision thereof, which shall provide the task
582 force with all relevant information and assistance on any matter
583 within their knowledge or control.

584 (7) The task force shall submit a report, including
585 findings and recommendations, to the Governor, the Chief
586 Financial Officer, the President of the Senate, and the Speaker
587 of the House of Representatives by January 1, 2012. The report
588 must include specific recommendations for legislative action
589 during the 2012 Regular Session of the Legislature.

590 (8) The task force is dissolved upon submission of its
591 report.

592 Section 14. The Legislature finds that a proper and
593 legitimate state purpose is served when employees and retirees



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594 of the state and of its political subdivisions, and the
595 dependents, survivors, and beneficiaries of those employees and
596 retirees, are extended the basic protections afforded by
597 governmental retirement systems that provide fair and adequate
598 benefits and that are managed, administered, and funded in an
599 actuarially sound manner as required by s. 14, Article X of the
600 State Constitution and part VII of chapter 112, Florida
601 Statutes. Therefore, the Legislature determines and declares
602 that this act fulfills an important state interest.

603 Section 15. This act shall take effect July 1, 2011.

604
605 ===== T I T L E A M E N D M E N T =====

606 And the title is amended as follows:

607 Delete everything before the enacting clause
608 and insert:

609 A bill to be entitled

610 An act relating to public retirement plans; amending
611 s. 112.63, F.S.; requiring plans to regularly disclose
612 the plan's accrued benefits; amending s. 112.66, F.S.;
613 providing for the calculation of local government
614 retirement benefits after a certain date; providing a
615 prohibition on the use of certain compensation for
616 calculating retirement benefits; prohibiting the use
617 of surpluses for expenses outside the plan;
618 prohibiting a reduction in certain contributions to a
619 plan; amending s. 112.665, F.S.; requiring the
620 Department of Management Services to provide a fact
621 sheet on each local plan; amending s. 175.032, F.S.;
622 revising the definition of the term "compensation" or



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623 "salary" for purposes of firefighters' pensions;
624 providing a prohibition on the use of certain
625 compensation; amending s. 175.061, F.S.; authorizing a
626 municipality to change the municipality's membership
627 on the board of trustees operating its firefighters'
628 pension plan under certain circumstances; amending s.
629 175.091, F.S.; deleting a limitation on the
630 justification for approving an increase in member
631 contributions; amending s. 175.351, F.S.; revising a
632 date relating to local law plans; conforming a cross-
633 reference; amending s. 185.02, F.S.; revising the
634 definition of the terms "compensation" and "salary"
635 for purposes of police officers' pensions; providing a
636 prohibition on the use of certain compensation for
637 calculating retirement benefits; amending s. 185.05,
638 F.S.; authorizing a municipality to change the
639 municipality's membership on the board of trustees
640 operating its police officers' pension plan under
641 certain circumstances; amending s. 185.07, F.S.;
642 deleting a limitation on the justification for
643 approving an increase in member contributions;
644 amending s. 185.35, F.S.; revising a date relating to
645 local law plans; directing the Department of Financial
646 Services to develop a plan for rating the financial
647 strength of local government defined benefit plans;
648 specifying factors for consideration; requiring
649 certain entities to cooperate in providing data for
650 the plan; requiring the department to submit the plan
651 to the Governor, Chief Financial Officer, and



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652 Legislature by a certain date; creating the Task Force
653 on Public Employee Disability Presumptions; providing
654 for appointment and membership; specifying the issues
655 for the task force to address; providing for a report
656 to be submitted to the Governor, Chief Financial
657 Officer, and Legislature by a certain date; providing
658 for future dissolution; providing a declaration of
659 important state interest; providing an effective date.