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1
2 An act relating to public retirement plans; amending
3 s. 112.63, F.S.; requiring plans to regularly disclose
4 the plan's accrued benefits; amending s. 112.66, F.S.;
5 providing for the calculation of local government
6 retirement benefits after a certain date; providing a
7 prohibition on the use of certain compensation for
8 calculating retirement benefits; prohibiting the use
9 of surpluses for expenses outside the plan;
10 prohibiting a reduction in certain contributions to a
11 plan; amending s. 112.665, F.S.; requiring the
12 Department of Management Services to provide a fact
13 sheet on each local plan; amending s. 175.032, F.S.;
14 revising the definition of the term "compensation" or
15 "salary" for purposes of firefighters' pensions;
16 providing a prohibition on the use of certain
17 compensation; amending s. 175.061, F.S.; authorizing a
18 municipality to change the municipality's membership
19 on the board of trustees operating its firefighters'
20 pension plan under certain circumstances; amending s.
21 175.091, F.S.; deleting a limitation on the
22 justification for approving an increase in member
23 contributions; amending s. 175.351, F.S.; revising a
24 date relating to local law plans; conforming a cross-
25 reference; amending s. 185.02, F.S.; revising the
26 definition of the terms "compensation" and "salary"
27 for purposes of police officers' pensions; providing a
28 prohibition on the use of certain compensation for
29 calculating retirement benefits; amending s. 185.05,

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30 F.S.; authorizing a municipality to change the
31 municipality's membership on the board of trustees
32 operating its police officers' pension plan under
33 certain circumstances; amending s. 185.07, F.S.;
34 deleting a limitation on the justification for
35 approving an increase in member contributions;
36 amending s. 185.35, F.S.; revising a date relating to
37 local law plans; directing the Department of Financial
38 Services to develop a plan for rating the financial
39 strength of local government defined benefit plans;
40 specifying factors for consideration; requiring
41 certain entities to cooperate in providing data for
42 the plan; requiring the department to submit the plan
43 to the Governor, Chief Financial Officer, and
44 Legislature by a certain date; creating the Task Force
45 on Public Employee Disability Presumptions; providing
46 for appointment and membership; specifying the issues
47 for the task force to address; providing for a report
48 to be submitted to the Governor, Chief Financial
49 Officer, and Legislature by a certain date; providing
50 for future dissolution; providing a declaration of
51 important state interest; providing an effective date.

52
53 Be It Enacted by the Legislature of the State of Florida:

54
55 Section 1. Present paragraph (f) of subsection (1) of
56 section 112.63, Florida Statutes, is redesignated as paragraph
57 (g), and a new paragraph (f) is added to that subsection, to
58 read:

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59 112.63 Actuarial reports and statements of actuarial
60 impact; review.—

61 (1) Each retirement system or plan subject to the
62 provisions of this act shall have regularly scheduled actuarial
63 reports prepared and certified by an enrolled actuary. The
64 actuarial report shall consist of, but shall not be limited to,
65 the following:

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

71
72 The actuarial cost methods utilized for establishing the amount
73 of the annual actuarial normal cost to support the promised
74 benefits shall only be those methods approved in the Employee
75 Retirement Income Security Act of 1974 and as permitted under
76 regulations prescribed by the Secretary of the Treasury.

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

79 112.66 General provisions.—The following general provisions
80 relating to the operation and administration of any retirement
81 system or plan covered by this part shall be applicable:

82 (11) For noncollectively bargained service earned on or
83 after July 1, 2011, or for service earned under collective
84 bargaining agreements entered into on or after July 1, 2011,
85 when calculating retirement benefits, a defined benefit pension
86 system or plan sponsored by a local government may include up to
87 300 hours per year of overtime compensation as specified in the

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88 plan or collective bargaining agreement, but may not include any
89 payments for accrued unused sick leave or annual leave. For
90 those members whose terms and conditions of employment are
91 collectively bargained, this subsection is effective for the
92 first agreement entered into on or after July 1, 2011. This
93 subsection does not apply to state-administered retirement
94 systems or plans.

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

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

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

105 112.665 Duties of Department of Management Services.-

106 (1) The Department of Management Services shall:

107 (e) Provide a fact sheet for each participating local
108 government defined benefit pension plan summarizing the plan's
109 actuarial status. The fact sheet should provide a summary of the
110 plan's most current actuarial data, minimum funding requirements
111 as a percentage of pay, and a 5-year history of funded ratios.
112 The fact sheet must include a brief explanation of each element
113 in order to maximize the transparency of the local government
114 plans. These documents shall be posted on the department's
115 website. Plan sponsors that have websites must provide a link to
116 the department's website.

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

119 175.032 Definitions.—For any municipality, special fire
120 control district, chapter plan, local law municipality, local
121 law special fire control district, or local law plan under this
122 chapter, the following words and phrases have the following
123 meanings:

124 (3) "Compensation" or "salary" means, for noncollectively
125 bargained service earned before July 1, 2011, or for service
126 earned under collective bargaining agreements in place before
127 July 1, 2011, the fixed monthly remuneration paid a firefighter.
128 ~~If; where, as in the case of a volunteer firefighter,~~
129 remuneration is based on actual services rendered, as in the
130 case of a volunteer firefighter, the term means the total cash
131 remuneration received yearly for such services, prorated on a
132 monthly basis. For noncollectively bargained service earned on
133 or after July 1, 2011, or for service earned under collective
134 bargaining agreements entered into on or after July 1, 2011, the
135 term has the same meaning except that when calculating
136 retirement benefits, up to 300 hours per year in overtime
137 compensation may be included as specified in the plan or
138 collective bargaining agreement, but payments for accrued unused
139 sick or annual leave may not be included.

140 ~~(a) A retirement trust fund or plan may use a definition of~~
141 ~~salary other than the definition in this subsection but only if~~
142 ~~the monthly retirement income payable to each firefighter~~
143 ~~covered by the retirement trust fund or plan, as determined~~
144 ~~under s. 175.162(2) (a) and using such other definition, equals~~
145 ~~or exceeds the monthly retirement income that would be payable~~

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146 ~~to each firefighter if his or her monthly retirement income were~~
147 ~~determined under s. 175.162(2)(a) and using the definition in~~
148 ~~this subsection.~~

149 (a)~~(b)~~ Any retirement trust fund or plan that ~~which now or~~
150 ~~hereafter~~ meets the requirements of this chapter does ~~shall~~ not,
151 solely by virtue of this subsection, reduce or diminish the
152 monthly retirement income otherwise payable to each firefighter
153 covered by the retirement trust fund or plan.

154 (b)~~(e)~~ The member's compensation or salary contributed as
155 employee-elective salary reductions or deferrals to any salary
156 reduction, deferred compensation, or tax-sheltered annuity
157 program authorized under the Internal Revenue Code shall be
158 deemed to be the compensation or salary the member would receive
159 if he or she were not participating in such program and shall be
160 treated as compensation for retirement purposes under this
161 chapter.

162 (c)~~(d)~~ For any person who first becomes a member in any
163 plan year beginning on or after January 1, 1996, compensation
164 for that ~~any~~ plan year may ~~shall~~ not include any amounts in
165 excess of the Internal Revenue Code s. 401(a)(17) limitation,
166 ~~(as amended by the Omnibus Budget Reconciliation Act of 1993),~~
167 which limitation of \$150,000 shall be adjusted as required by
168 federal law for qualified government plans and shall be further
169 adjusted for changes in the cost of living in the manner
170 provided by Internal Revenue Code s. 401(a)(17)(B). For any
171 person who first became a member before ~~prior to~~ the first plan
172 year beginning on or after January 1, 1996, the limitation on
173 compensation may ~~shall be~~ not be less than the maximum
174 compensation amount that was allowed to be taken into account

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175 under the plan ~~as~~ in effect on July 1, 1993, which limitation
176 shall be adjusted for changes in the cost of living since 1989
177 in the manner provided by Internal Revenue Code s.
178 401(a)(17) (1991).

179 Section 5. Paragraph (b) of subsection (1) of section
180 175.061, Florida Statutes, is amended to read:

181 175.061 Board of trustees; members; terms of office;
182 meetings; legal entity; costs; attorney's fees.—For any
183 municipality, special fire control district, chapter plan, local
184 law municipality, local law special fire control district, or
185 local law plan under this chapter:

186 (1) In each municipality and in each special fire control
187 district there is hereby created a board of trustees of the
188 firefighters' pension trust fund, which shall be solely
189 responsible for administering the trust fund. Effective October
190 1, 1986, and thereafter:

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

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

196 2. If a municipality has a pension plan for firefighters
197 and police officers, the provisions of paragraph (a) ~~shall~~
198 apply, except that one member of the board must ~~shall~~ be a
199 firefighter ~~as defined in s. 175.032~~ and one member of the board
200 must ~~shall~~ be a police officer as defined in s. 185.02,
201 respectively elected by a majority of the active firefighters or
202 police officers who are members of the plan.

203 3. A ~~Any~~ board of trustees operating a local law plan on

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204 July 1, 1999, which is combined with a plan for general
205 employees shall hold an election of the firefighters, or
206 firefighters and police officers, if included, to determine
207 whether a plan is to be established for firefighters only, or
208 for firefighters and police officers where included. Based on
209 the election results, a new board shall be established as
210 provided in subparagraph 1. or subparagraph 2., as appropriate.
211 The municipality or fire control district shall enact an
212 ordinance or resolution to implement the new board by October 1,
213 1999. The newly established board shall take whatever action is
214 necessary to determine the amount of assets ~~which is~~
215 attributable to firefighters, or firefighters and police
216 officers where included. Such assets ~~shall~~ include all employer,
217 employee, and state contributions made by or on behalf of
218 firefighters, or firefighters and police officers where
219 included, and any investment income derived from such
220 contributions. All such moneys shall be transferred into the
221 newly established retirement plan, as directed by the board.

222
223 With respect to a any board of trustees operating a local law
224 plan on June 30, 1986, ~~nothing in this paragraph~~ does not shall
225 permit the reduction of the membership percentage of
226 firefighters, or of firefighters and police officers where a
227 joint or mixed fund exists. However, for the sole purpose of
228 changing municipal representation, a municipality may by
229 ordinance change the municipal representation on the board of
230 trustees operating a local law plan by ordinance, only if such
231 change does not reduce the membership percentage of
232 firefighters, or firefighters and police officers, or the

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233 membership percentage of the municipal representation.

234 Section 6. Paragraph (b) of subsection (2) of section
235 175.091, Florida Statutes, is amended to read:

236 175.091 Creation and maintenance of fund.—For any
237 municipality, special fire control district, chapter plan, local
238 law municipality, local law special fire control district, or
239 local law plan under this chapter:

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

241 (b) Firefighter member contributions may be increased by
242 consent of the members' collective bargaining representative or,
243 if none, by majority consent of firefighter members of the fund
244 ~~to provide greater benefits.~~

245
246 Nothing in this section shall be construed to require adjustment
247 of member contribution rates in effect on the date this act
248 becomes a law, including rates that exceed 5 percent of salary,
249 provided that such rates are at least one-half of 1 percent of
250 salary.

251 Section 7. Section 175.351, Florida Statutes, is amended to
252 read:

253 175.351 Municipalities and special fire control districts
254 having their own pension plans for firefighters.—For any
255 municipality, special fire control district, local law
256 municipality, local law special fire control district, or local
257 law plan under this chapter, in order for municipalities and
258 special fire control districts with their own pension plans for
259 firefighters, or for firefighters and police officers if, where
260 included, to participate in the distribution of the tax fund
261 established pursuant to s. 175.101, local law plans must meet

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262 the minimum benefits and minimum standards set forth in this
263 chapter.

264 (1) ~~PREMIUM TAX INCOME.~~ If a municipality has a pension
265 plan for firefighters, or a pension plan for firefighters and
266 police officers if, ~~where~~ included, which in the opinion of the
267 division meets the minimum benefits and minimum standards set
268 forth in this chapter, the board of trustees of the pension
269 plan, as approved by a majority of firefighters of the
270 municipality, may:

271 (a) Place the income from the premium tax in s. 175.101 in
272 such pension plan for the sole and exclusive use of its
273 firefighters, or for firefighters and police officers if, ~~where~~
274 included, where it shall become an integral part of that pension
275 plan and shall be used to pay extra benefits to the firefighters
276 included in that pension plan; or

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

281 (2) The premium tax provided by this chapter shall in all
282 cases be used in its entirety to provide extra benefits to
283 firefighters, or to firefighters and police officers if, ~~where~~
284 included. However, local law plans in effect on October 1, 1998,
285 must ~~shall be required to~~ comply with the minimum benefit
286 provisions of this chapter only to the extent that additional
287 premium tax revenues become available to incrementally fund the
288 cost of such compliance as provided in s. 175.162(2)(a). If ~~When~~
289 a plan is in compliance with such minimum benefit provisions, as
290 subsequent additional premium tax revenues become available,

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291 they must ~~shall~~ be used to provide extra benefits. Local law
292 plans created by special act before May 27, 1939, are deemed to
293 comply with this chapter. For the purpose of this chapter, the
294 term:

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

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

305 (3) ~~(2)~~ A ADOPTION OR REVISION OF A LOCAL LAW PLAN. ~~No~~
306 retirement plan or amendment to a retirement plan may not ~~shall~~
307 be proposed for adoption unless the proposed plan or amendment
308 contains an actuarial estimate of the costs involved. ~~No~~ Such
309 proposed plan or proposed plan change may not ~~shall~~ be adopted
310 without the approval of the municipality, special fire control
311 district, or, where permitted, the Legislature. Copies of the
312 proposed plan or proposed plan change and the actuarial impact
313 statement of the proposed plan or proposed plan change shall be
314 furnished to the division before ~~prior to~~ the last public
315 hearing thereon. Such statement must ~~shall~~ also indicate whether
316 the proposed plan or proposed plan change is in compliance with
317 s. 14, Art. X of the State Constitution and those provisions of
318 part VII of chapter 112 which are not expressly provided in this
319 chapter. Notwithstanding any other provision, only those local

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320 law plans created by special act of legislation before ~~prior to~~
321 May 27 ~~23~~, 1939, are ~~shall be~~ deemed to meet the minimum
322 benefits and minimum standards only in this chapter.

323 (4) ~~(3)~~ Notwithstanding any other provision, with respect to
324 any supplemental plan municipality:

325 (a) ~~Section 175.032(3)(a) shall not apply,~~ and A local law
326 plan and a supplemental plan may continue to use their
327 definition of compensation or salary in existence on March 12,
328 1999 ~~the effective date of this act.~~

329 (b) Section 175.061(1)(b) does ~~shall~~ not apply, and a local
330 law plan and a supplemental plan shall continue to be
331 administered by a board or boards of trustees numbered,
332 constituted, and selected as the board or boards were numbered,
333 constituted, and selected on December 1, 2000.

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

336 (5) ~~(4)~~ The retirement plan setting forth the benefits and
337 the trust agreement, if any, covering the duties and
338 responsibilities of the trustees and the regulations of the
339 investment of funds must be in writing, and copies ~~thereof must~~
340 ~~be~~ made available to the participants and to the general public.

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

343 185.02 Definitions.—For any municipality, chapter plan,
344 local law municipality, or local law plan under this chapter,
345 the following words and phrases as used in this chapter shall
346 have the following meanings, unless a different meaning is
347 plainly required by the context:

348 (4) "Compensation" or "salary" means, for noncollectively

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349 bargained service earned before July 1, 2011, or for service
350 earned under collective bargaining agreements in place before
351 July 1, 2011, the total cash remuneration including "overtime"
352 paid by the primary employer to a police officer for services
353 rendered, but not including any payments for extra duty or a
354 special detail work performed on behalf of a second party
355 employer. ~~However,~~ A local law plan may limit the amount of
356 overtime payments which can be used for retirement benefit
357 calculation purposes; however, ~~but in no event shall~~ such
358 overtime limit may not be less than 300 hours per officer per
359 calendar year. For noncollectively bargained service earned on
360 or after July 1, 2011, or for service earned under collective
361 bargaining agreements entered into on or after July 1, 2011, the
362 term has the same meaning except that when calculating
363 retirement benefits, up to 300 hours per year in overtime
364 compensation may be included as specified in the plan or
365 collective bargaining agreement, but payments for accrued unused
366 sick or annual leave may not be included.

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

372 (b) The member's compensation or salary contributed as
373 employee-elective salary reductions or deferrals to any salary
374 reduction, deferred compensation, or tax-sheltered annuity
375 program authorized under the Internal Revenue Code shall be
376 deemed to be the compensation or salary the member would receive
377 if he or she were not participating in such program and shall be

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378 treated as compensation for retirement purposes under this
379 chapter.

380 (c) For any person who first becomes a member in any plan
381 year beginning on or after January 1, 1996, compensation for
382 that any plan year may ~~shall~~ not include any amounts in excess
383 of the Internal Revenue Code s. 401(a)(17) limitation, ~~(as~~
384 ~~amended by the Omnibus Budget Reconciliation Act of 1993),~~ which
385 limitation of \$150,000 shall be adjusted as required by federal
386 law for qualified government plans and shall be further adjusted
387 for changes in the cost of living in the manner provided by
388 Internal Revenue Code s. 401(a)(17)(B). For any person who first
389 became a member before ~~prior to~~ the first plan year beginning on
390 or after January 1, 1996, the limitation on compensation may
391 ~~shall be~~ not be less than the maximum compensation amount that
392 was allowed to be taken into account under the plan as in effect
393 on July 1, 1993, which limitation shall be adjusted for changes
394 in the cost of living since 1989 in the manner provided by
395 Internal Revenue Code s. 401(a)(17)(1991).

396 Section 9. Paragraph (b) of subsection (1) of section
397 185.05, Florida Statutes, is amended to read:

398 185.05 Board of trustees; members; terms of office;
399 meetings; legal entity; costs; attorney's fees.—For any
400 municipality, chapter plan, local law municipality, or local law
401 plan under this chapter:

402 (1) In each municipality described in s. 185.03 there is
403 hereby created a board of trustees of the municipal police
404 officers' retirement trust fund, which shall be solely
405 responsible for administering the trust fund. Effective October
406 1, 1986, and thereafter:

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

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

411 2. If a municipality has a pension plan for police officers
412 and firefighters, the provisions of paragraph (a) ~~shall~~ apply,
413 except that one member of the board shall be a police officer ~~as~~
414 ~~defined in s. 185.02~~ and one member shall be a firefighter as
415 defined in s. 175.032, respectively, elected by a majority of
416 the active firefighters and police officers who are members of
417 the plan.

418 3. Any board of trustees operating a local law plan on July
419 1, 1999, which is combined with a plan for general employees
420 shall hold an election of the police officers, or police
421 officers and firefighters if included, to determine whether a
422 plan is to be established for police officers only, or for
423 police officers and firefighters where included. Based on the
424 election results, a new board shall be established as provided
425 in subparagraph 1. or subparagraph 2., as appropriate. The
426 municipality shall enact an ordinance to implement the new board
427 by October 1, 1999. The newly established board shall take
428 whatever action is necessary to determine the amount of assets
429 which is attributable to police officers, or police officers and
430 firefighters where included. Such assets shall include all
431 employer, employee, and state contributions made by or on behalf
432 of police officers, or police officers and firefighters where
433 included, and any investment income derived from such
434 contributions. All such moneys shall be transferred into the
435 newly established retirement plan, as directed by the board.

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436
437 With respect to any board of trustees operating a local law plan
438 on June 30, 1986, ~~nothing in this paragraph~~ does not shall
439 permit the reduction of the membership percentage of police
440 officers or police officers and firefighters. However, for the
441 sole purpose of changing municipal representation, a
442 municipality may by ordinance change the municipal
443 representation on the board of trustees operating a local law
444 plan by ordinance, only if such change does not reduce the
445 membership percentage of police officers, or police officers and
446 firefighters, or the membership percentage of the municipal
447 representation.

448 Section 10. Paragraph (b) of subsection (2) of section
449 185.07, Florida Statutes, is amended to read:

450 185.07 Creation and maintenance of fund.—For any
451 municipality, chapter plan, local law municipality, or local law
452 plan under this chapter:

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

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

458
459 Nothing in this section shall be construed to require adjustment
460 of member contribution rates in effect on the date this act
461 becomes a law, including rates that exceed 5 percent of salary,
462 provided that such rates are at least one-half of 1 percent of
463 salary.

464 Section 11. Section 185.35, Florida Statutes, is amended to

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465 read:

466 185.35 Municipalities having their own pension plans for
467 police officers.—For any municipality, chapter plan, local law
468 municipality, or local law plan under this chapter, in order for
469 municipalities with their own pension plans for police officers,
470 or for police officers and firefighters if ~~where~~ included, to
471 participate in the distribution of the tax fund established
472 pursuant to s. 185.08, local law plans must meet the minimum
473 benefits and minimum standards set forth in this chapter:

474 (1) ~~PREMIUM TAX INCOME.~~—If a municipality has a pension
475 plan for police officers, or for police officers and
476 firefighters if ~~where~~ included, which, in the opinion of the
477 division, meets the minimum benefits and minimum standards set
478 forth in this chapter, the board of trustees of the pension
479 plan, as approved by a majority of police officers of the
480 municipality, may:

481 (a) Place the income from the premium tax in s. 185.08 in
482 such pension plan for the sole and exclusive use of its police
483 officers, or its police officers and firefighters if ~~where~~
484 included, where it shall become an integral part of that pension
485 plan and shall be used to pay extra benefits to the police
486 officers included in that pension plan; or

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

491 (2) The premium tax provided by this chapter shall in all
492 cases be used in its entirety to provide extra benefits to
493 police officers, or to police officers and firefighters if,

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494 ~~where~~ included. However, local law plans in effect on October 1,
495 1998, must ~~shall be required to~~ comply with the minimum benefit
496 provisions of this chapter only to the extent that additional
497 premium tax revenues become available to incrementally fund the
498 cost of such compliance as provided in s. 185.16(2). ~~If~~ When a
499 plan is in compliance with such minimum benefit provisions, as
500 subsequent additional tax revenues become available, they shall
501 be used to provide extra benefits. Local law plans created by
502 special act before May 27, 1939, shall be deemed to comply with
503 this chapter. For the purpose of this chapter, the term:

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

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

513 ~~(3)-(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No~~
514 retirement plan or amendment to a retirement plan may not ~~shall~~
515 be proposed for adoption unless the proposed plan or amendment
516 contains an actuarial estimate of the costs involved. ~~No~~ Such
517 proposed plan or proposed plan change may not ~~shall~~ be adopted
518 without the approval of the municipality or, where permitted,
519 the Legislature. Copies of the proposed plan or proposed plan
520 change and the actuarial impact statement of the proposed plan
521 or proposed plan change shall be furnished to the division
522 before ~~prior to~~ the last public hearing thereon. Such statement

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523 must ~~shall~~ also indicate whether the proposed plan or proposed
524 plan change is in compliance with s. 14, Art. X of the State
525 Constitution and those provisions of part VII of chapter 112
526 which are not expressly provided in this chapter.
527 Notwithstanding any other provision, only those local law plans
528 created by special act of legislation before ~~prior to~~ May 27 ~~23~~,
529 1939, are ~~shall be~~ deemed to meet the minimum benefits and
530 minimum standards only in this chapter.

531 (4) ~~(3)~~ Notwithstanding any other provision, with respect to
532 any supplemental plan municipality:

533 (a) Section 185.02(4)(a) does ~~shall~~ not apply, and a local
534 law plan and a supplemental plan may continue to use their
535 definition of compensation or salary in existence on March 12,
536 1999 ~~the effective date of this act.~~

537 ~~(b) Section 185.05(1)(b) shall not apply, and~~ A local law
538 plan and a supplemental plan must ~~shall~~ continue to be
539 administered by a board or boards of trustees numbered,
540 constituted, and selected as the board or boards were numbered,
541 constituted, and selected on December 1, 2000.

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

544 (5) ~~(4)~~ The retirement plan setting forth the benefits and
545 the trust agreement, if any, covering the duties and
546 responsibilities of the trustees and the regulations of the
547 investment of funds must be in writing and copies made available
548 to the participants and to the general public.

549 Section 12. Financial rating of local pension plans.—The
550 Department of Management Services shall develop a plan for
551 creating standardized ratings for classifying the financial

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552 strength of all local government defined benefit pension plans.

553 (1) In developing the plan, the department shall consider,
554 without limitation:

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

556 (b) The plan's net asset value, managed returns, and funded
557 ratio.

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

561 (d) Municipal bond ratings for the local government, if
562 applicable.

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

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

567 (2) The department may obtain data, information, and
568 assistance from state agencies, local governments, or political
569 subdivisions thereof, which shall provide the department with
570 all relevant information and assistance on any matter within
571 their knowledge or control.

572 (3) The department shall submit the plan, plus any related
573 findings and recommendations, to the Governor, the Chief
574 Financial Officer, the President of the Senate, and the Speaker
575 of the House of Representatives by January 1, 2012. The report
576 must also include specific recommendations for legislative
577 action during the 2012 Regular Session of the Legislature.

578 Section 13. Task Force on Public Employee Disability
579 Presumptions.-

580 (1) The Task Force on Public Employee Disability

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581 Presumptions is created for the purpose of developing findings
582 and issuing recommendations on the disability presumptions in
583 ss. 112.18, 175.231, and 185.34, Florida Statutes.

584 (2) All members of the task force shall be appointed on or
585 before July 15, 2011, and the task force shall hold its first
586 meeting on or before August 15, 2011. The task force shall be
587 composed of eight members as follows:

588 (a) Three members appointed by the President of the Senate,
589 one of whom must be an attorney who primarily represents
590 plaintiffs and has experience in the relevant laws, one of whom
591 must be a representative of organized labor and a member of a
592 pension plan under chapter 175, Florida Statutes, and one of
593 whom must be from the Florida Association of Counties.

594 (b) Three members appointed by the Speaker of the House of
595 Representatives, one of whom must be an attorney who primarily
596 represents defendants and has experience in the relevant laws,
597 one of whom must be a representative of organized labor and a
598 member of a pension plan under chapter 185, Florida Statutes,
599 and one of whom must be from the Florida League of Cities.

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

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

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

608 (a) Data related to the operation of the statutory
609 disability presumptions, and the fiscal impact on public

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610 employers in the areas of pensions and workers' compensation.

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

613 (c) Proposals for changes to the existing disability
614 presumptions.

615 (d) Evidentiary standards and burdens of proof for
616 overcoming statutory disability presumptions, and whether
617 consideration of risk factors and epidemiological data relating
618 to nonwork-related conditions unique to an individual employee,
619 such as blood cholesterol, body mass index, history of tobacco
620 and alcohol use, and other medical conditions or behaviors that
621 are associated with the diseases or conditions listed in
622 disability presumptions, are appropriate for consideration.

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

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

629 (6) The task force may obtain data, information, and
630 assistance from any state agency, local government, or any
631 political subdivision thereof, which shall provide the task
632 force with all relevant information and assistance on any matter
633 within their knowledge or control.

634 (7) The task force shall submit a report, including
635 findings and recommendations, to the Governor, the Chief
636 Financial Officer, the President of the Senate, and the Speaker
637 of the House of Representatives by January 1, 2012. The report
638 must include specific recommendations for legislative action

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639 during the 2012 Regular Session of the Legislature.

640 (8) The task force is dissolved upon submission of its
641 report.

642 Section 14. The Legislature finds that a proper and
643 legitimate state purpose is served when employees and retirees
644 of the state and of its political subdivisions, and the
645 dependents, survivors, and beneficiaries of those employees and
646 retirees, are extended the basic protections afforded by
647 governmental retirement systems that provide fair and adequate
648 benefits and that are managed, administered, and funded in an
649 actuarially sound manner as required by s. 14, Article X of the
650 State Constitution and part VII of chapter 112, Florida
651 Statutes. Therefore, the Legislature determines and declares
652 that this act fulfills an important state interest.

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