

1 A bill to be entitled
 2 An act relating to Firefighters' Relief and Pension Fund
 3 of the City of Pensacola, Escambia County; amending
 4 chapter 21483, Laws of Florida, 1941, as amended;
 5 providing for compliance with applicable internal revenue
 6 code requirements; adding optional forms of benefits;
 7 providing for retirement after 10 years of service;
 8 providing for death benefits for survivors; providing for
 9 protection of benefits from legal process; providing for
 10 rollover distributions; providing for additional benefits
 11 required by law; providing definitions; providing for
 12 maximum pension; providing for plan termination; providing
 13 for forfeitures; providing an effective date.

14
 15 Be It Enacted by the Legislature of the State of Florida:

16
 17 Section 1. Subsections (h) through (o) are added to
 18 section 5 of chapter 21483, Laws of Florida, 1941, as amended by
 19 chapter 2000-468, Laws of Florida, to read:

20 Section 5. Basis for compensation.—The pension of all
 21 persons entitled thereto, as hereinafter specified, shall be
 22 computed upon the basis of their compensation and their years of
 23 service in accordance with the following tables:

24 (h) Any firefighter who has attained the age of 50 years
 25 and has served as a firefighter for the City of Pensacola for a
 26 period of 10 continuous years, upon application to the board of
 27 trustees of the Firefighters' Relief and Pension Fund, shall be
 28 retired on a pension as provided in Part 1 (Charter and Related

29 Special Acts), Subpart B (Related Special Acts), Article VI,
 30 Section 5(a) of the Code of the City of Pensacola; provided,
 31 that the amount of such pension shall be reduced by 3 percent
 32 for each year by which the firefighter's age at retirement
 33 precedes the age of 55. The amount of such monthly benefit shall
 34 be reduced to take into account the firefighter's younger age
 35 and the earlier commencement of such benefits.

36 (i) If after 10 years of service, a firefighter suffers a
 37 total and permanent disability that is not suffered in the line
 38 of duty and the firefighter retires, the firefighter's monthly
 39 benefit shall be the accrued normal retirement benefit, but
 40 shall not be less than 25 percent of the firefighter's average
 41 monthly salary at the time of disability.

42 (j) The benefit payable to a firefighter who retires from
 43 the service of the city due to total and permanent disability as
 44 a direct result of a disability that occurred in the line of
 45 duty shall be the accrued normal retirement benefit, payable for
 46 10 years certain and life, but shall not be less than 42 percent
 47 of the firefighter's average monthly salary at the time of
 48 disability.

49 (k) The amount of monthly retirement income payable to a
 50 firefighter who retires on or after the firefighter's normal
 51 retirement date shall be, at a minimum, an amount equal to the
 52 number of the firefighter's years of credited service multiplied
 53 by 2 percent of the firefighter's average final compensation as
 54 a firefighter.

55 (l) In the event that a firefighter dies after retirement
 56 but before the firefighter has received retirement benefits for

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57 a period of 10 years, the same monthly benefit will be paid to
58 the beneficiary or beneficiaries designated by the firefighter
59 for the balance of such 10-year period, when the firefighter is
60 not survived by a widow or widower entitled to receive spousal
61 benefits. Such beneficiary designation must be in writing,
62 received, and approved by the trustees before the firefighter's
63 death.

64 (m) If a firefighter continues in the service of the city
65 beyond the firefighter's normal retirement date and dies before
66 the firefighter's date of actual retirement, without either:

67 (1) Leaving a widow or widower entitled to received
68 spousal benefits; or

69 (2) Affirmatively electing to receive an alternate form of
70 retirement income permissible under the Plan,

71
72 monthly retirement income payments will be made for a period of
73 10 years to the beneficiary or beneficiaries designated by the
74 firefighter as if the firefighter had retired on the date on
75 which the firefighter's death occurred. Such beneficiary
76 designation must be in writing, received, and approved by the
77 trustees before the firefighter's death.

78 (n) (1) In lieu of the amount and form of retirement income
79 payable in the event of normal or early retirement as specified
80 in this section, a firefighter, upon written request to the
81 board of trustees, before receiving any retirement income or
82 benefit from the Plan, and subject to the approval of the board
83 of trustees, may elect to receive a retirement income or benefit
84 of equivalent actuarial value as calculated under section

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85 175.162, Florida Statutes, payable in accordance with one of the
86 following options:

87 a. A retirement income of a larger monthly amount, payable
88 to the firefighter for his or her lifetime only.

89 b. A retirement income of a modified monthly amount,
90 payable to the firefighter during the joint lifetime of the
91 firefighter and a joint pensioner designated by the firefighter,
92 and after the death of either of them, 100 percent, 75 percent,
93 66 and 2/3 percent, or 50 percent of such monthly amounts
94 payable to the survivor for the lifetime of the survivor.

95 c. Such other amount and form of retirement payment or
96 benefits as, in the opinion of the board of trustees, will best
97 meet the circumstances of the retirement of the firefighter.

98 1. The firefighter upon electing any option under this
99 section will designate the joint pensioner or beneficiary or
100 beneficiaries to receive the benefit, if any, payable under the
101 Plan in the event of his or her death, and will have the power
102 to change such designation from time to time, but any such
103 change shall be deemed a new election and will be subject to
104 approval by the board of trustees. Such designation will name a
105 joint pensioner or one or more primary beneficiaries where
106 applicable. If a firefighter has elected an option with a joint
107 pensioner or beneficiary and his or her retirement income
108 benefits have commenced, the firefighter may thereafter change
109 the designated joint pensioner or beneficiary, but only if the
110 board of trustees consents to such change and if the joint
111 pensioner last previously designated by the firefighter is alive

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112 when the firefighter files with the board of trustees a request
113 for such change.

114 2. The consent of a firefighter's joint pensioner or
115 beneficiary to any such change shall not be required.

116 3. The board of trustees may request such evidence of the
117 good health of the joint pensioner that is being removed as it
118 may require and the amount of the retirement income payable to
119 the firefighter upon designation of a new joint pensioner shall
120 be actuarially redetermined, taking into account the age and sex
121 of the former joint pensioner, the new joint pensioner, and the
122 firefighter. Each such designation will be made in writing on a
123 form prepared by the board of trustees and on completion will be
124 filed with the board of trustees. In the event that no
125 designated beneficiary survives the firefighter, such benefits
126 as are payable in the event of the death of the firefighter
127 subsequent to his or her retirement shall be paid as provided in
128 subsection (o).

129 (2) Retirement income payments made under the option
130 elected in accordance with the provisions of this section shall
131 be subject to the following limitations:

132 a. If a firefighter dies before his or her normal
133 retirement date or early retirement date, whichever first
134 occurs, no retirement benefit will be payable under the option
135 to any person, but the benefits, if any, will be determined
136 under sections 13 or 14 of the Plan or section 175.201, Florida
137 Statutes, as the case may be.

138 b. If the designated beneficiary or beneficiaries or joint
139 pensioner dies before the firefighter's retirement under the

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140 Plan, the option elected will be canceled automatically and a
141 retirement income of the normal form and amount will be payable
142 to the firefighter upon retirement as if the election had not
143 been made, unless a new election is made in accordance with the
144 provisions of this section or a new beneficiary is designated by
145 the firefighter before retirement and within 90 days after the
146 death of the beneficiary.

147 c. If both the retired firefighter and the beneficiary or
148 beneficiaries designated by him or her die before the full
149 payment has been effected under any option providing for
150 payments for a period certain and life thereafter, made pursuant
151 to the provisions of subparagraph (n)(1)c., the board of
152 trustees may, in its discretion, direct that the actuarial
153 equivalent value of the remaining payments be paid in a lump sum
154 and in accordance with subsection (o).

155 d. If a firefighter continues beyond his or her normal
156 retirement date and dies before actual retirement and while an
157 option made pursuant to the provisions of this section is in
158 effect, monthly retirement income payments will be made, or a
159 retirement benefit will be paid, under the option to a
160 beneficiary or beneficiaries designated by the firefighter in
161 the amount or amounts computed as if the firefighter had retired
162 under the option on the date on which the death occurred.

163 (3) No firefighter may make any change in his or her
164 retirement option after the date of cashing or depositing the
165 first retirement check.

166 (o)(1) Each firefighter may, on a form provided for that
167 purpose, signed and filed with the board of trustees, designate

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168 a choice of one or more persons, named sequentially or jointly,
169 as his or her beneficiary or beneficiaries to receive the
170 benefit, if any, which may be payable in the event of his or her
171 death; and each designation may be revoked by such firefighter
172 by signing and filing with the board of trustees a new
173 designation-of-beneficiary form. A firefighter may change his or
174 her beneficiary at any time.

175 (2) If no beneficiary is named in the manner provided by
176 paragraph (1), or if no beneficiary designated by the
177 firefighter survives him or her, the death benefit, if any,
178 which may be payable under the Plan with respect to such
179 deceased firefighter shall be paid by the board of trustees to
180 the estate of such deceased firefighter, provided that the board
181 of trustees, in its discretion, may direct that the actuarial
182 equivalent value of the remaining monthly income payments be
183 paid in a lump sum. Any payment made to any person pursuant to
184 this section shall operate as a complete discharge of all
185 obligations under the Plan with regard to the deceased
186 firefighter and any other persons with rights under the Plan and
187 shall not be subject to review by anyone but shall be final,
188 binding, and conclusive on all persons ever interested
189 hereunder.

190 (3) If a firefighter has elected an option with a joint
191 pensioner and retirement income benefits have commenced, the
192 firefighter may transfer, change the designated beneficiary at
193 any time, but may only change the joint pensioner twice.

194 Section 2. Section 8 of chapter 21483, Laws of Florida,
195 1941, as amended by chapter 2000-468, Laws of Florida, is

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196 amended to read:

197 Section 8. Automatic retirement.—

198 (a) Automatic retirement.—Any firefighter subject to the
 199 provisions of this act attaining the age of 70 ~~seventy (70)~~
 200 years shall be automatically retired and shall cease to draw his
 201 or her compensation as such employee, but shall become
 202 immediately entitled to the pension or benefits provided hereby.
 203 In the event of doubt as to the attainment of such age, the
 204 Civil Service Board shall make inquiry and determine such fact
 205 after due notice to interested parties; provided that the
 206 provisions of this section shall not become operative until
 207 January 1, 1960, the former law remaining in effect until such
 208 date.

209 (b) Required minimum distributions.—Notwithstanding
 210 anything in the Firefighters' Relief and Pension Fund to the
 211 contrary, all distributions under the Firefighters' Relief and
 212 Pension Fund shall comply with section 401(a) (9) of the Code and
 213 the Regulations thereunder, as prescribed by the Commissioner in
 214 Revenue Rulings, Notices, and other guidance published in the
 215 Internal Revenue Bulletin, to the extent that said provisions
 216 apply to governmental plans under section 414(d) of the Code,
 217 and shall be made in accordance with the following requirements:

218 (1) Time and manner of distribution.—

219 a. Required beginning date.—The firefighter's entire
 220 interest will be distributed, or begin to be distributed, to the
 221 firefighter no later than the firefighter's required beginning
 222 date.

223 b. Death of firefighter before distributions begin.—If the

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224 firefighter dies before distributions begin, the firefighter's
225 entire interest will be distributed, or begin to be distributed,
226 no later than as follows:

227 1. If the firefighter's surviving spouse is the
228 firefighter's sole designated beneficiary, distributions to the
229 surviving spouse will begin by December 31 of the calendar year
230 immediately after the calendar year in which the firefighter
231 died, or by December 31 of the calendar year in which the
232 firefighter would have attained age 70 years and 6 months, if
233 later.

234 2. If the firefighter's surviving spouse is not the
235 firefighter's sole designated beneficiary, then distributions to
236 the designated beneficiary will begin by December 31 of the
237 calendar year immediately after the calendar year in which the
238 firefighter died.

239 3. If there is no designated beneficiary as of September
240 30 of the year after the year of the firefighter's death, the
241 firefighter's entire interest will be distributed by December 31
242 of the calendar year containing the 5th anniversary of the
243 firefighter's death.

244 4. If the firefighter's surviving spouse is the
245 firefighter's sole designated beneficiary and the surviving
246 spouse dies after the firefighter but before distributions to
247 the surviving spouse begin, this subparagraph, other than sub-
248 sub-subparagraph 1., will apply as if the surviving spouse were
249 the firefighter.

250

251 For purposes of this subparagraph and paragraph (4),

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252 distributions are considered to begin on the firefighter's
253 required beginning date or, if sub-subparagraph 4. applies, the
254 date distributions are required to begin to the surviving spouse
255 under sub-subparagraph 1. If annuity payments irrevocably
256 commence to the firefighter before the firefighter's required
257 beginning date or to the firefighter's surviving spouse before
258 the date distributions are required to begin to the surviving
259 spouse under sub-subparagraph 1., the date distributions are
260 considered to begin is the date distributions actually commence.

261 (2) Form of distribution.—Unless the firefighter's
262 interest is distributed in the form of an annuity purchased from
263 an insurance company or in a single sum on or before the
264 required beginning date, as of the first distribution calendar
265 year, distributions will be made in accordance with this
266 paragraph and paragraphs (4) and (5). If the firefighter's
267 interest is distributed in the form of an annuity purchased from
268 an insurance company, distributions thereunder will be made in
269 accordance with the requirements of section 401(a)(9) of the
270 Code.

271 (3) Determination of amount to be distributed each year.—

272 a. General annuity requirements.—If the interest is paid
273 in the form of annuity distributions under the Firefighters'
274 Relief and Pension Fund, payments under the annuity will satisfy
275 the following requirements:

276 1. The annuity distributions will be paid in periodic
277 payments made at intervals not longer than 1 year;

278 2. The distribution period will be over a life (or lives)
279 or over a period certain not longer than the period described in

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280 paragraph (4) or paragraph (5);

281 3. Once payments have begun over a period certain, the
282 period certain will not be changed even if the period certain is
283 shorter than the maximum permitted; and

284 4. Payments will either be nonincreasing or increase only
285 as follows:

286 (A) By an annual percentage increase that does not exceed
287 the annual percentage increase in a cost-of-living index that is
288 based on prices of all items and issued by the Bureau of Labor
289 Statistics;

290 (B) To the extent of the reduction in the amount of the
291 firefighter's payments to provide for a survivor benefit upon
292 death, but only if the beneficiary whose life was being used to
293 determine the distribution period described in paragraph (5)
294 dies or is no longer the firefighter's beneficiary pursuant to a
295 qualified domestic relations order within the meaning of section
296 414(p) of the Code;

297 (C) To provide cash refunds of firefighter contributions
298 upon the firefighter's death; or

299 (D) To pay increased benefits that result from a
300 Firefighters' Relief and Pension Fund amendment.

301 b. Amount required to be distributed by required beginning
302 date.—The amount that must be distributed on or before the
303 firefighter's required beginning date or, if the firefighter
304 dies before distributions begin, the date distributions are
305 required to begin under sub-subparagraph (1)b.1. or sub-
306 subparagraph (1)(b)4. is the payment that is required for one
307 payment interval. The second payment need not be made until the

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308 end of the next payment interval even if that payment interval
309 ends in the next calendar year. Payment intervals are the
310 periods for which payments are received, e.g., bi-monthly,
311 monthly, semi-annually, or annually. All of the firefighter's
312 benefit accruals as of the last day of the first distribution
313 calendar year will be included in the calculation of the amount
314 of the annuity payments for payment intervals ending on or after
315 the firefighter's required beginning date.

316 c. Additional accruals after first distribution calendar
317 year.—Any additional benefits accruing to the firefighter in a
318 calendar year after the first distribution calendar year will be
319 distributed beginning with the first payment interval ending in
320 the calendar year immediately after the calendar year in which
321 such amount accrues.

322 (4) Requirements for annuity distributions that commence
323 during the firefighter's lifetime.—

324 a. Joint life annuities where the beneficiary is not the
325 firefighter's spouse.—If the firefighter's interest is being
326 distributed in the form of a joint and survivor annuity for the
327 joint lives of the firefighter and a nonspouse beneficiary,
328 annuity payments to be made on or after the firefighter's
329 required beginning date to the designated beneficiary after the
330 firefighter's death and must not at any time exceed the
331 applicable percentage of the annuity payment for such period
332 that would have been payable to the firefighter using the table
333 set forth in Q&A-2 of section 1.401(a)(9)-6T of the Regulations.
334 If the form of distribution combines a joint and survivor
335 annuity for the joint lives of the firefighter and a nonspouse

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336 beneficiary and a period certain annuity, the requirement in the
337 preceding sentence will apply to annuity payments to be made to
338 the designated beneficiary after the expiration of the period
339 certain.

340 b. Period certain annuities.—Unless the firefighter's
341 spouse is the sole designated beneficiary and the form of
342 distribution is a period certain and no life annuity, the period
343 certain for an annuity distribution commencing during the
344 firefighter's lifetime may not exceed the applicable
345 distribution period for the firefighter under the Uniform
346 Lifetime Table set forth in section 1.401(a)(9)-9 of the
347 Regulations for the calendar year that contains the annuity
348 starting date. If the annuity starting date precedes the year in
349 which the firefighter reaches age 70, the applicable
350 distribution period for the firefighter is the distribution
351 period for age 70 under the Uniform Lifetime Table set forth in
352 section 1.401(a)(9)-9 of the Regulations plus the excess of 70
353 over the age of the firefighter as of the firefighter's birthday
354 in the year that contains the annuity starting date. If the
355 firefighter's spouse is the firefighter's sole designated
356 beneficiary and the form of distribution is a period certain and
357 no life annuity, the period certain may not exceed the longer of
358 the firefighter's applicable distribution period, as determined
359 under this subsection, or the joint life and last survivor
360 expectancy of the firefighter and the firefighter's spouse as
361 determined under the Joint and Last Survivor Table set forth in
362 section 1.401(a)(9)-9 of the Regulations, using the
363 firefighter's and spouse's attained ages as of the firefighter's

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364 and spouse's birthdays in the calendar year that contains the
 365 annuity starting date.

366 (5) Requirements for minimum distributions where the
 367 firefighter dies before date distributions begin.—

368 a. A firefighter survived by the designated beneficiary.—
 369 Except as provided in the Firefighters' Relief and Pension Fund,
 370 if the firefighter dies before the date distribution of his or
 371 her interest begins and there is a designated beneficiary, the
 372 firefighter's entire interest will be distributed, beginning no
 373 later than the time described in sub-subparagraph (1)b.1. or
 374 sub-subparagraph (1)b.2., over the life of the designated
 375 beneficiary or over a period certain not exceeding:

376 1. Unless the annuity starting date is before the first
 377 distribution calendar year, the life expectancy of the
 378 designated beneficiary determined using the beneficiary's age as
 379 of the beneficiary's birthday in the calendar year immediately
 380 after the calendar year of the firefighter's death; or

381 2. If the annuity starting date is before the first
 382 distribution calendar year, the life expectancy of the
 383 designated beneficiary determined using the beneficiary's age as
 384 of the beneficiary's birthday in the calendar year that contains
 385 the annuity starting date.

386 b. No designated beneficiary.—If the firefighter dies
 387 before the date distributions begin and there is no designated
 388 beneficiary as of September 30th of the year after the year of
 389 the firefighter's death, distribution of the firefighter's
 390 entire interest will be completed by December 31 of the calendar
 391 year of the 5th anniversary of the firefighter's death.

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392 c. Death of surviving spouse before distributions to
393 surviving spouse begin.—If the firefighter dies before the date
394 distribution of his or her interest begins, the firefighter's
395 surviving spouse is the firefighter's sole designated
396 beneficiary, and the surviving spouse dies before distributions
397 to the surviving spouse begin, this subsection will apply as if
398 the surviving spouse were the firefighter, except that the time
399 by which distributions must begin will be determined without
400 regard to sub-subparagraph (1)b.2.

401 (6) Definitions.—For purposes of this section, the
402 following definitions shall apply:

403 a. "Designated beneficiary" means the individual who is
404 designated as the beneficiary in accordance with the
405 Firefighters' Relief and Pension Fund and is the designated
406 beneficiary under section 401(a) (9) of the Code and section
407 1.401(a) (9)-1, Q&A-4, of the Regulations.

408 b. "Distribution calendar year" means a calendar year for
409 which a minimum distribution is required. For distributions
410 beginning before the firefighter's death, the first distribution
411 calendar year is the calendar year immediately before the
412 calendar year that contains the firefighter's required beginning
413 date. For distributions beginning after the firefighter's death,
414 the first distribution calendar year is the calendar year in
415 which distributions are required to begin pursuant to paragraph
416 (1).

417 c. "Life expectancy" means as computed by use of the
418 Single Life Table in section 1.401(a) (9)-9 of the Treasury
419 regulations.

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420 d. "Required beginning date" means April 1 of the calendar
421 year after the later of:

422 1. The calendar year in which the firefighter attains age
423 70 years and 6 months; or

424 2. The calendar year in which the firefighter retires from
425 employment with the City of Pensacola.

426 Section 3. Section 9 is added to of chapter 21483, Laws of
427 Florida, 1941, as amended by chapter 2000-468, Laws of Florida,
428 to read:

429 Section 9. Director of the Fire Department.—The Director
430 of the Fire Department who is a firefighter shall have the
431 option to participate, or not, in the Firefighters' Relief and
432 Pension Fund. The Director of the Fire Department will be deemed
433 to have elected to participate in the Firefighters' Relief and
434 Pension Fund unless, within 90 days after appointment to the
435 Office of Director of the Fire Department, the Director of the
436 Fire Department notifies the board of trustees and the City of
437 Pensacola in writing otherwise.

438 Section 4. Section 10 of chapter 21483, Laws of Florida,
439 1941, as amended by chapter 2000-468, Laws of Florida, is
440 amended to read:

441 Section 10. Retirement after 10 years' service.—If any
442 firefighter of the City of Pensacola shall, after serving as
443 such for a period of 10 full years or becoming otherwise
444 eligible for retirement, cease to be such firefighter for any
445 cause and shall not make withdrawal of all his or her
446 contributions to the Firefighters' Relief and Pension Fund as
447 provided by law, or having withdrawn the same, shall return it

448 with 8 percent interest from the date of such withdrawal, he or
 449 she shall be eligible to receive the benefits equal to the
 450 amount provided in section 5(a), multiplied by the number of
 451 years of service; for this purpose only the number of years of
 452 service can be no more than 25 and divided by 25 years upon
 453 attaining the age of 52 years or becoming eligible for
 454 retirement by length of service or otherwise; his or her spouse
 455 and children shall in the event of his or her death be likewise
 456 so entitled. For purposes of the Firefighters' Relief and
 457 Pension Fund, a firefighter that has attained age 52 and
 458 completed 10 full years of service or completed 25 full years of
 459 service will have attained normal retirement age. Each
 460 firefighter's benefit shall become 100 percent vested upon
 461 attaining normal retirement age.

462 Section 5. Subsection (d) is added to section 13 of
 463 chapter 21483, Laws of Florida, 1941, as amended by chapter
 464 2000-468, Laws of Florida, to read:

465 Section 13. Death benefits for survivors.-

466 (d) Notwithstanding any provisions of the Firefighters'
 467 Relief and Pension Fund to the contrary, a retired firefighter
 468 may change his or her designation of joint annuitant or
 469 beneficiary up to two times, as provided in section 175.333,
 470 Florida Statutes, without the approval of the board of trustees
 471 or the current joint annuitant or beneficiary. The retiree is
 472 not required to provide proof of the good health of the joint
 473 annuitant or beneficiary being removed, and the joint annuitant
 474 or beneficiary being removed need not be living. Upon change of
 475 a retiree's joint annuitant or beneficiary in accordance with

476 this subsection, the amount of the benefit payable to the
 477 retiree shall be actuarially redetermined to take into account
 478 the age and sex of the former annuitant or beneficiary, the new
 479 annuitant or beneficiary and the retiree to ensure that the
 480 benefit paid is the actuarial equivalent of the present value of
 481 the retiree's then-current benefit at the time of the change.
 482 Any such retiree shall pay the actuarial recalculation expenses.
 483 Each request for a change shall be made in writing to the board
 484 of trustees.

485 Section 6. Section 15 of chapter 21483, Laws of Florida,
 486 1941, as amended by chapter 2000-468, Laws of Florida, is
 487 amended to read:

488 Section 15. Benefits to widows or, ~~widowers, and~~
 489 ~~dependents.~~—If a widow or widower enjoying a pension under any
 490 of the provisions of this act shall die, her or his pension
 491 shall cease; provided, however, if such death shall occur before
 492 such widow or widower, as the case may be, and the retiree,
 493 collectively, having received retirement benefits for a period
 494 of less than 10 years, the same benefit will be paid to the
 495 beneficiary or beneficiaries designated by the retiree for the
 496 balance of such 10-year period. Such beneficiary designation
 497 must be in writing, received, and approved by the trustees prior
 498 to the retiree's death. The remarriage of a widow or widower
 499 enjoying a pension under any of the provisions of this act shall
 500 not effect or alter such pension and if she or he shall remarry
 501 while enjoying any such pension, then and in the latter event,
 502 her or his pension shall cease and shall not be paid to such
 503 widow or widower; provided, however, in the event the deceased

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504 ~~firefighter shall be survived by one or more legitimate~~
 505 ~~children under the age of eighteen years at the time the widow~~
 506 ~~or widower shall remarry, the pension board may, in its~~
 507 ~~discretion, grant an amount for the support and maintenance of~~
 508 ~~said child or children until said child or children become~~
 509 ~~eighteen years of age, not to exceed ten dollars (\$10.00) per~~
 510 ~~month for each child, in no event to exceed the sum of forty~~
 511 ~~dollars (\$40,00) per month for any one family.~~

512 Section 7. Section 19 of chapter 21483, Laws of Florida,
 513 1941, as amended by chapter 2000-468, Laws of Florida, is
 514 amended to read:

515 Section 19. The right of any firefighter or any
 516 beneficiary to any benefits under the Firefighters' Relief and
 517 Pension Fund or any other right accrued or accruing to any
 518 persons under the provisions of this Plan shall not be subject
 519 to execution, garnishment, attachment, the operation of any
 520 bankruptcy or insolvency law, or any other process of law
 521 whatever, and shall not be subject to assignment, pledge or
 522 hypothecation unless expressly authorized in Firefighters'
 523 Relief and Pension Fund. Protection of benefits from legal
 524 ~~process. The pensions and other benefits accrued or accruing to~~
 525 ~~any person under this pension plan and the accumulated~~
 526 ~~contributions and the cash securities in the funds created under~~
 527 ~~this plan are exempted from any state, county, or municipal tax~~
 528 ~~and shall not be subject to execution or attachment or to any~~
 529 ~~legal process whatsoever, and shall be unassignable.~~

530 Section 8. Section 28 of chapter 21483, Laws of Florida,
 531 1941, as amended by chapter 2000-468, Laws of Florida, is

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532 amended to read:

533 Section 28. Rollover distributions.—Notwithstanding any
534 other provision of the Firefighters' Relief and Pension Fund to
535 the contrary, a "distributee" may elect, at the time and in the
536 manner prescribed by the board of trustees, to have any portion
537 or all of an eligible rollover distribution paid directly to an
538 eligible retirement plan specified by the distributee in a
539 direct rollover. For purposes of this section, the following
540 definitions shall apply:

541 (a) "Distributee" means a firefighter or former
542 firefighter, the firefighter's surviving spouse, and the
543 firefighter's spouse or former spouse who is the alternate payee
544 under a court order, who is entitled to receive a portion of the
545 firefighter's benefit. Effective for plan years beginning on and
546 after January 1, 2007, a nonspouse beneficiary may elect to
547 directly rollover an eligible distribution to an IRA, a Roth
548 IRA, or an individual retirement annuity under section 408(b) of
549 the Code that is established on behalf of the designated
550 beneficiary as an inherited IRA, pursuant to the provisions of
551 section 402(c)(11) of the Code. In order to be able to roll over
552 the distribution, the distribution otherwise must satisfy the
553 definition of eligible rollover distribution. In addition, the
554 determination of any required minimum distribution under section
555 401(a)(9) of the Code that is ineligible for rollover shall be
556 made in accordance with IRS guidance.

557 (b) "Eligible retirement plan" means an eligible
558 retirement plan is an IRA described in section 408(a) of the
559 Code, an individual retirement annuity described in section

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560 408(b) of the Code, an annuity plan described in section 403(a)
561 of the Code, an annuity contract described in section 403(b) of
562 the Code, an eligible plan under section 457 of the Code that
563 agrees to separately account for such transferred amounts and
564 which is maintained by a state, political subdivision of a
565 state, an agency or instrumentality of a state or political
566 subdivision of a state, or a qualified trust described in
567 section 401(a) of the Code that accepts the distributee's
568 eligible rollover distribution. For distributions made after
569 December 31, 2007, an eligible retirement plan shall include a
570 Roth IRA as defined under section 408A of the Code.

571 (c) "Eligible rollover distribution" means any
572 distribution of all or any portion of the firefighter's benefit,
573 except that an eligible rollover distribution does not include
574 any distribution that is one of a series of substantially equal
575 periodic payments, at least annually, made for the life or life
576 expectancy of the distributee or the joint lives or joint life
577 expectancies of the distributee and the distributee's designated
578 beneficiary, or for a specified period of 10 years or more; any
579 distribution to the extent such distribution is required under
580 section 401(a)(9) of the Code; the portion of any distribution
581 that is not includible in gross income, determined without
582 regard to the exclusion for net unrealized appreciation with
583 respect to employer securities; and any distribution made to
584 satisfy section 415 of the Code.

585 (d) "Direct rollover" means a payment by the Firefighters'
586 Relief and Pension Fund to the eligible retirement plan
587 specified by the firefighter.

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588 (e) "Mandatory distribution" means a distribution that
589 constitutes an eligible rollover distribution as defined in
590 subsection (c) that is made without the firefighter's consent.
591 See section 12 of the Plan for an example of a potential
592 mandatory distribution. In the event a mandatory distribution is
593 greater than \$1,000, and a distributee fails to elect to have
594 such distribution paid directly to an eligible retirement plan
595 specified by the distributee in a direct rollover or to receive
596 the distribution directly, then the board of trustees will pay
597 the distribution in a direct rollover to an individual
598 retirement account ("IRA") designated by the board of trustees.
599 ~~Notwithstanding any provision of the Firefighters' Relief and~~
600 ~~Pension Fund to the contrary that would otherwise limit a~~
601 ~~firefighter's or retired firefighter's election (or such~~
602 ~~deceased individual's surviving spouse's election) under this~~
603 ~~fund, such firefighter or retired firefighter, or such deceased~~
604 ~~individual's surviving spouse, may elect, at the time and in the~~
605 ~~manner prescribed by the plan administrator, to have any portion~~
606 ~~of an eligible rollover distribution paid directly to an~~
607 ~~eligible retirement plan specified by such pensioner in a direct~~
608 ~~rollover.~~

609 Section 9. Sections 29 through 33 are added to chapter
610 21483, Laws of Florida, 1941, as amended by chapter 2000-468,
611 Laws of Florida, to read:

612 Section 29. (a) To the extent that the City of Pensacola,
613 as an employer of firefighters and Firefighters' Relief and
614 Pension Fund sponsor, may be required by law to provide
615 additional benefits to firefighters employed by the city, or

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616 their beneficiaries, those additional benefits may be provided
617 by ordinance.

618 (b) Notwithstanding any other provision of the fund to the
619 contrary, contributions, benefits, and service credit with
620 respect to qualified military service, as defined in section
621 414(u) of the Code, shall be provided in accordance with section
622 414(u) of the Code, the Uniformed Services Employment and
623 Reemployment Rights Act of 1994 (USERRA), and the Heroes
624 Earnings Assistance and Relief Tax Act of 2008 (HEART Act) and
625 shall be effective as of the dates indicated in the USERRA and
626 HEART Act.

627 (c) A partial lump sum plan (PLOP) that shall have no
628 material cost to the Firefighters' Relief and Pension Fund or
629 the city shall be established by ordinance of the city within
630 120 days after this act becomes law to be administered by the
631 board of trustees.

632 Section 30. Definitions.—The following words and phrases
633 have the following meanings:

634 (a) "Accrued benefit" means the monthly benefit payable at
635 normal retirement age, as determined under the fund's formula.

636 (b) "Actuarial equivalent" (or any synonymous term) means
637 equality in value of the aggregate amount expected to be
638 received.

639 (c) "Code" means the Internal Revenue Code of 1986, as
640 amended.

641 (d) "Compensation," "salary," and "earnings" mean the
642 wages paid to a firefighter, longevity pay, overtime pay,
643 station or watch captain pay, special duty pay, in-service sick

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644 leave redemption pay when paid, bonuses, lump-sum payments not
645 paid at termination, inclusive of employee-elective salary
646 reductions or deferrals to any salary reduction, deferred
647 compensation, or tax-sheltered annuity program authorized under
648 the Internal Revenue Code if the firefighter would receive those
649 reductions or deferrals if he or she were not participating in
650 such program, and any other payments required by law to be
651 included in pension calculations. Compensation for any plan year
652 shall not exceed the annual compensation limit under section
653 401(a) (17) of the Code as in effect on the first day of the plan
654 year. This limit shall be adjusted by the Secretary of the
655 Treasury to reflect increases in the cost of living, as provided
656 in section 401(a) (17) (B) of the Code. However, the dollar
657 increase in effect on January 1 of any calendar year is
658 effective for the plan year beginning in such calendar year. If
659 a plan determines compensation over a plan year that contains
660 less than 12 months ("short plan year"), the compensation limit
661 for such short plan year is equal to the compensation limit for
662 the calendar year in which the short plan year begins multiplied
663 by the ratio obtained by dividing the number of full months in
664 the short plan year.

665 (e) "Deferred Retirement Option Plan" or "DROP" means a
666 retirement option in which a firefighter may elect to
667 participate, under which a firefighter may retire for all
668 purposes of the plan and defer receipt of retirement benefits
669 into a DROP account while continuing employment with the city.

670 (f) "Direct rollover" means a payment by the Firefighters'
671 Relief and Pension Fund to the eligible retirement plan

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672 specified by the firefighter or retired firefighter or such
673 deceased individual's surviving spouse.

674 (g) "Eligible retirement plan" means an individual
675 retirement account described in section 408(a) of the Internal
676 Revenue Code of 1986, an individual retirement annuity described
677 in section 408(b) of the Internal Revenue Code of 1986, an
678 annuity plan described in section 403(a) of the Internal Revenue
679 Code of 1986, or a qualified trust described in section 401(a)
680 of the Internal Revenue Code of 1986 that accepts the
681 firefighter's or retired firefighter's eligible rollover
682 distribution. However, in the case of an eligible rollover
683 distribution to the surviving spouse of a deceased firefighter
684 or deceased retired firefighter, an eligible retirement plan is
685 an individual retirement account or individual retirement
686 annuity.

687 (h) "Eligible rollover distribution" means any
688 distribution of all or any portion of the balance to the credit
689 of the firefighter or retired firefighter, except that an
690 eligible rollover distribution does not include any distribution
691 that is one of a series of substantially equal periodic payments
692 paid not less frequently than annually, made for the life or
693 life expectancy of the firefighter or retired firefighter or the
694 joint lives or joint life expectancies of the firefighter or
695 retired firefighter and such individual's designated
696 beneficiary, or for a specified period of 10 years or more; any
697 distribution to the extent such distribution is required under
698 section 401(a) (9) of the Internal Revenue Code of 1986; and the

699 portion of any distribution that is not includable in gross
 700 income.

701 (i) "Enrolled actuary" means an actuary who is enrolled
 702 under Subtitle C of Title III of the Employee Retirement Income
 703 Security Act of 1974 and who is a member of the Society of
 704 Actuaries or the American Academy of Actuaries.

705 (j) "Firefighter" means any person employed by the City of
 706 Pensacola Fire Department who is certified as a firefighter as a
 707 condition of employment in accordance with the provisions of
 708 section 633.35, Florida Statutes, and whose duty it is to
 709 extinguish fires, to protect life, or to protect property.

710 (k) "Limitation year" means the plan year.

711 (l) "Plan" means the Firefighters' Relief and Pension
 712 Fund.

713 (m) "Plan year" means the 12-month period ending on
 714 September 30.

715 (n) "Retiree" or "retired firefighter" means a firefighter
 716 who has entered retirement status. A firefighter who enters a
 717 DROP created by the City of Pensacola for firefighters shall be
 718 considered a retiree for all purposes of the Firefighters'
 719 Relief and Pension Fund.

720 (o) "Retirement" means a firefighter's separation from
 721 city employment as a firefighter with the immediate eligibility
 722 for receipt of benefits under the Firefighters' Relief and
 723 Pension Fund, including entry into a Deferred Retirement Option
 724 Plan.

725 (p) "Years of service" means the aggregate number of years
 726 of service and fractional parts of a year of service, omitting

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727 intervention years and fractional parts of years when a
728 firefighter may not have been employed by the city as a
729 firefighter.

730 Section 31. Maximum pension.—The benefits otherwise
731 payable to a firefighter or a beneficiary under the
732 Firefighters' Relief and Pension Fund, and, where relevant, the
733 benefits of a firefighter, shall be limited to the extent
734 required by the provisions of section 415 of the Code. To the
735 extent applicable, the provisions of section 415 of the Code are
736 incorporated by reference into the Firefighters' Relief and
737 Pension Fund. For this purpose, the limitation year is set
738 forth in subsection 30(k).

739 Section 32. Plan termination.—Upon termination of the
740 Firefighters' Relief and Pension Fund for any reason, or upon
741 written notice to the board of trustees that contributions
742 thereunder are being permanently discontinued, the rights of all
743 firefighters to benefits accrued to the date of such termination
744 and the amounts credited to a firefighter's account, if
745 applicable, are vested. Upon termination, the Firefighters'
746 Relief and Pension Fund shall be distributed in accordance with
747 the following procedures:

748 (a) The board of trustees shall determine the date of
749 distribution and the asset value required to Firefighters'
750 Relief and Pension Fund all the vested benefits after taking
751 into account the expenses of such distribution. The board shall
752 inform the City of Pensacola if additional assets are required,
753 in which event the City of Pensacola shall continue to
754 financially support the Firefighters' Relief and Pension Fund

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755 until all vested benefits have been funded.

756 (b) The board of trustees shall determine the method of
757 distribution of the asset value, whether distribution shall be
758 by payment in cash, by the maintenance of another or substituted
759 trust fund, by the purchase of insured annuities, or otherwise,
760 for each firefighter entitled to benefits under the
761 Firefighters' Relief and Pension Fund as specified in subsection
762 (c).

763 (c) The board of trustees shall distribute the asset value
764 as of the date of termination in the manner set forth in this
765 subsection, on the basis that the amount required to provide any
766 given retirement income is the actuarially equivalent single sum
767 value of such retirement income, except that if the method of
768 distribution determined under subsection (b) involves the
769 purchase of an insured annuity, the amount required to provide
770 the given retirement income is the single premium payable for
771 such annuity. The actuarial equivalent single sum value may not
772 be less than the firefighter's accumulated contributions to the
773 Firefighters' Relief and Pension Fund, with interest if provided
774 by the Firefighters' Relief and Pension Fund, less the value of
775 any benefits previously paid to the firefighter from the
776 Firefighters' Relief and Pension Fund.

777 (d) If there is asset value remaining after the full
778 distribution specified in subsection (c), and after the payment
779 of any expenses incurred with such distribution, such excess
780 shall be returned to the City of Pensacola, less return to the
781 state of the state's contributions, provided that, if the excess
782 is less than the total contributions made by the City of

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783 Pensacola and the state to date of termination of the
 784 Firefighters' Relief and Pension Fund, such excess shall be
 785 divided proportionately to the total contributions made by the
 786 City of Pensacola and the state.

787 (e) The board of trustees shall distribute, in accordance
 788 with subsection (b), the amounts determined under subsection
 789 (c).

790
 791 If, 24 months after the date the Firefighters' Relief and
 792 Pension Fund terminated or the date the board received written
 793 notice that the contributions thereunder were being permanently
 794 discontinued, the City of Pensacola or the board of trustees of
 795 the Firefighters' Relief and Pension Fund has not complied with
 796 all the provisions in this section, the Department of Management
 797 Services shall effect the termination of the Firefighters'
 798 Relief and Pension Fund in accordance with section 175.361,
 799 Florida Statutes.

800 Section 33. Forfeitures.—

801 (a) A firefighter or such firefighter's beneficiary shall
 802 forfeit all benefits provided by the Firefighters' Relief and
 803 Pension Fund to the extent provided by the Florida State
 804 Constitution or general law.

805 (b) Forfeitures arising from any cause whatsoever under
 806 the Firefighters' Relief and Pension Fund shall not be applied
 807 to increase the benefits to any firefighter would otherwise
 808 receive under the Firefighters' Relief and Pension Fund at any
 809 time before the termination of the Firefighters' Relief and
 810 Pension Fund or the complete discontinuance of contributions

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811 hereunder. Forfeitures shall be applied to reduce the
812 contributions under the Firefighters' Relief and Pension Fund in
813 the current or subsequent years by the City of Pensacola.

814 Section 10. This act shall take effect upon becoming a
815 law.