

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 529 Lee County Sheriff's Office

SPONSOR(S): Caldwell

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Community & Military Affairs Subcommittee	15 Y, 0 N	Nelson	Hoagland
2) State Affairs Committee	18 Y, 0 N	Kliner	Hamby

SUMMARY ANALYSIS

The Florida Legislature established the civil service system for the Lee County Sheriff's Office by special act in 1974. This act provides for a civil service board, qualifications and standards for employment, and employee benefits.

In 2010, the act was amended to limit retirement health insurance premium subsidies to those employees who commenced employment on or after October 1, 1986, and prior to October 1, 2010. HB 529 deletes the reference to October 1, 1986, because the use of this date inadvertently disqualified individuals from eligibility for the retirement health insurance subsidy.

According to the Economic Impact Statement, the bill will not have a fiscal effect.

The bill has an effective date of upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Florida's Sheriffs/Civil Service

Sixty-six of Florida's 67 counties have elected sheriffs as their chief law-enforcement officers. Miami-Dade County has an appointed chief law-enforcement officer whose title is Director of the Miami-Dade Police Department. Sheriffs serve four-year terms,¹ and have county-wide jurisdiction that includes incorporated as well as unincorporated areas.

Section 14 of Art. III of the State Constitution provides:

By law there shall be created a civil service system for state employees, except those expressly exempted, and there may be created civil service systems and boards for county, district or municipal employees and for such offices thereof as are not elected or appointed by the governor, and there may be authorized such boards as are necessary to prescribe the qualifications, method of selection and tenure of such employees and officers.

The powers of the governing body of a county are set forth in s. 125.01, F.S. This power includes the authority, as provided in paragraph (u) of subsection (1) of s.125.01, F.S., to "[c]reate civil service systems and boards." Section 30.53, F.S., provides, in pertinent part, that "[t]he independence of the sheriffs shall be preserved concerning the...selection of personnel, and the hiring, firing, and setting of salaries of such personnel...."

A number of sheriffs have civil service systems established by the Legislature through special act, including: Alachua,² Baker,³ Bay,⁴ Brevard,⁵ Broward,⁶ Charlotte,⁷ Citrus,⁸ Clay,⁹ Columbia,¹⁰ Escambia,¹¹ Flagler,¹² Glades,¹³ Hernando,¹⁴ Indian River,¹⁵ Lake,¹⁶ Lee,¹⁷ Leon,¹⁸ Levy,¹⁹ Madison,²⁰ Manatee,²¹ Marion,²² Martin,²³ Monroe,²⁴ Okaloosa,²⁵ Okeechobee,²⁶ Orange,²⁷ Osceola,²⁸ Palm

¹ Section 1(d), Art. VIII of the State Constitution.

² Chs. 84-388 and 86-342, L.O.F.

³ Ch. 2006-318, L.O.F.

⁴ Ch. 84-390, L.O.F.

⁵ Ch. 83-373, L.O.F.

⁶ Ch. 93-370, L.O.F.

⁷ Chs. 79-436, 86-349 and 89-508, L.O.F.

⁸ Ch. 2001-296, L.O.F.

⁹ Chs. 89-522 and 93-397, L.O.F.

¹⁰ Ch. 2004-413, L.O.F.

¹¹ Ch. 89-492, L.O.F.

¹² Chs. 90-450 and 2000-482, L.O.F.

¹³ Ch. 2003-311, L.O.F.

¹⁴ Ch. 2000-414, L.O.F.

¹⁵ Ch. 2002-355, L.O.F.

¹⁶ Chs. 90-386, 93-358 and 2005-349, L.O.F.

¹⁷ Chs. 74-522, 87-446, 87-547, 95-514, 2007-320, 2008-276 and 2010-260, L.O.F.

¹⁸ Ch. 83-456, L.O.F.

¹⁹ Ch. 2007-290, L.O.F.

²⁰ Ch. 95-470, L.O.F.

²¹ Ch. 89-472, L.O.F.

²² Ch. 87-457, L.O.F.

²³ Ch. 93-388, L.O.F.

²⁴ Chs. 78-567, 89-410, 89-461, 97-345 and 98-507, L.O.F.

²⁵ Chs. 81-442, 85-472, and 90-492, L.O.F.

²⁶ Ch. 2006-338, L.O.F.

²⁷ Ch. 89-507, L.O.F.

Beach,²⁹ Pasco,³⁰ Pinellas,³¹ Polk,³² St. Lucie,³³ Santa Rosa,³⁴ Sarasota,³⁵ Seminole³⁶ and Walton³⁷ counties.

Lee County Sheriff's Office/Retirement Health Insurance Benefits

The Florida Legislature established the civil service system for the Lee County Sheriff's Office pursuant to ch. 74-522, L.O.F. This special act subsequently was amended in 1987, 1995, 2007, 2008 and 2010. The act, as amended, provides for a civil service board, qualifications and standards for employment, and employee benefits.

Section 15 of the act relates to the funding of civil service board and retirement health insurance benefits. That section provides that effective October 1, 1986, the Sheriff will include annually in his or her budget a sufficient sum of money to pay a portion of the cost of the health and hospitalization insurance premiums for employees who retire after accumulating at least 15 or more years of full-time, active service with the office. Employer premiums payable under this provision are limited to major medical and hospitalization insurance, and are not available to any individual commencing employment on or after October 1, 2010.

At 15 years of service, the Sheriff's Office pays up to 75 percent of the portion of the retiree's health and hospitalization insurance premium that exceeds the amount of any health insurance subsidy paid to a retiree. For each full month of employment with the Lee County Sheriff's Office beyond 15 years, the Sheriff's Office pays an additional 0.416 percent per month through 19 years and 11 months of service. The insured retiree may purchase, at his or her own expense, group coverage for a qualified spouse or dependents. Employee premium payments and payments for insurance coverage of dependents are payable by the retiree.

At 20 years of service and beyond, the Lee County Sheriff's Office pays up to 100 percent of the portion of a retiree's health and hospitalization insurance premium that exceeds the first \$100 of any health insurance subsidy received by the retiree and, in addition, pays 50 percent of the health and hospitalization insurance premium for any qualified spouse or dependents of the retiree. Any employee premium payments and the balance of payments for dependents of the retiree are payable by the retiree or qualified dependent. Any increase or decrease to the health insurance subsidy by the state is factored into the provisions of this subsection.³⁸

Premiums may be adjusted annually based on actual qualified group costs to the Lee County Sheriff's Office. At such time as a retiree or qualified dependent covered under this section becomes eligible for Medicare health insurance, it is his or her responsibility to enroll in and utilize Medicare benefits to pay primary, secondary or last payments to the extent provided by federal law. The Lee County Sheriff's Office treats an eligible retiree or qualified dependent as enrolled in Medicare parts A and B, regardless of actual enrollment, and bases its payments as if the retiree or qualified dependent has utilized his or her Medicare benefits.

In 2010, Section 15(6) of the Lee County Sheriff's Office civil service act was amended pursuant to ch. 2010-260, L.O.F., to limit retirement health insurance premium subsidies to those employees who had commenced employment on or after October 1, 1986, and prior to October 1, 2010.

²⁸ Chs. 89-516 and 2000-388, L.O.F.

²⁹ Chs. 93-367, 96-450, 97-325, 98-517, 99-437 and 2004-404, L.O.F.

³⁰ Ch. 90-491, L.O.F.

³¹ Chs. 89-404, 90-395 and 2008-285, L.O.F.

³² Chs. 88-443, 98-516 and 2006-320, L.O.F.

³³ Ch. 89-475, L.O.F.

³⁴ Ch. 2002-385, L.O.F.

³⁵ Ch. 86-344, L.O.F.

³⁶ Ch. 77-653, 80-612, 88-451, 89-457 and 97-376, L.O.F.

³⁷ Ch. 2007-319, L.O.F.

³⁸ The Lee County Sheriff's Office is a participating member of the Florida Retirement System. Section 112.363, F.S., provides the current retiree health insurance subsidy.

Effect of Proposed Changes

HB 1249 deletes language in the Lee County Sheriff's Office civil service act that limits the availability of retirement health insurance benefits to employees who commenced employment on or after October 1, 1986. When this language was added to the act, the October 1, 1986, date was used because it represented the point in time when the civil service act first required that funding for the subsidy be included in the Sheriff's budget. While the drafters used the date in an effort to provide a clear "bracket" for payment of these benefits, the language had the unintended consequence of disqualifying a number of employees.

The bill has an effective date of upon becoming law.

B. SECTION DIRECTORY:

Section 1: Amends Section 15 of ch. 74-522, L.O.F., as amended, relating to payment of retirement health insurance benefits by the Lee County Sheriff's Office.

Section 2: Provides an effective date.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 13, 2010

WHERE? The *News-Press*, a daily newspaper of general circulation published in Lee County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Drafting Issues

None.

Other Comments

This bill was jointly proposed by the Lee County Sheriff's Office and the Lee County Sheriff's Office Civil Service Board. According to the attorney for the Lee County Sheriff's Office Civil Service Board, no former employees were impacted by the passage of ch. 2010-260, L.O.F, as the Sheriff honored all subsidy payment obligations.³⁹

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

³⁹ February 23, 2011, correspondence from Robert C. Shearman.