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1 A bill to be entitled
2 An act relating to public retirement plans; amending s.
3 175.032, F.S.; revising the definition of the term
4 "compensation" or "salary" for purposes of firefighters'
5 pensions; amending s. 175.061, F.S.; providing duties of
6 the board of trustees relating to the reporting of
7 expenses and the submission of a proposed administrative
8 expense budget; amending s. 175.071, F.S.; revising
9 requirements of the board relating to the employment of
10 legal counsel, actuaries, and other advisers; amending s.
11 175.091, F.S.; removing an adjustment requirement for
12 member contribution rates to a retirement plan for
13 firefighters; amending s. 175.351, F.S.; revising
14 provisions relating to benefits paid from the premium tax
15 by a municipality or special fire control district that
16 has its own pension plan; providing definitions; providing
17 uses for additional premium tax revenues; amending s.
18 185.02, F.S.; revising the definition of the term
19 "compensation" or "salary" for purposes of police
20 officers' pensions; amending s. 185.05, F.S.; providing
21 duties of the board of trustees relating to the reporting
22 of expenses and submission of a proposed administrative
23 expense budget; amending s. 185.06, F.S.; revising
24 requirements of the board relating to the employment of
25 legal counsel, actuaries, and other advisers; amending s.
26 185.07, F.S.; removing an adjustment requirement for
27 member contribution rates to a retirement plan for police
28 officers; amending s. 185.35, F.S.; revising provisions

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29 relating to benefits paid by a municipality that has its
 30 own pension plan; providing definitions; providing uses
 31 for additional premium tax revenues; directing the
 32 Division of Retirement in the Department of Management
 33 Services to rate the financial strength of local
 34 government defined benefit plans; specifying the factors
 35 for assigning the ratings; requiring local pension boards,
 36 local governments, and all relevant entities to cooperate
 37 in providing data for the ratings; requiring the ratings
 38 to be posted on the division's website; creating the Task
 39 Force on Public Employee Disability Presumptions;
 40 providing for appointment and membership; specifying the
 41 issues for the task force to address; providing for a
 42 report to be submitted to the Governor, Chief Financial
 43 Officer, and Legislature by a certain date; providing for
 44 future expiration; providing a declaration of important
 45 state interest; providing an effective date.

46

47 Be It Enacted by the Legislature of the State of Florida:

48

49 Section 1. Subsection (3) of section 175.032, Florida
 50 Statutes, is amended to read:

51 175.032 Definitions.—For any municipality, special fire
 52 control district, chapter plan, local law municipality, local
 53 law special fire control district, or local law plan under this
 54 chapter, the following words and phrases have the following
 55 meanings:

56 (3) "Compensation" or "salary" means, for noncollectively

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57 bargained service earned before July 1, 2011, or for service
 58 earned under collective bargaining agreements in place before
 59 July 1, 2011, the fixed monthly remuneration paid a firefighter.
 60 ~~If , where, as in the case of a volunteer firefighter,~~
 61 remuneration is based on actual services rendered, as in the
 62 case of a volunteer firefighter, the term means the total cash
 63 remuneration received yearly for such services, prorated on a
 64 monthly basis. For noncollectively bargained service earned on
 65 or after July 1, 2011, or for service earned under collective
 66 bargaining agreements entered into on or after July 1, 2011, the
 67 term has the same meaning except that overtime compensation up
 68 to 300 hours per year may be included for purposes of
 69 calculating retirement benefits as specified in the plan or
 70 collective bargaining agreement, but payments for unused sick or
 71 annual leave may not be included for purposes of calculating
 72 retirement benefits.

73 ~~(a) A retirement trust fund or plan may use a definition~~
 74 ~~of salary other than the definition in this subsection but only~~
 75 ~~if the monthly retirement income payable to each firefighter~~
 76 ~~covered by the retirement trust fund or plan, as determined~~
 77 ~~under s. 175.162(2)(a) and using such other definition, equals~~
 78 ~~or exceeds the monthly retirement income that would be payable~~
 79 ~~to each firefighter if his or her monthly retirement income were~~
 80 ~~determined under s. 175.162(2)(a) and using the definition in~~
 81 ~~this subsection.~~

82 ~~(a)(b)~~ Any retirement trust fund or plan that ~~which now or~~
 83 ~~hereafter~~ meets the requirements of this chapter does ~~shall~~ not,
 84 solely by virtue of this subsection, reduce or diminish the

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85 monthly retirement income otherwise payable to each firefighter
86 covered by the retirement trust fund or plan.

87 (b)~~(e)~~ The member's compensation or salary contributed as
88 employee-elective salary reductions or deferrals to any salary
89 reduction, deferred compensation, or tax-sheltered annuity
90 program authorized under the Internal Revenue Code shall be
91 deemed to be the compensation or salary the member would receive
92 if he or she were not participating in such program and shall be
93 treated as compensation for retirement purposes under this
94 chapter.

95 (c)~~(d)~~ For any person who first becomes a member in any
96 plan year beginning on or after January 1, 1996, compensation
97 for that ~~any~~ plan year may ~~shall~~ not include any amounts in
98 excess of the Internal Revenue Code s. 401(a)(17) limitation,
99 ~~(as amended by the Omnibus Budget Reconciliation Act of 1993)~~,
100 which limitation of \$150,000 shall be adjusted as required by
101 federal law for qualified government plans and shall be further
102 adjusted for changes in the cost of living in the manner
103 provided by Internal Revenue Code s. 401(a)(17)(B). For any
104 person who first became a member before ~~prior to~~ the first plan
105 year beginning on or after January 1, 1996, the limitation on
106 compensation may ~~shall be~~ not be less than the maximum
107 compensation amount that was allowed to be taken into account
108 under the plan as in effect on July 1, 1993, which limitation
109 shall be adjusted for changes in the cost of living since 1989
110 in the manner provided by Internal Revenue Code s.
111 401(a)(17)(1991).

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112 Section 2. Subsections (4), (5), (6), and (7) of section
 113 175.061, Florida Statutes, are renumbered as subsections (5),
 114 (6), (7), and (8), respectively, and a new subsection (4) is
 115 added to that section, to read:

116 175.061 Board of trustees; members; terms of office;
 117 meetings; legal entity; costs; attorney's fees.—For any
 118 municipality, special fire control district, chapter plan, local
 119 law municipality, local law special fire control district, or
 120 local law plan under this chapter:

121 (4) The board of trustees shall:

122 (a) Provide a detailed accounting report of its expenses
 123 for each fiscal year to the plan sponsor and the Department of
 124 Management Services and shall make the report available to every
 125 member of the plan. The report must include, but need not be
 126 limited to, all administrative expenses which, for purposes of
 127 this subsection, are all expenses relating to any legal counsel,
 128 actuary, plan administrator, and all other consultants, and all
 129 travel and other expenses paid to or on behalf of the members of
 130 the board of trustees or anyone else on behalf of the plan.

131 (b) Submit its proposed administrative expense budget for
 132 each fiscal year at least 120 days before the beginning of the
 133 fiscal year to the plan sponsor for review and modification. The
 134 administrative expense budget is effective only upon approval by
 135 the plan sponsor and must regulate the administrative expenses
 136 of the board of trustees. The board of trustees may not amend
 137 the budget without the prior approval of the plan sponsor.

138 Section 3. Subsection (7) of section 175.071, Florida
 139 Statutes, is amended to read:

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140 175.071 General powers and duties of board of trustees.—
 141 For any municipality, special fire control district, chapter
 142 plan, local law municipality, local law special fire control
 143 district, or local law plan under this chapter:

144 (7) To assist the board in meeting its responsibilities
 145 under this chapter, the board, if it so elects, and subject to
 146 s. 175.061(4), may:

147 (a) Employ independent legal counsel at the pension fund's
 148 expense.

149 (b) Employ an independent actuary, as defined in s.
 150 175.032(7), at the pension fund's expense.

151 (c) Employ such independent professional, technical, or
 152 other advisers as it deems necessary at the pension fund's
 153 expense.

154
 155 If the board chooses to use the municipality's or special
 156 district's legal counsel or actuary, or chooses to use any of
 157 the municipality's or special district's other professional,
 158 technical, or other advisers, it must do so only under terms and
 159 conditions acceptable to the board.

160 Section 4. Paragraph (b) of subsection (2) of section
 161 175.091, Florida Statutes, is amended to read:

162 175.091 Creation and maintenance of fund.—For any
 163 municipality, special fire control district, chapter plan, local
 164 law municipality, local law special fire control district, or
 165 local law plan under this chapter:

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

167 (b) Firefighter member contributions may be increased by

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168 consent of the members' collective bargaining representative or,
 169 if none, by majority consent of firefighter members of the fund
 170 ~~to provide greater benefits.~~

171
 172 Nothing in this section shall be construed to require adjustment
 173 of member contribution rates in effect on the date this act
 174 becomes a law, including rates that exceed 5 percent of salary,
 175 provided that such rates are at least one-half of 1 percent of
 176 salary.

177 Section 5. Section 175.351, Florida Statutes, is amended
 178 to read:

179 175.351 Municipalities and special fire control districts
 180 having their own pension plans for firefighters.—For any
 181 municipality, special fire control district, local law
 182 municipality, local law special fire control district, or local
 183 law plan under this chapter, in order for municipalities and
 184 special fire control districts with their own pension plans for
 185 firefighters, or for firefighters and police officers, where
 186 included, to participate in the distribution of the tax fund
 187 established pursuant to s. 175.101, local law plans must provide
 188 a benefit or benefits within those pension plans for
 189 firefighters, or for firefighters and police officers, where
 190 included, that is in addition to or greater than a pension
 191 benefit provided to general employees of the municipality or
 192 special fire control district regardless of when such additional
 193 or greater benefit was or is provided ~~meet the minimum benefits~~
 194 ~~and minimum standards set forth in this chapter.~~

195 (1) For the purpose of this chapter:

196 (a) "Additional premium tax revenues" means revenues
 197 received by a municipality or special fire control district
 198 pursuant to s. 175.121 which exceed that amount received for
 199 calendar year 1997.

200 (b) "Extra benefits" means benefits in addition to or
 201 greater than those provided to general employees of the
 202 municipality or special fire control district regardless of when
 203 such additional or greater benefit was or is provided. PREMIUM

204 ~~TAX INCOME. If a municipality has a pension plan for~~
 205 ~~firefighters, or a pension plan for firefighters and police~~
 206 ~~officers, where included, which in the opinion of the division~~
 207 ~~meets the minimum benefits and minimum standards set forth in~~
 208 ~~this chapter, the board of trustees of the pension plan, as~~
 209 ~~approved by a majority of firefighters of the municipality, may:~~

210 ~~(a) Place the income from the premium tax in s. 175.101 in~~
 211 ~~such pension plan for the sole and exclusive use of its~~
 212 ~~firefighters, or for firefighters and police officers, where~~
 213 ~~included, where it shall become an integral part of that pension~~
 214 ~~plan and shall be used to pay extra benefits to the firefighters~~
 215 ~~included in that pension plan; or~~

216 ~~(b) Place the income from the premium tax in s. 175.101 in~~
 217 ~~a separate supplemental plan to pay extra benefits to~~
 218 ~~firefighters, or to firefighters and police officers where~~
 219 ~~included, participating in such separate supplemental plan.~~

220 (2) For plans that comply with the minimum benefit
 221 provisions of this chapter, the additional premium tax revenues
 222 provided by this chapter shall in all cases be used in its
 223 entirety to:

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224 (a) Pay ~~provide~~ extra benefits to firefighters, or to
 225 firefighters and police officers, where included; or

226 (b) Pay the unfunded actuarial accrued liabilities of the
 227 plan. If the aggregate level cost method is the actuarial cost
 228 method used to fund the plan, the unfunded actuarial accrued
 229 liabilities shall be measured using the entry age normal cost
 230 method.

231 (3) For ~~However,~~ local law plans in effect on October 1,
 232 1998, that do not ~~shall be required to~~ comply with the minimum
 233 benefit provisions of this chapter, as only to the extent that
 234 additional premium tax revenues become available, such revenues
 235 shall be used to incrementally fund the cost of such compliance
 236 as provided in s. 175.162(2) (a).

237 (4) If ~~When~~ a plan is in compliance with such minimum
 238 benefit provisions, as subsequent additional premium tax
 239 revenues become available, they shall be used to pay for ~~provide~~
 240 extra benefits or to pay the unfunded actuarial accrued
 241 liabilities of the plan, as provided in subsection (2). ~~For the~~
 242 ~~purpose of this chapter, "additional premium tax revenues" means~~
 243 ~~revenues received by a municipality or special fire control~~
 244 ~~district pursuant to s. 175.121 which exceed that amount~~
 245 ~~received for calendar year 1997, and the term "extra benefits"~~
 246 ~~means benefits in addition to or greater than those provided to~~
 247 ~~general employees of the municipality and in addition to those~~
 248 ~~in existence for firefighters on March 12, 1999.~~

249 (5) Local law plans created by special act before May 27
 250 23, 1939, shall be deemed to comply with this chapter.

251 (6)-(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No

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

270 (7)(3) ~~(7)(3)~~ Notwithstanding any other provision, with respect
 271 to any supplemental plan municipality:

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

276 (b) Section 175.061(1)(b) does ~~shall~~ not apply, and a
 277 local law plan and a supplemental plan shall continue to be
 278 administered by a board or boards of trustees numbered,
 279 constituted, and selected as the board or boards were numbered,

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280 constituted, and selected on December 1, 2000.

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

283 ~~(8)(4)~~ The retirement plan setting forth the benefits and
 284 the trust agreement, if any, covering the duties and
 285 responsibilities of the trustees and the regulations of the
 286 investment of funds must be in writing, and copies ~~thereof must~~
 287 ~~be~~ made available to the participants and to the general public.

288 Section 6. Subsection (4) of section 185.02, Florida
 289 Statutes, is amended to read:

290 185.02 Definitions.—For any municipality, chapter plan,
 291 local law municipality, or local law plan under this chapter,
 292 the following words and phrases as used in this chapter shall
 293 have the following meanings, unless a different meaning is
 294 plainly required by the context:

295 (4) "Compensation" or "salary" means, for noncollectively
 296 bargained service earned before July 1, 2011, or for service
 297 earned under collective bargaining agreements in place before
 298 July 1, 2011, the total cash remuneration including "overtime"
 299 paid by the primary employer to a police officer for services
 300 rendered, but not including any payments for extra duty or a
 301 special detail work performed on behalf of a second party
 302 employer. ~~However,~~ A local law plan may limit the amount of
 303 overtime payments which can be used for retirement benefit
 304 calculation purposes; however, ~~but in no event shall~~ such
 305 overtime limit may not be less than 300 hours per officer per
 306 calendar year. For noncollectively bargained service earned on
 307 or after July 1, 2011, or for service earned under collective

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308 bargaining agreements entered into on or after July 1, 2011, the
 309 term has the same meaning except that overtime compensation up
 310 to 300 hours per year may be included for purposes of
 311 calculating retirement benefits as specified in the plan or
 312 collective bargaining agreement, but payments for unused sick or
 313 annual leave may not be included for purposes of calculating
 314 retirement benefits.

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

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

328 (c) For any person who first becomes a member in any plan
 329 year beginning on or after January 1, 1996, compensation for
 330 that any plan year may shall not include any amounts in excess
 331 of the Internal Revenue Code s. 401(a)(17) limitation, ~~(as~~
 332 ~~amended by the Omnibus Budget Reconciliation Act of 1993)~~, which
 333 limitation of \$150,000 shall be adjusted as required by federal
 334 law for qualified government plans and shall be further adjusted
 335 for changes in the cost of living in the manner provided by

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336 Internal Revenue Code s. 401(a)(17)(B). For any person who first
 337 became a member before ~~prior to~~ the first plan year beginning on
 338 or after January 1, 1996, the limitation on compensation may
 339 ~~shall be~~ not be less than the maximum compensation amount that
 340 was allowed to be taken into account under the plan as in effect
 341 on July 1, 1993, which limitation shall be adjusted for changes
 342 in the cost of living since 1989 in the manner provided by
 343 Internal Revenue Code s. 401(a)(17)(1991).

344 Section 7. Subsections (4), (5), (6), and (7) of section
 345 185.05, Florida Statutes, are renumbered as subsections (5),
 346 (6), (7), and (8), respectively, and a new subsection (4) is
 347 added to that section, to read:

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

352 (4) The board of trustees shall:

353 (a) Provide a detailed accounting report of its expenses
 354 for each fiscal year to the plan sponsor and the Department of
 355 Management Services and shall make the report available to every
 356 member of the plan. The report must include, but need not be
 357 limited to, all administrative expenses which, for purposes of
 358 this subsection, are all expenses relating to any legal counsel,
 359 actuary, plan administrator, and all other consultants, and all
 360 travel and other expenses paid to or on behalf of the members of
 361 the board of trustees or anyone else on behalf of the plan.

362 (b) Submit its proposed administrative expense budget for
 363 each fiscal year at least 120 days before the beginning of the

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364 fiscal year to the plan sponsor for review and modification. The
 365 administrative expense budget is effective only upon approval by
 366 the plan sponsor and must regulate the administrative expenses
 367 of the board of trustees. The board of trustees may not amend
 368 the budget without the prior approval of the plan sponsor.

369 Section 8. Subsection (6) of section 185.06, Florida
 370 Statutes, is amended to read:

371 185.06 General powers and duties of board of trustees.—For
 372 any municipality, chapter plan, local law municipality, or local
 373 law plan under this chapter:

374 (6) To assist the board in meeting its responsibilities
 375 under this chapter, the board, if it so elects, and subject to
 376 s. 185.05(4), may:

377 (a) Employ independent legal counsel at the pension fund's
 378 expense.

379 (b) Employ an independent actuary, as defined in s.
 380 185.02(8), at the pension fund's expense.

381 (c) Employ such independent professional, technical, or
 382 other advisers as it deems necessary at the pension fund's
 383 expense.

384
 385 If the board chooses to use the municipality's or special
 386 district's legal counsel or actuary, or chooses to use any of
 387 the municipality's other professional, technical, or other
 388 advisers, it must do so only under terms and conditions
 389 acceptable to the board.

390 Section 9. Paragraph (b) of subsection (2) of section
 391 185.07, Florida Statutes, is amended to read:

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392 185.07 Creation and maintenance of fund.—For any
 393 municipality, chapter plan, local law municipality, or local law
 394 plan under this chapter:

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

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

400
 401 Nothing in this section shall be construed to require adjustment
 402 of member contribution rates in effect on the date this act
 403 becomes a law, including rates that exceed 5 percent of salary,
 404 provided that such rates are at least one-half of 1 percent of
 405 salary.

406 Section 10. Section 185.35, Florida Statutes, is amended
 407 to read:

408 185.35 Municipalities having their own pension plans for
 409 police officers.—For any municipality, chapter plan, local law
 410 municipality, or local law plan under this chapter, in order for
 411 municipalities with their own pension plans for police officers,
 412 or for police officers and firefighters where included, to
 413 participate in the distribution of the tax fund established
 414 pursuant to s. 185.08, local law plans must provide a benefit or
 415 benefits within those pension plans for police officers, or for
 416 police officers and firefighters, where included, that is in
 417 addition to or greater than a pension benefit provided to
 418 general employees of the municipality regardless of when such
 419 additional or greater benefit was or is provided. ~~meet the~~

420 ~~minimum benefits and minimum standards set forth in this~~
 421 ~~chapter:~~

422 (1) For the purposes of this chapter:

423 (a) "Additional premium tax revenues" means revenues
 424 received by a municipality pursuant to s. 185.10 which exceed
 425 the amount received for calendar year 1997.

426 (b) "Extra benefits" means benefits in addition to or
 427 greater than those provided to general employees of the
 428 municipality regardless of when such additional or greater
 429 benefit was or is provided. ~~PREMIUM TAX INCOME. If a~~
 430 ~~municipality has a pension plan for police officers, or for~~
 431 ~~police officers and firefighters where included, which, in the~~
 432 ~~opinion of the division, meets the minimum benefits and minimum~~
 433 ~~standards set forth in this chapter, the board of trustees of~~
 434 ~~the pension plan, as approved by a majority of police officers~~
 435 ~~of the municipality, may:~~

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

442 (b) ~~May place the income from the premium tax in s. 185.08~~
 443 ~~in a separate supplemental plan to pay extra benefits to the~~
 444 ~~police officers, or police officers and firefighters where~~
 445 ~~included, participating in such separate supplemental plan.~~

446 (2) For plans that comply with the minimum benefit
 447 provisions of this chapter, the additional premium tax revenues

448 provided by this chapter shall ~~in all cases~~ be used in its
 449 entirety to:

450 (a) Pay ~~provide~~ extra benefits to police officers, or to
 451 police officers and firefighters, where included; or

452 (b) Pay the unfunded actuarial accrued liabilities of the
 453 plan. If the aggregate level cost method is the actuarial cost
 454 method used to fund the plan, the unfunded actuarial accrued
 455 liabilities shall be measured using the entry age normal cost
 456 method.

457 (3) For ~~However,~~ local law plans in effect on October 1,
 458 1998, that do not ~~shall be required to~~ comply with the minimum
 459 benefit provisions of this chapter, as ~~only to the extent that~~
 460 additional premium tax revenues become available, such revenues
 461 shall be used to incrementally fund the cost of such compliance
 462 as provided in s. 185.16(2).

463 (4) If ~~When~~ a plan is in compliance with such minimum
 464 benefit provisions, as subsequent additional tax revenues become
 465 available, they shall be used to pay for ~~provide~~ extra benefits
 466 or to pay the unfunded actuarial accrued liabilities of the
 467 plan, as provided in subsection (2). ~~For the purpose of this~~
 468 ~~chapter, "additional premium tax revenues" means revenues~~
 469 ~~received by a municipality pursuant to s. 185.10 which exceed~~
 470 ~~the amount received for calendar year 1997, and the term "extra~~
 471 ~~benefits" means benefits in addition to or greater than those~~
 472 ~~provided to general employees of the municipality and in~~
 473 ~~addition to those in existence for police officers on March 12,~~
 474 ~~1999.~~

475 (5) Local law plans created by special act before May 27

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476 ~~23~~, 1939, shall be deemed to comply with this chapter.

477 ~~(6)(2) A ADOPTION OR REVISION OF A LOCAL LAW PLAN. No~~
 478 retirement plan or amendment to a retirement plan may not ~~shall~~
 479 be proposed for adoption unless the proposed plan or amendment
 480 contains an actuarial estimate of the costs involved. The ~~No~~
 481 ~~such~~ proposed plan or proposed plan change may not ~~shall~~ be
 482 adopted without the approval of the municipality or, where
 483 permitted, the Legislature. Copies of the proposed plan or
 484 proposed plan change and the actuarial impact statement of the
 485 proposed plan or proposed plan change shall be furnished to the
 486 division before ~~prior to~~ the last public hearing thereon. Such
 487 statement must ~~shall~~ also indicate whether the proposed plan or
 488 proposed plan change is in compliance with s. 14, Art. X of the
 489 State Constitution and those provisions of part VII of chapter
 490 112 which are not expressly provided in this chapter.
 491 Notwithstanding any other provision, only those local law plans
 492 created by special act of legislation before ~~prior to~~ May 27 ~~23~~,
 493 1939, are ~~shall be~~ deemed to meet the minimum benefits and
 494 minimum standards only in this chapter.

495 ~~(7)(3)~~ Notwithstanding any other provision, with respect
 496 to any supplemental plan municipality:

497 (a) Section 185.02(4)(a) does ~~shall~~ not apply, and a local
 498 law plan and a supplemental plan may continue to use their
 499 definition of compensation or salary in existence on March 12,
 500 1999 ~~the effective date of this act.~~

501 (b) Section 185.05(1)(b) does ~~shall~~ not apply, and a local
 502 law plan and a supplemental plan shall continue to be
 503 administered by a board or boards of trustees numbered,

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504 constituted, and selected as the board or boards were numbered,
 505 constituted, and selected on December 1, 2000.

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

508 ~~(8)(4)~~ The retirement plan setting forth the benefits and
 509 the trust agreement, if any, covering the duties and
 510 responsibilities of the trustees and the regulations of the
 511 investment of funds must be in writing and copies made available
 512 to the participants and to the general public.

513 Section 11. Financial rating of local pension plans.—The
 514 Division of Retirement in the Department of Management Services
 515 shall develop standardized ratings for classifying the financial
 516 strength of all local government defined benefit pension plans.

517 (1) In assigning a rating to a plan, the division shall
 518 consider, without limitation:

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

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

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

525 (d) Municipal bond ratings for the local government, if
 526 applicable.

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

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

531 (2) The division may obtain all necessary data to

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532 formulate the ratings from all relevant entities, including
533 local pension boards and local governments, all of which shall
534 cooperate with the division in supplying all necessary
535 information.

536 (3) The ratings shall be posted on the division's website
537 in a standardized format.

538 Section 12. Task Force on Public Employee Disability
539 Presumptions.—

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

544 (2) All members of the task force shall be appointed on or
545 before July 15, 2011, and the task force shall hold its first
546 meeting on or before August 15, 2011. The task force shall be
547 composed of nine members as follows:

548 (a) Three members appointed by the President of the
549 Senate, one of whom must be an attorney in private practice who
550 has experience in the relevant laws, one of whom must be a
551 representative of organized labor and a member of a pension plan
552 under chapter 175, Florida Statutes, and one of whom must be
553 from the Florida Association of Counties.

554 (b) Three members appointed by the Speaker of the House of
555 Representatives, one of whom must be an attorney in private
556 practice who has experience in the relevant laws, one of whom
557 must be a representative of organized labor and a member of a
558 pension plan under chapter 185, Florida Statutes, and one of
559 whom must be from the Florida League of Cities.

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560 (c) A member employed by the Office of the Auditor General
561 who has experience in local government auditing and finances.

562 (d) A member employed by the Division of Retirement of the
563 Department of Management Services who has experience in local
564 government pension plans, appointed by the Governor.

565 (e) A member employed by the Department of Financial
566 Services who has relevant expertise in state risk management,
567 appointed by the Chief Financial Officer.

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

570 (a) Data related to the operation of the statutory
571 disability presumptions.

572 (b) The manner in which other states handle disability
573 presumptions.

574 (c) Proposals for changes to the existing disability
575 presumptions.

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

578 (5) Members of the task force shall serve without
579 compensation, but are entitled to reimbursement for per diem and
580 travel expenses in accordance with s. 112.061, Florida Statutes.

581 (6) The task force may obtain data, information, and
582 assistance from any officer or state agency and any political
583 subdivision thereof. All such officers, agencies, and political
584 subdivisions shall provide the task force with all relevant
585 information and assistance on any matter within their knowledge
586 or control.

587 (7) The task force shall submit a report, including

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588 findings and recommendations, to the Governor, the Chief
589 Financial Officer, the President of the Senate, and the Speaker
590 of the House of Representatives by January 1, 2012. The report
591 must include specific recommendations for legislative action
592 during the 2012 Regular Session of the Legislature.

593 (8) The task force is dissolved upon submission of its
594 report.

595 Section 13. The Legislature finds that a proper and
596 legitimate state purpose is served when employees and retirees
597 of the state and its political subdivisions, and the dependents,
598 survivors, and beneficiaries of such employees and retirees, are
599 extended the basic protections afforded by governmental
600 retirement systems that provide fair and adequate benefits and
601 that are managed, administered, and funded in an actuarially
602 sound manner as required by s. 14, Art. X of the State
603 Constitution and part VII of chapter 112, Florida Statutes.
604 Therefore, the Legislature determines and declares that this act
605 fulfill an important state interest.

606 Section 14. This act shall take effect July 1, 2011.