

By the Committee on Governmental Oversight and Accountability

585-02461-12

20122088

1                                   A bill to be entitled  
2           An act relating to municipal police pensions; amending  
3           s. 185.02, F.S.; revising the definition of the term  
4           "compensation" or "salary"; providing an effective  
5           date.

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

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9           Section 1. Subsection (4) of section 185.02, Florida  
10          Statutes, is amended to read:

11           185.02 Definitions.—For any municipality, chapter plan,  
12          local law municipality, or local law plan under this chapter,  
13          the following words and phrases as used in this chapter shall  
14          have the following meanings, unless a different meaning is  
15          plainly required by the context:

16           (4) "Compensation" or "salary" means, for noncollectively  
17          bargained service earned before July 1, 2011, or for service  
18          earned under collective bargaining agreements in place before  
19          July 1, 2011, the total cash remuneration including "overtime"  
20          paid by the primary employer to a police officer for services  
21          rendered, but not including any payments for extra duty or  
22          special detail work performed on behalf of a second party  
23          employer. A local law plan may limit the amount of overtime  
24          payments which can be used for retirement benefit calculation  
25          purposes; ~~however, such overtime limit may not be less than 300~~  
26          ~~hours per officer per calendar year.~~ For noncollectively  
27          bargained service earned on or after July 1, 2011, or for  
28          service earned under collective bargaining agreements entered  
29          into on or after July 1, 2011, the term has the same meaning

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30 except that when calculating retirement benefits, up to 300  
31 hours per year in overtime compensation may be included as  
32 specified in the plan or collective bargaining agreement, but  
33 payments for accrued unused sick or annual leave may not be  
34 included.

35 (a) Any retirement trust fund or plan that meets the  
36 requirements of this chapter does not, solely by virtue of this  
37 subsection, reduce or diminish the monthly retirement income  
38 otherwise payable to each police officer covered by the  
39 retirement trust fund or plan.

40 (b) The member's compensation or salary contributed as  
41 employee-elective salary reductions or deferrals to any salary  
42 reduction, deferred compensation, or tax-sheltered annuity  
43 program authorized under the Internal Revenue Code shall be  
44 deemed to be the compensation or salary the member would receive  
45 if he or she were not participating in such program and shall be  
46 treated as compensation for retirement purposes under this  
47 chapter.

48 (c) For any person who first becomes a member in any plan  
49 year beginning on or after January 1, 1996, compensation for  
50 that plan year may not include any amounts in excess of the  
51 Internal Revenue Code s. 401(a)(17) limitation, as amended by  
52 the Omnibus Budget Reconciliation Act of 1993, which limitation  
53 of \$150,000 shall be adjusted as required by federal law for  
54 qualified government plans and shall be further adjusted for  
55 changes in the cost of living in the manner provided by Internal  
56 Revenue Code s. 401(a)(17)(B). For any person who first became a  
57 member before the first plan year beginning on or after January  
58 1, 1996, the limitation on compensation may not be less than the

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59 maximum compensation amount that was allowed to be taken into  
60 account under the plan ~~as~~ in effect on July 1, 1993, which  
61 limitation shall be adjusted for changes in the cost of living  
62 since 1989 in the manner provided by Internal Revenue Code s.  
63 401(a)(17)(1991).

64 Section 2. This act shall take effect July 1, 2012.