

FOR CONSIDERATION By the Committee on Governmental Oversight and Accountability

585-01547-12

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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.