1

A bill to be entitled

2 An act relating to the judiciary; amending s. 25.073, 3 F.S.; providing that if a retired justice or judge is 4 assigned to temporary duty, such assignment does not 5 affect his or her eligibility for benefits under the 6 Florida Retirement System or renew his or her 7 membership in the Florida Retirement System; amending 8 s. 43.291, F.S.; revising requirements for the 9 appointment of members of judicial nominating 10 commissions; providing that, with the exception of 11 members selected from a list of nominees provided by the Board of Governors of The Florida Bar, a current 12 member of a judicial nominating commission appointed 13 14 by the Governor serves at the pleasure of the 15 Governor; providing for each expired term or vacancy 16 to be filled by appointment in the same manner as the 17 member whose position is being filled; deleting obsolete provisions; deleting a requirement that the 18 19 Executive Office of the Governor establish uniform rules of procedure consistent with the State 20 21 Constitution when suspending for cause a member of a 22 judicial nominating commission; amending ss. 121.021, 23 121.091, and 121.591, F.S.; conforming retirement 24 system provisions to temporary appointment of retired 25 justices or judges as senior judges; providing an effective date. 26 27

28 Be It Enacted by the Legislature of the State of Florida: Page 1 of 19

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hb0971-01-c1

29	
30	Section 1. Subsection (4) is added to section 25.073,
31	Florida Statutes, to read:
32	25.073 Retired justices or judges assigned to temporary
33	duty; additional compensation; appropriation
34	(4) For a former justice or retired judge who has reached
35	his or her normal retirement age or date under chapter 121 and
36	who has consented to temporary duty in any court, as assigned by
37	the Chief Justice of the Supreme Court in accordance with s. 2,
38	Art. V of the State Constitution:
39	(a) The definition of the term "termination" in s. 121.021
40	does not apply, and termination occurs when the former justice
41	or judge ceases all non-temporary, active duty as a judge and
42	retires from the Florida Retirement System.
43	(b) Section 121.091(9)(c) does not apply, and such
44	temporary duty is not considered reemployment or employment
45	after retirement for purposes of chapter 121 and renewed
46	membership in the Florida Retirement System is not permitted.
47	Section 2. Subsections (1), (3), and (5) of section
48	43.291, Florida Statutes, are amended to read:
49	43.291 Judicial nominating commissions
50	(1) <u>(a)</u> Each judicial nominating commission shall be
51	composed of the following members:
52	1.(a) Four members of The Florida Bar, appointed by the
53	Governor, who are engaged in the practice of law, each of whom
54	is a resident of the territorial jurisdiction served by the
55	commission to which the member is appointed. The Board of
56	Governors of The Florida Bar shall submit to the Governor three
	Page 2 of 19

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57 recommended nominees for each position. The Governor shall 58 select the appointee from the list of nominees recommended for 59 that position, but the Governor may reject all of the nominees 60 recommended for a position and request that the Board of 61 Governors submit a new list of three different recommended 62 nominees for that position who have not been previously 63 recommended by the Board of Governors.

64 2.(b) Five members appointed by the Governor who shall 65 serve at the pleasure of the Governor, each of whom is a 66 resident of the territorial jurisdiction served by the 67 commission to which the member is appointed, of which at least two are members of The Florida Bar engaged in the practice of 68 law. Notwithstanding any other law, each current member of a 69 70 judicial nominating commission appointed by the Governor, other than those selected from a list of nominees provided by the 71 72 Board of Governors of The Florida Bar, shall serve at the 73 pleasure of the Governor.

74 (b) Each expired term or vacancy shall be filled by
75 appointment in the same manner as the member whose position is
76 being filled.

77 Notwithstanding any other provision of this section, (3) 78 each current member of a judicial nominating commission selected 79 from a list of nominees provided appointed directly by the Board 80 of Governors of The Florida Bar shall serve the remainder of his or her term, unless removed for cause. The terms of all other 81 82 members of a judicial nominating commission are hereby 83 terminated, and the Governor shall appoint new Members selected 84 from a list of nominees provided by the Board of Governors of

Page 3 of 19

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85 The Florida Bar shall serve terms to each judicial nominating 86 commission in the following manner: 87 One appointment Two appointments for a term terms (a) 88 ending July 1, 2012 2002, one of which shall be an appointment 89 selected from nominations submitted by the Board of Governors of 90 The Florida Bar pursuant to paragraph (1) (a); 91 (b) Two appointments for terms ending July 1, 2014 2003; 92 and 93 (C) One appointment Two appointments for a term terms ending July 1, 2015 2004. 94 95 96 Every subsequent appointment of a member selected from a list of 97 nominees provided by the Board of Governors of The Florida Bar, 98 except an appointment to fill a vacant, unexpired term, shall be 99 for 4 years. Each expired term or vacancy shall be filled by 100 appointment in the same manner as the member whose position is 101 being filled. 102 (5) A member of a judicial nominating commission may be 103 suspended for cause by the Governor pursuant to uniform rules of 104 procedure established by the Executive Office of the Governor 105 consistent with s. 7, of Art. IV of the State Constitution. Section 3. Subsection (39) of section 121.021, Florida 106 107 Statutes, is amended to read: 108 121.021 Definitions.-The following words and phrases as 109 used in this chapter have the respective meanings set forth unless a different meaning is plainly required by the context: 110 (39) (a) "Termination" occurs, except as provided in 111 paragraph (b) or paragraph (d), when a member ceases all 112 Page 4 of 19

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hb0971-01-c1

113 employment relationships with participating employers, however:

114 1. For retirements effective before July 1, 2010, if a 115 member is employed by any such employer within the next calendar month, termination shall be deemed not to have occurred. A leave 116 117 of absence constitutes a continuation of the employment 118 relationship, except that a leave of absence without pay due to 119 disability may constitute termination if such member makes application for and is approved for disability retirement in 120 121 accordance with s. 121.091(4). The department or state board may require other evidence of termination as it deems necessary. 122

For retirements effective on or after July 1, 2010, if 123 2. a member is employed by any such employer within the next 6 124 125 calendar months, termination shall be deemed not to have 126 occurred. A leave of absence constitutes a continuation of the 127 employment relationship, except that a leave of absence without 128 pay due to disability may constitute termination if such member 129 makes application for and is approved for disability retirement 130 in accordance with s. 121.091(4). The department or state board 131 may require other evidence of termination as it deems necessary.

(b) "Termination" for a member electing to participate in the Deferred Retirement Option Program occurs when the program participant ceases all employment relationships with participating employers in accordance with s. 121.091(13), however:

For termination dates occurring before July 1, 2010, if
 the member is employed by any such employer within the next
 calendar month, termination will be deemed not to have occurred,
 except as provided in s. 121.091(13) (b) 4.c. A leave of absence

Page 5 of 19

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hb0971-01-c1

141 shall constitute a continuation of the employment relationship. 142 2. For termination dates occurring on or after July 1, 143 2010, if the member becomes employed by any such employer within 144 the next 6 calendar months, termination will be deemed not to 145 have occurred, except as provided in s. 121.091(13)(b)4.c. A 146 leave of absence constitutes a continuation of the employment 147 relationship.

(c) Effective July 1, 2011, "termination" for a member receiving a refund of employee contributions occurs when a member ceases all employment relationships with participating employers for 3 calendar months. A leave of absence constitutes a continuation of the employment relationship.

153 (d) Effective July 1, 2012, a former justice or retired 154 judge who has reached his or her normal retirement age or date 155 and consents to temporary employment as a senior judge in any 156 court, as assigned by the Chief Justice of the Supreme Court in accordance with s. 2, Art. V of the State Constitution, meets 157 158 the definition of "termination" when all non-temporary 159 employment as a judge ceases and the former justice or judge 160 retires under this chapter.

Section 4. Subsection (9) of section 121.091, FloridaStatutes, is amended to read:

163 121.091 Benefits payable under the system.-Benefits may 164 not be paid under this section unless the member has terminated 165 employment as provided in s. 121.021(39)(a) or begun 166 participation in the Deferred Retirement Option Program as 167 provided in subsection (13), and a proper application has been 168 filed in the manner prescribed by the department. The department Page 6 of 19

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169 may cancel an application for retirement benefits when the 170 member or beneficiary fails to timely provide the information 171 and documents required by this chapter and the department's 172 rules. The department shall adopt rules establishing procedures 173 for application for retirement benefits and for the cancellation 174 of such application when the required information or documents 175 are not received.

176

(9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.-

(a) Any person who is retired under this chapter, except
under the disability retirement provisions of subsection (4),
may be employed by an employer that does not participate in a
state-administered retirement system and receive compensation
from that employment without limiting or restricting in any way
the retirement benefits payable to that person.

183 Any person whose retirement is effective before July (b) 184 1, 2010, or whose participation in the Deferred Retirement 185 Option Program terminates before July 1, 2010, except under the 186 disability retirement provisions of subsection (4) or as 187 provided in s. 121.053, may be reemployed by an employer that 188 participates in a state-administered retirement system and 189 receive retirement benefits and compensation from that employer, 190 except that the person may not be reemployed by an employer 191 participating in the Florida Retirement System before meeting 192 the definition of termination in s. 121.021 and may not receive both a salary from the employer and retirement benefits for 12 193 calendar months immediately subsequent to the date of 194 195 retirement. However, a DROP participant shall continue 196 employment and receive a salary during the period of

Page 7 of 19

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hb0971-01-c1

197 participation in the Deferred Retirement Option Program, as 198 provided in subsection (13).

199 1. A retiree who violates such reemployment limitation 200 before completion of the 12-month limitation period must give 201 timely notice of this fact in writing to the employer and to the 202 Division of Retirement or the state board and shall have his or 203 her retirement benefits suspended for the months employed or the 204 balance of the 12-month limitation period as required in sub-205 subparagraphs b. and c. A retiree employed in violation of this 206 paragraph and an employer who employs or appoints such person are jointly and severally liable for reimbursement to the 207 208 retirement trust fund, including the Florida Retirement System Trust Fund and the Public Employee Optional Retirement Program 209 210 Trust Fund, from which the benefits were paid. The employer must have a written statement from the retiree that he or she is not 211 212 retired from a state-administered retirement system. Retirement 213 benefits shall remain suspended until repayment has been made. 214 Benefits suspended beyond the reemployment limitation shall 215 apply toward repayment of benefits received in violation of the 216 reemployment limitation.

217 A district school board may reemploy a retiree as a a. substitute or hourly teacher, education paraprofessional, 218 219 transportation assistant, bus driver, or food service worker on 220 a noncontractual basis after he or she has been retired for 1 calendar month. A district school board may reemploy a retiree 221 as instructional personnel, as defined in s. 1012.01(2)(a), on 222 an annual contractual basis after he or she has been retired for 223 224 1 calendar month. Any member who is reemployed within 1 calendar

Page 8 of 19

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hb0971-01-c1

225 month after retirement shall void his or her application for 226 retirement benefits. District school boards reemploying such 227 teachers, education paraprofessionals, transportation 228 assistants, bus drivers, or food service workers are subject to 229 the retirement contribution required by subparagraph 2.

230 A community college board of trustees may reemploy a b. 231 retiree as an adjunct instructor or as a participant in a phased 232 retirement program within the Florida Community College System, after he or she has been retired for 1 calendar month. A member 233 who is reemployed within 1 calendar month after retirement shall 234 235 void his or her application for retirement benefits. Boards of 236 trustees reemploying such instructors are subject to the 237 retirement contribution required in subparagraph 2. A retiree 238 may be reemployed as an adjunct instructor for no more than 780 hours during the first 12 months of retirement. A retiree 239 240 reemployed for more than 780 hours during the first 12 months of 241 retirement must give timely notice in writing to the employer 242 and to the Division of Retirement or the state board of the date 243 he or she will exceed the limitation. The division shall suspend his or her retirement benefits for the remainder of the 12 244 245 months of retirement. Any retiree employed in violation of this 246 sub-subparagraph and any employer who employs or appoints such 247 person without notifying the division to suspend retirement benefits are jointly and severally liable for any benefits paid 248 during the reemployment limitation period. The employer must 249 have a written statement from the retiree that he or she is not 250 251 retired from a state-administered retirement system. Any 252 retirement benefits received by the retiree while reemployed in Page 9 of 19

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hb0971-01-c1

excess of 780 hours during the first 12 months of retirement must be repaid to the Florida Retirement System Trust Fund, and retirement benefits shall remain suspended until repayment is made. Benefits suspended beyond the end of the retiree's first 12 months of retirement shall apply toward repayment of benefits received in violation of the 780-hour reemployment limitation.

259 The State University System may reemploy a retiree as с. 260 an adjunct faculty member or as a participant in a phased 261 retirement program within the State University System after the retiree has been retired for 1 calendar month. A member who is 262 263 reemployed within 1 calendar month after retirement shall void 264 his or her application for retirement benefits. The State University System is subject to the retired contribution 265 266 required in subparagraph 2., as appropriate. A retiree may be 267 reemployed as an adjunct faculty member or a participant in a 268 phased retirement program for no more than 780 hours during the 269 first 12 months of his or her retirement. A retiree reemployed 270 for more than 780 hours during the first 12 months of retirement 271 must give timely notice in writing to the employer and to the 272 Division of Retirement or the state board of the date he or she 273 will exceed the limitation. The division shall suspend his or 274 her retirement benefits for the remainder of the 12 months. Any 275 retiree employed in violation of this sub-subparagraph and any 276 employer who employs or appoints such person without notifying 277 the division to suspend retirement benefits are jointly and severally liable for any benefits paid during the reemployment 278 limitation period. The employer must have a written statement 279 280 from the retiree that he or she is not retired from a state-

Page 10 of 19

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hb0971-01-c1

281 administered retirement system. Any retirement benefits received 282 by the retiree while reemployed in excess of 780 hours during 283 the first 12 months of retirement must be repaid to the Florida 284 Retirement System Trust Fund, and retirement benefits shall 285 remain suspended until repayment is made. Benefits suspended 286 beyond the end of the retiree's first 12 months of retirement 287 shall apply toward repayment of benefits received in violation of the 780-hour reemployment limitation. 288

289 The Board of Trustees of the Florida School for the d. 290 Deaf and the Blind may reemploy a retiree as a substitute 291 teacher, substitute residential instructor, or substitute nurse 292 on a noncontractual basis after he or she has been retired for 1 293 calendar month. Any member who is reemployed within 1 calendar 294 month after retirement shall void his or her application for retirement benefits. The Board of Trustees of the Florida School 295 296 for the Deaf and the Blind reemploying such teachers, 297 residential instructors, or nurses is subject to the retirement 298 contribution required by subparagraph 2.

299 A developmental research school may reemploy a retiree e. 300 as a substitute or hourly teacher or an education 301 paraprofessional as defined in s. 1012.01(2) on a noncontractual 302 basis after he or she has been retired for 1 calendar month. A 303 developmental research school may reemploy a retiree as 304 instructional personnel, as defined in s. 1012.01(2)(a), on an annual contractual basis after he or she has been retired for 1 305 calendar month after retirement. Any member who is reemployed 306 307 within 1 calendar month voids his or her application for 308 retirement benefits. A developmental research school that

Page 11 of 19

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309 reemploys retired teachers and education paraprofessionals is 310 subject to the retirement contribution required by subparagraph 311 2.

312 f. A charter school may reemploy a retiree as a substitute 313 or hourly teacher on a noncontractual basis after he or she has been retired for 1 calendar month. A charter school may reemploy 314 315 a retired member as instructional personnel, as defined in s. 316 1012.01(2)(a), on an annual contractual basis after he or she has been retired for 1 calendar month after retirement. Any 317 318 member who is reemployed within 1 calendar month voids his or 319 her application for retirement benefits. A charter school that 320 reemploys such teachers is subject to the retirement 321 contribution required by subparagraph 2.

322 2. The employment of a retiree or DROP participant of a 323 state-administered retirement system does not affect the average 324 final compensation or years of creditable service of the retiree 325 or DROP participant. Before July 1, 1991, upon employment of any 326 person, other than an elected officer as provided in s. 121.053, who is retired under a state-administered retirement program, 327 328 the employer shall pay retirement contributions in an amount 329 equal to the unfunded actuarial liability portion of the 330 employer contribution which would be required for regular 331 members of the Florida Retirement System. Effective July 1, 1991, contributions shall be made as provided in s. 121.122 for 332 333 retirees who have renewed membership or, as provided in subsection (13), for DROP participants. 334

335 3. Any person who is holding an elective public office336 which is covered by the Florida Retirement System and who is

Page 12 of 19

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hb0971-01-c1

337 concurrently employed in nonelected covered employment may elect 338 to retire while continuing employment in the elective public 339 office if he or she terminates his or her nonelected covered 340 employment. Such person shall receive his or her retirement 341 benefits in addition to the compensation of the elective office 342 without regard to the time limitations otherwise provided in 343 this subsection. A person who seeks to exercise the provisions 344 of this subparagraph as they existed before May 3, 1984, may not 345 be deemed to be retired under those provisions, unless such 346 person is eligible to retire under this subparagraph, as amended by chapter 84-11, Laws of Florida. 347

Any person whose retirement is effective on or after 348 (C) 349 July 1, 2010, or whose participation in the Deferred Retirement 350 Option Program terminates on or after July 1, 2010, who is 351 retired under this chapter, except under the disability 352 retirement provisions of subsection (4) or as provided in s. 353 121.053, may be reemployed by an employer that participates in a 354 state-administered retirement system and receive retirement 355 benefits and compensation from that employer. However, a person 356 may not be reemployed by an employer participating in the 357 Florida Retirement System before meeting the definition of 358 termination in s. 121.021 and may not receive both a salary from 359 the employer and retirement benefits for 6 calendar months after meeting the definition of termination, except as provided in 360 361 paragraph (f). However, a DROP participant shall continue 362 employment and receive a salary during the period of 363 participation in the Deferred Retirement Option Program, as 364 provided in subsection (13).

Page 13 of 19

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365 1. The reemployed retiree may not renew membership in the366 Florida Retirement System.

367 2. The employer shall pay retirement contributions in an 368 amount equal to the unfunded actuarial liability portion of the 369 employer contribution that would be required for active members 370 of the Florida Retirement System in addition to the 371 contributions required by s. 121.76.

372 3. A retiree initially reemployed in violation of this 373 paragraph and an employer that employs or appoints such person are jointly and severally liable for reimbursement of any 374 retirement benefits paid to the retirement trust fund from which 375 376 the benefits were paid, including the Florida Retirement System 377 Trust Fund and the Public Employee Optional Retirement Program 378 Trust Fund, as appropriate. The employer must have a written statement from the employee that he or she is not retired from a 379 380 state-administered retirement system. Retirement benefits shall 381 remain suspended until repayment is made. Benefits suspended 382 beyond the end of the retiree's 6-month reemployment limitation 383 period shall apply toward the repayment of benefits received in 384 violation of this paragraph.

(d) This subsection applies to retirees, as defined in s.
121.4501(2), <u>except as provided in paragraph (f)</u>, of the Florida
Retirement System Investment Plan, subject to the following
conditions:

389 1. A retiree may not be reemployed with an employer 390 participating in the Florida Retirement System until such person 391 has been retired for 6 calendar months.

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Page 14 of 19

2. A retiree employed in violation of this subsection and

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hb0971-01-c1

393 an employer that employs or appoints such person are jointly and 394 severally liable for reimbursement of any benefits paid to the 395 retirement trust fund from which the benefits were paid. The 396 employer must have a written statement from the retiree that he 397 or she is not retired from a state-administered retirement 398 system.

(e) The limitations of this subsection apply to reemployment in any capacity irrespective of the category of funds from which the person is compensated, except as provided <u>in paragraph (f)</u>.

(f) Effective July 1, 2012, a former justice or retired judge who has reached his or her normal retirement age or date and consents to temporary employment as a senior judge in any court, as assigned by the Chief Justice of the Supreme Court in accordance with s. 2, Art. V of the State Constitution, is not subject to paragraph (c), paragraph (d), or paragraph (e).

409 Section 5. Paragraph (a) of subsection (1) of section 410 121.591, Florida Statutes, is amended to read:

121.591 Payment of benefits.-Benefits may not be paid 411 412 under the Florida Retirement System Investment Plan unless the 413 member has terminated employment as provided in s. 414 121.021(39)(a) or is deceased and a proper application has been 415 filed as prescribed by the state board or the department. Before 416 termination of employment, benefits, including employee 417 contributions, are not payable under the investment plan for 418 employee hardships, unforeseeable emergencies, loans, medical 419 expenses, educational expenses, purchase of a principal residence, payments necessary to prevent eviction or foreclosure 420 Page 15 of 19

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hb0971-01-c1

421 on an employee's principal residence, or any other reason prior 422 to termination from all employment relationships with 423 participating employers. The state board or department, as 424 appropriate, may cancel an application for retirement benefits 425 if the member or beneficiary fails to timely provide the 426 information and documents required by this chapter and the rules 427 of the state board and department. In accordance with their 428 respective responsibilities, the state board and the department 429 shall adopt rules establishing procedures for application for 430 retirement benefits and for the cancellation of such application if the required information or documents are not received. The 431 432 state board and the department, as appropriate, are authorized to cash out a de minimis account of a member who has been 433 434 terminated from Florida Retirement System covered employment for a minimum of 6 calendar months. A de minimis account is an 435 436 account containing employer and employee contributions and 437 accumulated earnings of not more than \$5,000 made under the 438 provisions of this chapter. Such cash-out must be a complete 439 lump-sum liquidation of the account balance, subject to the 440 provisions of the Internal Revenue Code, or a lump-sum direct 441 rollover distribution paid directly to the custodian of an 442 eligible retirement plan, as defined by the Internal Revenue 443 Code, on behalf of the member. Any nonvested accumulations and 444 associated service credit, including amounts transferred to the 445 suspense account of the Florida Retirement System Investment 446 Plan Trust Fund authorized under s. 121.4501(6), shall be 447 forfeited upon payment of any vested benefit to a member or beneficiary, except for de minimis distributions or minimum 448

Page 16 of 19

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hb0971-01-c1

449 required distributions as provided under this section. If any 450 financial instrument issued for the payment of retirement 451 benefits under this section is not presented for payment within 452 180 days after the last day of the month in which it was 453 originally issued, the third-party administrator or other duly 454 authorized agent of the state board shall cancel the instrument 455 and credit the amount of the instrument to the suspense account 456 of the Florida Retirement System Investment Plan Trust Fund 457 authorized under s. 121.4501(6). Any amounts transferred to the 458 suspense account are payable upon a proper application, not to 459 include earnings thereon, as provided in this section, within 10 460 years after the last day of the month in which the instrument was originally issued, after which time such amounts and any 461 462 earnings attributable to employer contributions shall be forfeited. Any forfeited amounts are assets of the trust fund 463 464 and are not subject to chapter 717.

465

(1) NORMAL BENEFITS.-Under the investment plan:

(a) Benefits in the form of vested accumulations as
described in s. 121.4501(6) are payable under this subsection in
accordance with the following terms and conditions:

469 1. Benefits are payable only to a member, an alternate470 payee of a qualified domestic relations order, or a beneficiary.

471 2. Benefits shall be paid by the third-party administrator
472 or designated approved providers in accordance with the law, the
473 contracts, and any applicable board rule or policy.

3. The member must be terminated from all employment with
all Florida Retirement System employers, as provided in s.
121.021(39).

Page 17 of 19

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477 Benefit payments may not be made until the member has 4. 478 been terminated for 3 calendar months, except that the state 479 board may authorize by rule for the distribution of up to 10 480 percent of the member's account after being terminated for 1 481 calendar month if the member has reached the normal retirement 482 date as defined in s. 121.021. Effective July 1, 2012, a former justice or retired judge who has consented to temporary 483 484 employment as a senior judge in any court pursuant to s. 25.073 485 may receive a regular distribution of his or her account as provided in this paragraph after providing proof of termination 486 487 from his or her regularly established position. 488 If a member or former member of the Florida Retirement 5. 489 System receives an invalid distribution, such person must either 490 repay the full amount within 90 days after receipt of final 491 notification by the state board or the third-party administrator 492 that the distribution was invalid, or, in lieu of repayment, the 493 member must terminate employment from all participating 494 employers. If such person fails to repay the full invalid 495 distribution within 90 days after receipt of final notification, 496 the person may be deemed retired from the investment plan by the 497 state board and is subject to s. 121.122. If such person is 498 deemed retired, any joint and several liability set out in s.

499 121.091(9)(d)2. is void, and the state board, the department, or 500 the employing agency is not liable for gains on payroll 501 contributions that have not been deposited to the person's 502 account in the investment plan, pending resolution of the 503 invalid distribution. The member or former member who has been 504 deemed retired or who has been determined by the state board to

Page 18 of 19

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have taken an invalid distribution may appeal the agency decision through the complaint process as provided under s. 121.4501(9)(g)3. As used in this subparagraph, the term "invalid distribution" means any distribution from an account in the investment plan which is taken in violation of this section, s. 121.091(9), or s. 121.4501.

511

Section 6. This act shall take effect July 1, 2012.