

1 A bill to be entitled
2 An act relating to firefighter and police officer
3 pension plans; amending s. 175.021, F.S.; revising the
4 legislative declaration to require all plans to meet
5 the requirements of ch. 175, F.S., in order to receive
6 insurance premium tax revenues; amending s. 175.032,
7 F.S.; revising definitions to conform to changes made
8 by the act and adding new definitions; amending s.
9 175.071, F.S.; conforming a cross-reference; amending
10 s. 175.091, F.S.; revising existing payment provisions
11 and providing an additional mandatory payment by the
12 municipality or special fire control district to the
13 firefighters' pension trust fund; amending s. 175.351,
14 F.S., relating to municipalities and special fire
15 control districts that have their own pension plans
16 and want to participate in the distribution of a tax
17 fund; revising how income from the premium tax must be
18 used; requiring plan sponsors to have a defined
19 contribution plan in place by a certain date; amending
20 s. 185.01, F.S.; revising the legislative declaration
21 to require all plans to meet the requirements of ch.
22 185, F.S., in order to receive insurance premium tax
23 revenues; amending s. 185.02, F.S.; revising
24 definitions to conform to changes made by the act and
25 adding new definitions; deleting a provision allowing
26 a local law plan to limit the amount of overtime
27 payments which can be used for retirement benefit
28 calculations; amending s. 185.06, F.S.; conforming a

29 cross-reference; amending s. 185.07, F.S.; revising
 30 existing payment provisions and providing for an
 31 additional mandatory payment by the municipality to
 32 the police officers' retirement trust fund; amending
 33 s. 185.35, F.S., relating to municipalities that have
 34 their own pension plans for police officers and want
 35 to participate in the distribution of a tax fund;
 36 revising how income from the premium tax must be used;
 37 requiring plan sponsors to have a defined contribution
 38 plan in place by a certain date; providing a
 39 declaration of important state interest; providing an
 40 effective date.

41

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

43

44 Section 1. Subsection (2) of section 175.021, Florida
 45 Statutes, is amended to read:

46 175.021 Legislative declaration.—

47 (2) This chapter hereby establishes, for all municipal and
 48 special district pension plans existing ~~now or hereafter~~ under
 49 this chapter, including chapter plans and local law plans, base
 50 ~~minimum~~ benefits and minimum standards for the operation and
 51 funding of such plans, hereinafter referred to as firefighters'
 52 pension trust funds, which must be met as a condition precedent
 53 to the plan or plan sponsor receiving a distribution of
 54 insurance premium tax revenues under s. 175.121. The base
 55 ~~minimum~~ benefits and minimum standards for each plan as set
 56 forth in this chapter may not be diminished by local charter,

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57 ordinance, or resolution or by special act of the Legislature,
58 ~~or nor may the minimum benefits or minimum standards~~ be reduced
59 or offset by any other local, state, or federal law that may
60 include firefighters in its operation, except as provided under
61 s. 112.65.

62 Section 2. Section 175.032, Florida Statutes, is amended
63 to read:

64 175.032 Definitions.—For any municipality, special fire
65 control district, chapter plan, local law municipality, local
66 law special fire control district, or local law plan under this
67 chapter, the term following words and phrases have the following
68 meanings:

69 (1) "Additional premium tax revenues" means revenues
70 received by a municipality or special fire control district
71 pursuant to s. 175.121 which exceed base premium tax revenues.

72 (2)(1)(a) "Average final compensation" for:

73 (a) A full-time firefighter means one-twelfth of the
74 average annual compensation of the 5 best years of the last 10
75 years of creditable service before ~~prior to~~ retirement,
76 termination, or death, or the career average as a full-time
77 firefighter since July 1, 1953, whichever is greater. A year is
78 ~~shall be~~ 12 consecutive months or such other consecutive period
79 of time as is used and consistently applied.

80 (b) ~~"Average final compensation" for~~ A volunteer
81 firefighter means the average salary of the 5 best years of the
82 last 10 best contributing years before a ~~prior to~~ change in
83 status to a permanent full-time firefighter or retirement as a
84 volunteer firefighter or the career average of a volunteer

85 firefighter, since July 1, 1953, whichever is greater.

86 (3) "Base benefits" means the level of benefits in
 87 existence for firefighters on March 12, 1999.

88 (4) "Base premium tax revenues" means revenues received by
 89 a municipality or special fire control district pursuant to s.
 90 175.121 equal to the amount of such revenues received for
 91 calendar year 1997.

92 (5)~~(2)~~ "Chapter plan" means a separate defined benefit
 93 pension plan for firefighters which incorporates by reference
 94 the provisions of this chapter and has been adopted by the
 95 governing body of a municipality or special district. Except as
 96 may be specifically authorized in this chapter, the provisions
 97 of a chapter plan may not differ from the plan provisions set
 98 forth in ss. 175.021-175.341 and 175.361-175.401. Actuarial
 99 valuations of chapter plans shall be conducted by the division
 100 as provided by s. 175.261(1).

101 (6)~~(3)~~ "Compensation" or "salary" means, for
 102 noncollectively bargained service earned before July 1, 2011, or
 103 for service earned under collective bargaining agreements in
 104 place before July 1, 2011, the fixed monthly remuneration paid a
 105 firefighter. If remuneration is based on actual services
 106 rendered, as in the case of a volunteer firefighter, the term
 107 means the total cash remuneration received yearly for such
 108 services, prorated on a monthly basis. For noncollectively
 109 bargained service earned on or after July 1, 2011, or for
 110 service earned under collective bargaining agreements entered
 111 into on or after July 1, 2011, the term has the same meaning
 112 except that when calculating retirement benefits, up to 300

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113 hours per year in overtime compensation may be included as
114 specified in the plan or collective bargaining agreement, but
115 payments for accrued unused sick or annual leave may not be
116 included.

117 (a) Any retirement trust fund or plan that meets the
118 requirements of this chapter does not, solely by virtue of this
119 subsection, reduce or diminish the monthly retirement income
120 otherwise payable to each firefighter covered by the retirement
121 trust fund or plan.

122 (b) The member's compensation or salary contributed as
123 employee-elective salary reductions or deferrals to any salary
124 reduction, deferred compensation, or tax-sheltered annuity
125 program authorized under the Internal Revenue Code shall be
126 deemed to be the compensation or salary the member would receive
127 if he or she were not participating in such program and ~~shall be~~
128 treated as compensation for retirement purposes under this
129 chapter.

130 (c) For any person who first becomes a member in any plan
131 year beginning on or after January 1, 1996, compensation for
132 that plan year may not include any amounts in excess of the
133 Internal Revenue Code s. 401(a)(17) limitation, as amended by
134 the Omnibus Budget Reconciliation Act of 1993, which limitation
135 of \$150,000 shall be adjusted as required by federal law for
136 qualified government plans and shall be further adjusted for
137 changes in the cost of living in the manner provided by Internal
138 Revenue Code s. 401(a)(17)(B). For any person who first became a
139 member before the first plan year beginning on or after January
140 1, 1996, the limitation on compensation may not be less than the

141 maximum compensation amount that was allowed to be taken into
 142 account under the plan in effect on July 1, 1993, which
 143 limitation shall be adjusted for changes in the cost of living
 144 since 1989 in the manner provided by Internal Revenue Code s.
 145 401(a)(17)(1991).

146 (7)~~(4)~~ "Creditable service" or "credited service" means
 147 the aggregate number of years of service, and fractional parts
 148 of years of service, of any firefighter, omitting intervening
 149 years and fractional parts of years when such firefighter may
 150 not have been employed by the municipality or special fire
 151 control district, subject to the following conditions:

152 (a) A ~~No~~ firefighter may not ~~will~~ receive credit for years
 153 or fractional parts of years of service if he or she has
 154 withdrawn his or her contributions to the fund for those years
 155 or fractional parts of years of service, unless the firefighter
 156 repays into the fund the amount he or she has withdrawn, plus
 157 interest determined by the board. The member shall have at least
 158 90 days after his or her reemployment to make repayment.

159 (b) A firefighter may voluntarily leave his or her
 160 contributions in the fund for ~~a period of~~ 5 years after leaving
 161 the employ of the fire department, pending the possibility of
 162 being rehired by the same department, without losing credit for
 163 the time he or she has participated actively as a firefighter.
 164 If the firefighter is not reemployed as a firefighter, with the
 165 same department, within 5 years, his or her contributions shall
 166 be returned without interest.

167 (c) Credited service under this chapter shall be provided
 168 only for service as a firefighter, ~~as defined in subsection (8),~~

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169 or for military service and does not include credit for any
170 other type of service. A municipality ~~may~~, by local ordinance,
171 or a special fire control district ~~may~~, by resolution, may
172 provide for the purchase of credit for military service prior to
173 employment as well as for prior service as a firefighter for
174 some other employer as long as a firefighter is not entitled to
175 receive a benefit for such prior service ~~as a firefighter~~. For
176 purposes of determining credit for prior service as a
177 firefighter, in addition to service as a firefighter in this
178 state, credit may be given for federal, other state, or county
179 service if the prior service is recognized by the Division of
180 State Fire Marshal as provided under chapter 633, or the
181 firefighter provides proof to the board of trustees that his or
182 her service is equivalent to the service required to meet the
183 definition of a firefighter under subsection (12) ~~(8)~~.

184 (8) ~~(5)~~ "Deferred Retirement Option Plan" or "DROP" means a
185 local law plan retirement option in which a firefighter may
186 elect to participate. A firefighter may retire for all purposes
187 of the plan and defer receipt of retirement benefits into a DROP
188 account while continuing employment with his or her employer.
189 However, a firefighter who enters ~~the~~ DROP and who is otherwise
190 eligible to participate may ~~shall~~ not ~~thereby~~ be precluded from
191 participating, or continuing to participate, in a supplemental
192 plan in existence on, or created after, March 12, 1999 ~~the~~
193 ~~effective date of this act.~~

194 (9) "Defined contribution plan" means the component of a
195 local law plan to which deposits are made to provide benefits
196 for firefighters, or for firefighters and police officers if

197 both are included, under this chapter. Such component is an
 198 element of a local law plan and exists in conjunction with the
 199 defined benefit component that meets the base benefits and
 200 minimum standards of this chapter. The retirement benefits of
 201 the defined contribution plan shall be provided through
 202 individual member accounts in accordance with the applicable
 203 provisions of the Internal Revenue Code and related regulations
 204 and are limited to the contributions made into each member's
 205 account and the actual accumulated earnings, net of expenses,
 206 earned on the member's account.

207 (10)-(6) "Division" means the Division of Retirement of the
 208 Department of Management Services.

209 (11)-(7) "Enrolled actuary" means an actuary who is
 210 enrolled under Subtitle C of Title III of the Employee
 211 Retirement Income Security Act of 1974 and who is a member of
 212 the Society of Actuaries or the American Academy of Actuaries.

213 (12)-(8)(a) "Firefighter" means any person employed solely
 214 by a constituted fire department of any municipality or special
 215 fire control district who is certified as a firefighter as a
 216 condition of employment in accordance with s. 633.35 and whose
 217 duty it is to extinguish fires, to protect life, or to protect
 218 property. The term includes all certified, supervisory, and
 219 command personnel whose duties include, in whole or in part, the
 220 supervision, training, guidance, and management responsibilities
 221 of full-time firefighters, part-time firefighters, or auxiliary
 222 firefighters but does not include part-time firefighters or
 223 auxiliary firefighters. However, for purposes of this chapter
 224 only, the term also includes public safety officers who are

225 responsible for performing both police and fire services, who
 226 are certified as police officers or firefighters, and who are
 227 certified by their employers to the Chief Financial Officer as
 228 participating in this chapter before October 1, 1979. Effective
 229 October 1, 1979, public safety officers who have not been
 230 certified as participating in this chapter are considered police
 231 officers for retirement purposes and are eligible to participate
 232 in chapter 185. Any plan may provide that the fire chief has an
 233 option to participate, or not, in that plan.

234 (b) "Volunteer firefighter" means any person whose name is
 235 carried on the active membership roll of a constituted volunteer
 236 fire department or a combination of a paid and volunteer fire
 237 department of any municipality or special fire control district
 238 and whose duty it is to extinguish fires, to protect life, and
 239 to protect property. Compensation for services rendered by a
 240 volunteer firefighter shall not disqualify him or her as a
 241 volunteer. A person shall not be disqualified as a volunteer
 242 firefighter solely because he or she has other gainful
 243 employment. Any person who volunteers assistance at a fire but
 244 is not an active member of a department described herein is not
 245 a volunteer firefighter within the meaning of this paragraph.

246 (13)~~(9)~~ "Firefighters' Pension Trust Fund" means a trust
 247 fund, by whatever name known, as provided under s. 175.041, for
 248 the purpose of assisting municipalities and special fire control
 249 districts in establishing and maintaining a retirement plan for
 250 firefighters.

251 (14)~~(10)~~ "Local law municipality" is any municipality in
 252 which ~~there exists~~ a local law plan exists.

253 ~~(15)-(11)~~ "Local law plan" means a retirement defined
 254 benefit pension plan, which includes both a defined benefit plan
 255 component and a defined contribution plan component, for
 256 firefighters, or for firefighters or police officers if both are
 257 ~~where~~ included, as described in s. 175.351, established by
 258 municipal ordinance, special district resolution, or special act
 259 of the Legislature, which ~~enactment~~ sets forth all plan
 260 provisions. Local law plan provisions may vary from the
 261 provisions of this chapter if the base, ~~provided that required~~
 262 ~~minimum~~ benefits and minimum standards of this chapter are met.
 263 However, any such variance must ~~shall~~ provide a greater benefit
 264 for firefighters. Actuarial valuations of local law plans shall
 265 be conducted by an enrolled actuary as provided in s.
 266 175.261(2).

267 ~~(16)-(12)~~ "Local law special fire control district" is any
 268 special fire control district in which ~~there exists~~ a local law
 269 plan exists.

270 ~~(17)~~ "Long-term funded ratio" or "funded ratio" means the
 271 ratio of the actuarial value of assets of the plan to the
 272 actuarial accrued liabilities of the plan, as reported in the
 273 most recent actuarial valuation of the plan, deemed to be in
 274 compliance with chapter 112 by the Department of Management
 275 Services.

276 ~~(18)-(13)~~ "Property insurance" means property insurance as
 277 defined in s. 624.604 and covers real and personal property
 278 within the corporate limits of a ~~any~~ municipality, or within the
 279 boundaries of a ~~any~~ special fire control district, within the
 280 state. "Multiple peril" means a combination or package policy

281 that includes both property and casualty coverage for a single
 282 premium.

283 (19)~~(14)~~ "Retiree" or "retired firefighter" means a
 284 firefighter who has entered retirement status. For the purposes
 285 of a plan that includes a Deferred Retirement Option Plan
 286 (DROP), a firefighter who enters ~~the~~ DROP is ~~shall be~~ considered
 287 a retiree for all purposes of the plan. However, a firefighter
 288 who enters ~~the~~ DROP and who is otherwise eligible to participate
 289 may ~~shall~~ not ~~thereby~~ be precluded from participating, or
 290 continuing to participate, in a supplemental plan in existence
 291 on, or created after, March 12, 1999 ~~the effective date of this~~
 292 act.

293 (20)~~(15)~~ "Retirement" means a firefighter's separation
 294 from city or fire district employment as a firefighter with
 295 immediate eligibility for ~~receipt of~~ benefits under the plan.
 296 For purposes of a plan that includes a Deferred Retirement
 297 Option Plan (DROP), "retirement" means the date a firefighter
 298 enters ~~the~~ DROP.

299 (21) "Special benefits" means benefits provided in a
 300 defined contribution plan for firefighters.

301 (22)~~(16)~~ "Special fire control district" means a special
 302 district, as defined in s. 189.403~~(1)~~, established for the
 303 purposes of extinguishing fires, protecting life, and protecting
 304 property within the incorporated or unincorporated portions of a
 305 ~~any~~ county or combination of counties, or within any combination
 306 of incorporated and unincorporated portions of a ~~any~~ county or
 307 combination of counties. The term does not include any dependent
 308 or independent special district, as those terms are defined in

309 s. 189.403(2) ~~and (3)~~, respectively, the employees of which are
 310 members of the Florida Retirement System pursuant to s.
 311 121.051(1) or (2).

312 (23) ~~(17)~~ "Supplemental plan" means a plan to which
 313 deposits are made to provide extra benefits for firefighters, or
 314 for firefighters and police officers if both are ~~where~~ included,
 315 under this chapter. Such a plan is an element of a local law
 316 plan and exists in conjunction with a defined benefit component
 317 ~~plan~~ that meets the base ~~minimum~~ benefits and minimum standards
 318 of this chapter.

319 (24) ~~(18)~~ "Supplemental plan municipality" means a ~~any~~
 320 local law municipality in which ~~there existed~~ a supplemental
 321 plan existed, of any type or nature, as of December 1, 2000.

322 Section 3. Paragraph (b) of subsection (7) of section
 323 175.071, Florida Statutes, is amended to read:

324 175.071 General powers and duties of board of trustees.—
 325 For any municipality, special fire control district, chapter
 326 plan, local law municipality, local law special fire control
 327 district, or local law plan under this chapter:

328 (7) To assist the board in meeting its responsibilities
 329 under this chapter, the board, if it so elects, may:

330 (b) Employ an independent enrolled actuary, as defined in
 331 s. 175.032 ~~(7)~~, at the pension fund's expense.

332
 333 If the board chooses to use the municipality's or special
 334 district's legal counsel or actuary, or chooses to use any of
 335 the municipality's or special district's other professional,
 336 technical, or other advisers, it must do so only under terms and

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337 conditions acceptable to the board.

338 Section 4. Paragraphs (d) through (g) of subsection (1) of
339 section 175.091, Florida Statutes, are amended, and a new
340 paragraph (e) is added to that subsection, to read:

341 175.091 Creation and maintenance of fund.—For any
342 municipality, special fire control district, chapter plan, local
343 law municipality, local law special fire control district, or
344 local law plan under this chapter:

345 (1) The firefighters' pension trust fund in each
346 municipality and in each special fire control district shall be
347 created and maintained in the following manner:

348 (d) By mandatory payment by the municipality or special
349 fire control district of a sum equal to the normal cost of and
350 the amount required to fund any actuarial deficiency shown by an
351 actuarial valuation as provided in part VII of chapter 112 after
352 taking into account the amounts described in paragraphs (b),
353 (c), (f), (g), and (h) and the amounts of the tax proceeds
354 described in paragraph (a) that must be used to fund defined
355 benefit plan benefits, except as otherwise excluded from
356 consideration in determining the mandatory payment.

357 (e) For local law plans, and in addition to the mandatory
358 payment described in paragraph (d), by mandatory payment by the
359 municipality or special fire control district of the amount
360 specified in s. 175.351(3) if the long-term funded ratio of the
361 plan is less than 80 percent.

362 ~~(f)-(e)~~ By all gifts, bequests, and devises when donated to
363 the fund.

364 ~~(g)-(f)~~ By all accretions to the fund by way of interest or

365 dividends on bank deposits, or otherwise.

366 (h) ~~(g)~~ By all other sources or income now or hereafter
 367 authorized by law for the augmentation of such firefighters'
 368 pension trust fund.

369
 370 Nothing in this section shall be construed to require adjustment
 371 of member contribution rates in effect on the date this act
 372 becomes a law, including rates that exceed 5 percent of salary,
 373 provided that such rates are at least one-half of 1 percent of
 374 salary.

375 Section 5. Section 175.351, Florida Statutes, is amended
 376 to read:

377 175.351 Municipalities and special fire control districts
 378 having their own pension plans for firefighters. ~~For any~~
 379 ~~municipality, special fire control district, local law~~
 380 ~~municipality, local law special fire control district, or local~~
 381 ~~law plan under this chapter,~~ In order for a municipality or
 382 ~~municipalities and special fire control~~ district that has its
 383 ~~districts with their own pension plan plans~~ for firefighters, or
 384 for firefighters and police officers if both are included, to
 385 participate in the distribution of the tax fund established
 386 under pursuant to s. 175.101, a local law plan and its plan
 387 sponsor plans must meet the base minimum benefits and minimum
 388 standards set forth in this chapter.

389 (1) If a municipality has a pension plan for firefighters,
 390 or a pension plan for firefighters and police officers if both
 391 are included, which in the opinion of the division meets the
 392 base minimum benefits and minimum standards set forth in this

393 chapter, the board of trustees of the pension plan, as approved
 394 by a majority of firefighters of the municipality, must ~~may~~:

395 ~~(a)~~ place the income from the premium tax in s. 175.101 in
 396 such ~~pension~~ plan for the sole and exclusive use of its
 397 firefighters, or for firefighters and police officers if both
 398 are included, where it shall become an integral part of that
 399 ~~pension~~ plan and ~~shall~~ be used to fund benefits for firefighters
 400 as follows:

401 (a) The base premium tax revenues must be used to fund
 402 base benefits.

403 (b) Of the premium tax revenues received that are in
 404 excess of the amount received for the 2012 calendar year, and
 405 any accumulations of additional premium tax revenues that have
 406 not been applied to fund extra benefits:

407 1. If the plan has a long-term funded ratio of less than
 408 80 percent:

409 a. Fifty percent must be used as additional contributions
 410 to pay the plan's actuarial deficiency and may not be considered
 411 in the determination of the mandatory payment described in s.
 412 175.091(1)(d);

413 b. Twenty-five percent must be used to fund base benefits;
 414 and

415 c. Twenty-five percent must be placed in a defined
 416 contribution plan to fund special benefits.

417 2. If the plan has a long-term funded ratio of 80 percent
 418 or greater:

419 a. Fifty percent must be used to fund base benefits; and

420 b. Fifty percent must be placed in a defined contribution

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421 plan to fund special benefits.

422 (c) Additional premium tax revenues not described in
423 paragraph (b) must be used to fund benefits that were not
424 included in the base benefits to pay extra benefits to the
425 firefighters included in that pension plan; or

426 ~~(b) Place the income from the premium tax in s. 175.101 in~~
427 ~~a separate supplemental plan to pay extra benefits to~~
428 ~~firefighters, or to firefighters and police officers if~~
429 ~~included, participating in such separate supplemental plan.~~

430 (2) Insurance premium tax revenues may not be used to fund
431 benefits provided in a defined benefit plan which were not
432 provided by the plan as of March 1, 2013.

433 (3) If a plan offers benefits in excess of its base
434 benefits, such benefits may be reduced if the plan continues to
435 meet the base benefits of the plan and the minimum standards set
436 forth in this chapter. The amount of insurance premium tax
437 revenues previously used to fund benefits in excess of the
438 plan's base benefits before the reduction must be used as
439 provided in subsection (1)(b). Twenty-five percent of the amount
440 of any mandatory contribution paid by the municipality or
441 special fire control district which was previously used to fund
442 extra benefits before the reduction must be used as additional
443 contributions as specified in s. 175.091 to fund the plan's
444 actuarial deficiency.

445 ~~(4)(2)~~ The premium tax provided by this chapter shall ~~in~~
446 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~
447 benefits to firefighters, or to firefighters and police officers
448 if both are included. ~~However, local law plans in effect on~~

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449 ~~October 1, 1998, must comply with the minimum benefit provisions~~
450 ~~of this chapter only to the extent that additional premium tax~~
451 ~~revenues become available to incrementally fund the cost of such~~
452 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~
453 ~~compliance with such minimum benefit provisions, as subsequent~~
454 ~~additional premium tax revenues become available, they must be~~
455 ~~used to provide extra benefits.~~ Local law plans created by
456 special act before May 27, 1939, are deemed to comply with this
457 chapter. For the purpose of this chapter, the term:

458 ~~(a) "Additional premium tax revenues" means revenues~~
459 ~~received by a municipality or special fire control district~~
460 ~~pursuant to s. 175.121 which exceed that amount received for~~
461 ~~calendar year 1997.~~

462 ~~(b) "Extra benefits" means benefits in addition to or~~
463 ~~greater than those provided to general employees of the~~
464 ~~municipality and in addition to those in existence for~~
465 ~~firefighters on March 12, 1999.~~

466 (5) ~~(3)~~ A retirement plan or amendment to a retirement plan
467 may not be proposed for adoption unless the proposed plan or
468 amendment contains an actuarial estimate of the costs involved.
469 Such proposed plan or proposed plan change may not be adopted
470 without the approval of the municipality, special fire control
471 district, or, where permitted, the Legislature. Copies of the
472 proposed plan or proposed plan change and the actuarial impact
473 statement of the proposed plan or proposed plan change shall be
474 furnished to the division before the last public hearing
475 thereon. Such statement must also indicate whether the proposed
476 plan or proposed plan change is in compliance with s. 14, Art. X

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477 of the State Constitution and those provisions of part VII of
478 chapter 112 which are not expressly provided in this chapter.
479 Notwithstanding any other provision, only those local law plans
480 created by special act of legislation before May 27, 1939, are
481 deemed to meet the base ~~minimum~~ benefits and minimum standards
482 only in this chapter.

483 ~~(6)(4)~~ Notwithstanding any other provision, with respect
484 to any supplemental plan municipality:

485 (a) A local law plan and a supplemental plan may continue
486 to use their definition of compensation or salary in existence
487 on March 12, 1999.

488 (b) Section 175.061(1)(b) does not apply, and a local law
489 plan and a supplemental plan shall continue to be administered
490 by a board or boards of trustees numbered, constituted, and
491 selected as the board or boards were numbered, constituted, and
492 selected on December 1, 2000.

493 ~~(c) The election set forth in paragraph (1)(b) is deemed~~
494 ~~to have been made.~~

495 ~~(7)(5)~~ The retirement plan setting forth the benefits and
496 the trust agreement, if any, covering the duties and
497 responsibilities of the trustees and the regulations of the
498 investment of funds must be in writing, and copies made
499 available to the participants and to the general public.

500 (8) In addition to the defined benefit component of the
501 local law plan, each plan sponsor must have a defined
502 contribution plan component within the local law plan by October
503 1, 2013, or upon the creation date of a new participating plan.
504 However, the plan sponsor of any plan established by special act

505 of the Legislature has until July 1, 2014, to create a defined
 506 contribution component within the plan.

507 Section 6. Subsection (2) of section 185.01, Florida
 508 Statutes, is amended to read:

509 185.01 Legislative declaration.—

510 (2) This chapter hereby establishes, for all municipal
 511 pension plans ~~now or hereinafter~~ provided for under this
 512 chapter, including chapter plans and local law plans, base
 513 ~~minimum~~ benefits and minimum standards for the operation and
 514 funding of such plans, which must be met as a condition
 515 precedent to the plan or plan sponsor receiving a distribution
 516 of insurance premium tax revenues under s. 185.10 hereinafter
 517 ~~referred to as municipal police officers' retirement trust~~
 518 ~~funds.~~ The base ~~minimum~~ benefits and minimum standards for each
 519 plan as set forth in this chapter may not be diminished by local
 520 ordinance or by special act of the Legislature, or ~~nor may the~~
 521 ~~minimum benefits or minimum standards~~ be reduced or offset by
 522 any other local, state, or federal plan that may include police
 523 officers in its operation, except as provided under s. 112.65.

524 Section 7. Section 185.02, Florida Statutes, is amended to
 525 read:

526 185.02 Definitions.—For any municipality, chapter plan,
 527 local law municipality, or local law plan under this chapter,
 528 the term ~~following words and phrases as used in this chapter~~
 529 ~~shall have the following meanings, unless a different meaning is~~
 530 ~~plainly required by the context:~~

531 (1) "Additional premium tax revenues" means revenues
 532 received by a municipality pursuant to s. 185.10 which exceed

533 | base premium tax revenues.

534 | ~~(2)~~~~(1)~~ "Average final compensation" means one-twelfth of
535 | the average annual compensation of the 5 best years of the last
536 | 10 years of creditable service prior to retirement, termination,
537 | or death.

538 | (3) "Base benefits" means the level of benefits in
539 | existence for police officers on March 12, 1999.

540 | (4) "Base premium tax revenues" means revenues received by
541 | a municipality pursuant to s. 185.10 equal to the amount of such
542 | revenues received for calendar year 1997.

543 | ~~(5)~~~~(2)~~ "Casualty insurance" means automobile public
544 | liability and property damage insurance to be applied at the
545 | place of residence of the owner, or if the subject is a
546 | commercial vehicle, to be applied at the place of business of
547 | the owner; automobile collision insurance; fidelity bonds;
548 | burglary and theft insurance; and plate glass insurance.

549 | "Multiple peril" means a combination or package policy that
550 | includes both property coverage and casualty coverage for a
551 | single premium.

552 | ~~(6)~~~~(3)~~ "Chapter plan" means a separate defined benefit
553 | pension plan for police officers which incorporates by reference
554 | the provisions of this chapter and has been adopted by the
555 | governing body of a municipality as provided in s. 185.08.
556 | Except as may be specifically authorized in this chapter, the
557 | provisions of a chapter plan may not differ from the plan
558 | provisions set forth in ss. 185.01-185.341 and 185.37-185.39.
559 | Actuarial valuations of chapter plans shall be conducted by the
560 | division as provided by s. 185.221(1)(b).

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561 (7)~~(4)~~ "Compensation" or "salary" means, for
562 noncollectively bargained service earned before July 1, 2011, or
563 for service earned under collective bargaining agreements in
564 place before July 1, 2011, the total cash remuneration including
565 "overtime" paid by the primary employer to a police officer for
566 services rendered, but not including any payments for extra duty
567 or special detail work performed on behalf of a second party
568 employer. ~~A local law plan may limit the amount of overtime~~
569 ~~payments which can be used for retirement benefit calculation~~
570 ~~purposes; however, such overtime limit may not be less than 300~~
571 ~~hours per officer per calendar year.~~ For noncollectively
572 bargained service earned on or after July 1, 2011, or for
573 service earned under collective bargaining agreements entered
574 into on or after July 1, 2011, the term has the same meaning
575 except that when calculating retirement benefits, up to 300
576 hours per year in overtime compensation may be included as
577 specified in the plan or collective bargaining agreement, but
578 payments for accrued unused sick or annual leave may not be
579 included.

580 (a) Any retirement trust fund or plan that meets the
581 requirements of this chapter does not, solely by virtue of this
582 subsection, reduce or diminish the monthly retirement income
583 otherwise payable to each police officer covered by the
584 retirement trust fund or plan.

585 (b) The member's compensation or salary contributed as
586 employee-elective salary reductions or deferrals to any salary
587 reduction, deferred compensation, or tax-sheltered annuity
588 program authorized under the Internal Revenue Code shall be

589 | deemed to be the compensation or salary the member would receive
 590 | if he or she were not participating in such program and ~~shall be~~
 591 | treated as compensation for retirement purposes under this
 592 | chapter.

593 | (c) For any person who first becomes a member in any plan
 594 | year beginning on or after January 1, 1996, compensation for
 595 | that plan year may not include any amounts in excess of the
 596 | Internal Revenue Code s. 401(a)(17) limitation, as amended by
 597 | the Omnibus Budget Reconciliation Act of 1993, which limitation
 598 | of \$150,000 shall be adjusted as required by federal law for
 599 | qualified government plans and ~~shall be~~ further adjusted for
 600 | changes in the cost of living in the manner provided by Internal
 601 | Revenue Code s. 401(a)(17)(B). For any person who first became a
 602 | member before the first plan year beginning on or after January
 603 | 1, 1996, the limitation on compensation may not be less than the
 604 | maximum compensation amount that was allowed to be taken into
 605 | account under the plan ~~as~~ in effect on July 1, 1993, which
 606 | limitation shall be adjusted for changes in the cost of living
 607 | since 1989 in the manner provided by Internal Revenue Code s.
 608 | 401(a)(17)(1991).

609 | (8) ~~(5)~~ "Creditable service" or "credited service" means
 610 | the aggregate number of years of service and fractional parts of
 611 | years of service of any police officer, omitting intervening
 612 | years and fractional parts of years when such police officer may
 613 | not have been employed by the municipality subject to the
 614 | following conditions:

615 | (a) A ~~No~~ police officer may not ~~will~~ receive credit for
 616 | years or fractional parts of years of service if he or she has

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617 withdrawn his or her contributions to the fund for those years
618 or fractional parts of years of service, unless the police
619 officer repays into the fund the amount he or she has withdrawn,
620 plus interest as determined by the board. The member shall have
621 at least 90 days after his or her reemployment to make
622 repayment.

623 (b) A police officer may voluntarily leave his or her
624 contributions in the fund for ~~a period of~~ 5 years after leaving
625 the employ of the police department, pending the possibility of
626 his or her being rehired by the same department, without losing
627 credit for the time he or she has participated actively as a
628 police officer. If he or she is not reemployed as a police
629 officer with the same department within 5 years, his or her
630 contributions shall be returned to him or her without interest.

631 (c) Credited service under this chapter shall be provided
632 only for service as a police officer, ~~as defined in subsection~~
633 ~~(11)~~, or for military service and may not include credit for any
634 other type of service. A municipality ~~may~~, by local ordinance,
635 may provide for the purchase of credit for military service
636 occurring before employment as well as prior service as a police
637 officer for some other employer as long as the police officer is
638 not entitled to receive a benefit for such ~~other~~ prior service
639 ~~as a police officer~~. For purposes of determining credit for
640 prior service, in addition to service as a police officer in
641 this state, credit may be given for federal, other state, or
642 county service as long as such service is recognized by the
643 Criminal Justice Standards and Training Commission within the
644 Department of Law Enforcement as provided under chapter 943 or

645 the police officer provides proof to the board of trustees that
 646 such service is equivalent to the service required to meet the
 647 definition of a police officer under subsection (16) ~~(11)~~.

648 (d) In determining the creditable service of a ~~any~~ police
 649 officer, credit for up to 5 years of the time spent in the
 650 military service of the Armed Forces of the United States shall
 651 be added to the years of actual service, if:

652 1. The police officer is in the active employ of the
 653 municipality before ~~prior to~~ such service and leaves a position,
 654 other than a temporary position, for the purpose of voluntary or
 655 involuntary service in the Armed Forces of the United States.

656 2. The police officer is entitled to reemployment under
 657 ~~the provisions of~~ the Uniformed Services Employment and
 658 Reemployment Rights Act.

659 3. The police officer returns to his or her employment as
 660 a police officer of the municipality within 1 year after ~~from~~
 661 the date of his or her release from such active service.

662 (9) ~~(6)~~ "Deferred Retirement Option Plan" or "DROP" means a
 663 local law plan retirement option in which a police officer may
 664 elect to participate. A police officer may retire for all
 665 purposes of the plan and defer receipt of retirement benefits
 666 into a DROP account while continuing employment with his or her
 667 employer. However, a police officer who enters the DROP and who
 668 is otherwise eligible to participate may ~~shall~~ not ~~thereby~~ be
 669 precluded from participating, or continuing to participate, in a
 670 supplemental plan in existence on, or created after, March 12,
 671 1999 ~~the effective date of this act.~~

672 (10) "Defined contribution plan" means the component of a

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673 local law plan to which deposits are made to provide benefits
674 for police officers, or for police officers and firefighters if
675 both are included. Such component is an element of a local law
676 plan and exists in conjunction with the defined benefit
677 component that meets the base benefits and minimum standards of
678 this chapter. The retirement benefits of the defined
679 contribution plan shall be provided through individual member
680 accounts, in accordance with the applicable provisions of the
681 Internal Revenue Code and related regulations, and are limited
682 to the contributions made into each member's account and the
683 actual accumulated earnings, net of expenses, earned on the
684 member's account.

685 (11)-(7) "Division" means the Division of Retirement of the
686 Department of Management Services.

687 (12)-(8) "Enrolled actuary" means an actuary who is
688 enrolled under Subtitle C of Title III of the Employee
689 Retirement Income Security Act of 1974 and who is a member of
690 the Society of Actuaries or the American Academy of Actuaries.

691 (13)-(9) "Local law municipality" is any municipality in
692 which ~~there exists~~ a local law plan exists.

693 (14)-(10) "Local law plan" means a retirement defined
694 benefit pension plan, which includes both a defined benefit plan
695 component and a defined contribution plan component, for police
696 officers, or for police officers and firefighters if both are,
697 ~~where~~ included, as described in s. 185.35, established by
698 municipal ordinance or special act of the Legislature, which
699 ~~enactment~~ sets forth all plan provisions. Local law plan
700 provisions may vary from the provisions of this chapter if the

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701 ~~base, provided that required minimum~~ benefits and minimum
702 standards of this chapter are met. However, any such variance
703 must ~~shall~~ provide a greater benefit for police officers.
704 Actuarial valuations of local law plans shall be conducted by an
705 enrolled actuary as provided in s. 185.221(2) (b).

706 (15) "Long-term funded ratio" or "funded ratio" means the
707 ratio of the actuarial value of assets of the plan to the
708 actuarial accrued liabilities of the plan, as reported in the
709 most recent actuarial valuation of the plan, deemed to be in
710 compliance with chapter 112 by the Department of Management
711 Services.

712 (16)~~(11)~~ "Police officer" means any person who is elected,
713 appointed, or employed full time by a ~~any~~ municipality, who is
714 certified or required to be certified as a law enforcement
715 officer in compliance with s. 943.1395, who is vested with
716 authority to bear arms and make arrests, and whose primary
717 responsibility is the prevention and detection of crime or the
718 enforcement of the penal, criminal, traffic, or highway laws of
719 the state. The term ~~This definition~~ includes all certified
720 supervisory and command personnel whose duties include, in whole
721 or in part, the supervision, training, guidance, and management
722 responsibilities of full-time law enforcement officers, part-
723 time law enforcement officers, or auxiliary law enforcement
724 officers, but does not include part-time law enforcement
725 officers or auxiliary law enforcement officers as those terms
726 ~~the same~~ are defined in s. 943.10(6) and (8), ~~respectively~~. For
727 the purposes of this chapter only, the term also includes
728 ~~"police officer"~~ also shall include a public safety officer who

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729 is responsible for performing both police and fire services. Any
730 plan may provide that the police chief shall have the ~~an~~ option
731 to participate, or not, in that plan.

732 ~~(17)-(12)~~ "Police Officers' Retirement Trust Fund" means a
733 trust fund, by whatever name known, as provided under s. 185.03
734 for the purpose of assisting municipalities in establishing and
735 maintaining a retirement plan for police officers.

736 ~~(18)-(13)~~ "Retiree" or "retired police officer" means a
737 police officer who has entered retirement status. For the
738 purposes of a plan that includes a Deferred Retirement Option
739 Plan (DROP), a police officer who enters ~~the~~ DROP is ~~shall be~~
740 considered a retiree for all purposes of the plan. However, a
741 police officer who enters the DROP and who is otherwise eligible
742 to participate may ~~shall~~ not ~~thereby~~ be precluded from
743 participating, or continuing to participate, in a supplemental
744 plan in existence on, or created after, March 12, 1999 ~~the~~
745 ~~effective date of this act.~~

746 ~~(19)-(14)~~ "Retirement" means a police officer's separation
747 from city employment as a police officer with immediate
748 eligibility for ~~receipt of~~ benefits under the plan. For purposes
749 of a plan that includes a Deferred Retirement Option Plan
750 (DROP), "retirement" means the date a police officer enters the
751 DROP.

752 (20) "Special benefits" means benefits provided in a
753 defined contribution plan for police officers.

754 ~~(21)-(15)~~ "Supplemental plan" means a plan to which
755 deposits of the premium tax moneys as provided in s. 185.08 are
756 made to provide extra benefits to police officers, or police

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757 officers and firefighters if both are ~~where~~ included, under this
758 chapter. Such a plan is an element of a local law plan and
759 exists in conjunction with a defined benefit component ~~plan~~ that
760 meets the base ~~minimum~~ benefits and minimum standards of this
761 chapter.

762 ~~(22)(16)~~ "Supplemental plan municipality" means any local
763 law municipality in which ~~there existed~~ a supplemental plan
764 existed as of December 1, 2000.

765 Section 8. Paragraph (b) of subsection (6) of section
766 185.06, Florida Statutes, is amended to read:

767 185.06 General powers and duties of board of trustees.—For
768 any municipality, chapter plan, local law municipality, or local
769 law plan under this chapter:

770 (6) To assist the board in meeting its responsibilities
771 under this chapter, the board, if it so elects, may:

772 (b) Employ an independent enrolled actuary, as defined in
773 s. 185.02~~(8)~~, at the pension fund's expense.

774

775 If the board chooses to use the municipality's or special
776 district's legal counsel or actuary, or chooses to use any of
777 the municipality's other professional, technical, or other
778 advisers, it must do so only under terms and conditions
779 acceptable to the board.

780 Section 9. Paragraphs (d) through (g) of subsection (1) of
781 section 185.07, Florida Statutes, are amended, and a new
782 paragraph (e) is added to that subsection, to read:

783 185.07 Creation and maintenance of fund.—For any
784 municipality, chapter plan, local law municipality, or local law

785 | plan under this chapter:

786 | (1) The municipal police officers' retirement trust fund
787 | in each municipality described in s. 185.03 shall be created and
788 | maintained in the following manner:

789 | (d) By payment by the municipality or other sources of a
790 | sum equal to the normal cost and the amount required to fund any
791 | actuarial deficiency shown by an actuarial valuation as provided
792 | in part VII of chapter 112, after taking into account the
793 | amounts described in paragraphs (b), (c), (f), (g), and (h) and
794 | the amounts of the tax proceeds described in paragraph (a) that
795 | must be used to fund defined benefit plan benefits, except as
796 | otherwise excluded from consideration in determining the
797 | mandatory payment.

798 | (e) For local law plans, and in addition to the mandatory
799 | payment described in paragraph (d), by mandatory payment by the
800 | municipality of the amount specified in s. 185.35(3) if the
801 | long-term funded ratio of the plan is less than 80 percent.

802 | ~~(f)(e)~~ By all gifts, bequests and devises when donated to
803 | the fund.

804 | ~~(g)(f)~~ By all accretions to the fund by way of interest or
805 | dividends on bank deposits or otherwise.

806 | ~~(h)(g)~~ By all other sources of income now or hereafter
807 | authorized by law for the augmentation of such municipal police
808 | officers' retirement trust fund.

809 |

810 | Nothing in this section shall be construed to require adjustment
811 | of member contribution rates in effect on the date this act
812 | becomes a law, including rates that exceed 5 percent of salary,

813 provided that such rates are at least one-half of 1 percent of
 814 salary.

815 Section 10. Section 185.35, Florida Statutes, is amended
 816 to read:

817 185.35 Municipalities having their own pension plans for
 818 police officers. ~~For any municipality, chapter plan, local law~~
 819 ~~municipality, or local law plan under this chapter,~~ In order for
 820 a municipality municipalities with its their own retirement plan
 821 ~~pension plans~~ for police officers, or for police officers and
 822 firefighters if both are included, to participate in the
 823 distribution of the tax fund established under ~~pursuant to~~ s.
 824 185.08, a local law plan and its plan sponsor plans must meet
 825 the base minimum ~~base minimum~~ benefits and minimum standards set forth in
 826 this chapter:

827 (1) If a municipality has a retirement ~~pension~~ plan for
 828 police officers, or for police officers and firefighters if both
 829 are included, which, in the opinion of the division, meets the
 830 base minimum ~~base minimum~~ benefits and minimum standards set forth in this
 831 chapter, the board of trustees of the pension plan, as approved
 832 by a majority of police officers of the municipality, must ~~may~~:

833 ~~(a)~~ place the income from the premium tax in s. 185.08 in
 834 such ~~pension~~ plan for the sole and exclusive use of its police
 835 officers, or its police officers and firefighters if included,
 836 where it shall become an integral part of that ~~pension~~ plan and
 837 ~~shall~~ be used to fund benefits for police officers as follows:

838 (a) The base premium tax revenues must be used to fund
 839 base benefits.

840 (b) Of the premium tax revenues received that are in

841 excess of the amount received for the 2012 calendar year, and
 842 any accumulations of additional premium tax revenues that have
 843 not been applied to fund extra benefits:

844 1. If the plan has a long-term funded ratio of less than
 845 80 percent:

846 a. Fifty percent must be used as additional contributions
 847 to pay the plan's actuarial deficiency and may not be considered
 848 in the determination of the mandatory payment described in s.
 849 185.07(1)(d);

850 b. Twenty-five percent must be used to fund base benefits;
 851 and

852 c. Twenty-five percent must be placed in a defined
 853 contribution plan to fund special benefits.

854 2. If the plan has a long-term funded ratio of 80 percent
 855 or greater:

856 a. Fifty percent must be used to fund base benefits; and

857 b. Fifty percent must be placed in a defined contribution
 858 plan to fund special benefits.

859 (c) Additional premium tax revenues not described in
 860 paragraph (b) must be used to fund benefits that were not
 861 included in the base benefits ~~pay extra benefits to the police~~
 862 officers included in that pension plan; or

863 ~~(b) May place the income from the premium tax in s. 185.08~~
 864 ~~in a separate supplemental plan to pay extra benefits to the~~
 865 ~~police officers, or police officers and firefighters if~~
 866 ~~included, participating in such separate supplemental plan.~~

867 (2) Insurance premium tax revenues may not be used to fund
 868 benefits provided in a defined benefit plan which were not

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869 provided by the plan as of March 1, 2013.

870 (3) If a plan offers benefits in excess of its base
871 benefits, such benefits may be reduced if the plan continues to
872 meet the base benefits of the plan and the minimum standards set
873 forth in this chapter. The amount of insurance premium tax
874 revenues previously used to fund benefits in excess of the
875 plan's base benefits before the reduction must be used as
876 provided in subsection (1)(b). Twenty-five percent of the amount
877 of any mandatory contribution paid by the municipality or
878 special fire control district which was previously used to fund
879 extra benefits before the reduction must be used as additional
880 contributions as specified in s. 185.07 to fund the plan's
881 actuarial deficiency.

882 (4)-(2) The premium tax provided by this chapter shall in
883 all cases be used in its entirety to provide retirement ~~extra~~
884 benefits to police officers, or to police officers and
885 firefighters if both are included. ~~However, local law plans in~~
886 ~~effect on October 1, 1998, must comply with the minimum benefit~~
887 ~~provisions of this chapter only to the extent that additional~~
888 ~~premium tax revenues become available to incrementally fund the~~
889 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~
890 ~~is in compliance with such minimum benefit provisions, as~~
891 ~~subsequent additional tax revenues become available, they shall~~
892 ~~be used to provide extra benefits. Local law plans created by~~
893 ~~special act before May 27, 1939, shall be deemed to comply with~~
894 ~~this chapter. For the purpose of this chapter, the term:~~

895 ~~(a) "Additional premium tax revenues" means revenues~~
896 ~~received by a municipality pursuant to s. 185.10 which exceed~~

897 | ~~the amount received for calendar year 1997.~~

898 | ~~(b) "Extra benefits" means benefits in addition to or~~
 899 | ~~greater than those provided to general employees of the~~
 900 | ~~municipality and in addition to those in existence for police~~
 901 | ~~officers on March 12, 1999.~~

902 | (5)~~(3)~~ A retirement plan or amendment to a retirement plan
 903 | may not be proposed for adoption unless the proposed plan or
 904 | amendment contains an actuarial estimate of the costs involved.
 905 | Such proposed plan or proposed plan change may not be adopted
 906 | without the approval of the municipality or, where permitted,
 907 | the Legislature. Copies of the proposed plan or proposed plan
 908 | change and the actuarial impact statement of the proposed plan
 909 | or proposed plan change shall be furnished to the division
 910 | before the last public hearing thereon. Such statement must also
 911 | indicate whether the proposed plan or proposed plan change is in
 912 | compliance with s. 14, Art. X of the State Constitution and
 913 | those provisions of part VII of chapter 112 which are not
 914 | expressly provided in this chapter. Notwithstanding any other
 915 | provision, only those local law plans created by special act of
 916 | legislation before May 27, 1939, are deemed to meet the base
 917 | ~~minimum~~ benefits and minimum standards only in this chapter.

918 | (6)~~(4)~~ Notwithstanding any other provision, with respect
 919 | to any supplemental plan municipality:

920 | (a) Section 185.02(7)(a) ~~185.02(4)(a)~~ does not apply, and
 921 | a local law plan and a supplemental plan may continue to use
 922 | their definition of compensation or salary in existence on March
 923 | 12, 1999.

924 | (b) A local law plan and a supplemental plan must continue

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925 to be administered by a board or boards of trustees numbered,
926 constituted, and selected as the board or boards were numbered,
927 constituted, and selected on December 1, 2000.

928 ~~(c) The election set forth in paragraph (1) (b) is deemed~~
929 ~~to have been made.~~

930 (7) (5) The retirement plan setting forth the benefits and
931 the trust agreement, if any, covering the duties and
932 responsibilities of the trustees and the regulations of the
933 investment of funds must be in writing and copies made available
934 to the participants and to the general public.

935 (8) In addition to the defined benefit component of the
936 local law plan, each plan sponsor must have a defined
937 contribution plan component within the local law plan by October
938 1, 2013, or upon the creation date of a new participating plan.
939 However, the plan sponsor of any plan established by special act
940 of the Legislature has until July 1, 2014, to create a defined
941 contribution component within the plan.

942 Section 11. The Legislature finds that a proper and
943 legitimate state purpose is served when employees and retirees
944 of the state and its political subdivisions, and the dependents,
945 survivors, and beneficiaries of such employees and retirees, are
946 extended the basic protections afforded by governmental
947 retirement systems that provide fair and adequate benefits and
948 that are managed, administered, and funded in an actuarially
949 sound manner as required by s. 14, Article X of the State
950 Constitution and part VII of chapter 112, Florida Statutes.
951 Therefore, the Legislature determines and declares that this act
952 fulfills an important state interest.

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Section 12. This act shall take effect July 1, 2013.