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585-01499C-13

Proposed Committee Substitute by the Committee on Governmental
Oversight and Accountability

A bill to be entitled

An act relating to firefighter and police officer pension plans; amending s. 175.032, F.S.; revising definitions to conform to changes made by the act and adding a definition for "defined contribution plan"; amending s. 175.071, F.S.; conforming a cross-reference; amending s. 175.091, F.S.; providing for an additional mandatory payment by the municipality or special fire control district to the firefighters' pension trust fund; amending s. 175.351, F.S., relating to municipalities and special fire control districts that have their own pension plans and want to participate in the distribution of a tax fund; revising definitions; revising how income from the premium tax must be used; requiring certain tax revenues to be placed in a defined contribution plan and used to fund special benefits; requiring plan sponsors to have a defined contribution plan in place by a certain date; amending s. 185.02, F.S.; revising definitions to conform to changes made by the act and adding a definition for "defined contribution plan"; deleting a provision allowing a local law plan to limit the amount of overtime payments which can be used for retirement benefit calculations; amending s. 185.06, F.S.; conforming a cross-reference; amending s. 185.07, F.S.; providing for an additional mandatory payment by the municipality to the police officers'



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28 retirement trust fund; amending s. 185.35, F.S.,
29 relating to municipalities that have their own pension
30 plans for police officers and want to participate in
31 the distribution of a tax fund; revising definitions;
32 revising how income from the premium tax must be used;
33 requiring certain tax revenues to be placed in a
34 defined contribution plan and used to fund special
35 benefits; requiring plan sponsors to have a defined
36 contribution plan in place by a certain date;
37 providing a declaration of important state interest;
38 providing an effective date.

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

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42 Section 1. Present subsections (6) through (18) of section
43 175.032, Florida Statutes, are renumbered as subsections (7)
44 through (19), respectively, a new subsection (6) is added to
45 that section, and paragraph (c) of subsection (4) and present
46 subsections (11) and (17) of that section are amended, and to
47 read:

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

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(4) "Creditable service" or "credited service" means the
aggregate number of years of service, and fractional parts of
years of service, of any firefighter, omitting intervening years
and fractional parts of years when such firefighter may not have



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57 been employed by the municipality or special fire control
58 district, subject to the following conditions:

59 (c) Credited service under this chapter shall be provided
60 only for service as a firefighter, ~~as defined in subsection (8),~~
61 or for military service and does not include credit for any
62 other type of service. A municipality ~~may,~~ by local ordinance,
63 or a special fire control district ~~may,~~ by resolution, may
64 provide for the purchase of credit for military service prior to
65 employment as well as for prior service as a firefighter for
66 some other employer as long as a firefighter is not entitled to
67 receive a benefit for such prior service as a firefighter. For
68 purposes of determining credit for prior service as a
69 firefighter, in addition to service as a firefighter in this
70 state, credit may be given for federal, other state, or county
71 service if the prior service is recognized by the Division of
72 State Fire Marshal as provided under chapter 633, or the
73 firefighter provides proof to the board of trustees that his or
74 her service is equivalent to the service required to meet the
75 definition of a firefighter under subsection (9) ~~(8)~~.

76 (6) "Defined contribution plan" means the component of a
77 local law plan to which deposits are made to provide special
78 benefits for firefighters, or for firefighters and police
79 officers if both are included, under this chapter. Such
80 component is an element of a local law plan and exists in
81 conjunction with the defined benefit component that meets the
82 minimum benefits and minimum standards of this chapter. The
83 retirement benefits of the defined contribution plan shall be
84 provided through member-directed investments, in accordance with
85 ss. 401(a), 401(k), or 457 of the Internal Revenue Code and



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86 related regulations.

87 (12)~~(11)~~ "Local law plan" means a retirement defined
88 benefit pension plan, which includes both a defined benefit plan
89 component and a defined contribution plan component, for
90 firefighters, or for firefighters or police officers if both are
91 where included, as described in s. 175.351, established by
92 municipal ordinance, special district resolution, or special act
93 of the Legislature, which enactment sets forth all plan
94 provisions. Local law plan provisions may vary from the
95 provisions of this chapter if the, provided that required
96 minimum benefits and minimum standards of this chapter are met.
97 However, any such variance must shall provide a greater benefit
98 for firefighters. Actuarial valuations of local law plans shall
99 be conducted by an enrolled actuary as provided in s.
100 175.261(2).

101 (18)~~(17)~~ "Supplemental plan" means a plan to which deposits
102 are made to provide extra benefits for firefighters, or for
103 firefighters and police officers if both are where included,
104 under this chapter. Such a plan is an element of a local law
105 plan and exists in conjunction with a defined benefit component
106 plan that meets the minimum benefits and minimum standards of
107 this chapter.

108 Section 2. Paragraph (b) of subsection (7) of section
109 175.071, Florida Statutes, is amended to read:

110 175.071 General powers and duties of board of trustees.—For
111 any municipality, special fire control district, chapter plan,
112 local law municipality, local law special fire control district,
113 or local law plan under this chapter:

114 (7) To assist the board in meeting its responsibilities



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115 under this chapter, the board, if it so elects, may:

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

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119 If the board chooses to use the municipality's or special
120 district's legal counsel or actuary, or chooses to use any of
121 the municipality's or special district's other professional,
122 technical, or other advisers, it must do so only under terms and
123 conditions acceptable to the board.

124 Section 3. Present paragraphs (e), (f), and (g) of
125 subsection (1) of section 175.091, Florida Statutes, are
126 redesignated as paragraphs (f), (g), and (h), respectively, and
127 a new paragraph (e) is added to that subsection, to read:

128 175.091 Creation and maintenance of fund.—For any
129 municipality, special fire control district, chapter plan, local
130 law municipality, local law special fire control district, or
131 local law plan under this chapter:

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

135 (e) By mandatory payment by the municipality or special
136 fire control district of the amount specified in s. 175.351(4)
137 if the long-term funded ratio of the plan is less than 80
138 percent as shown by the most recent valuation of the plan.

139
140 Nothing in this section shall be construed to require adjustment
141 of member contribution rates in effect on the date this act
142 becomes a law, including rates that exceed 5 percent of salary,
143 provided that such rates are at least one-half of 1 percent of



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144 salary.

145 Section 4. Section 175.351, Florida Statutes, is amended to
146 read:

147 175.351 Municipalities and special fire control districts
148 having their own pension plans for firefighters. ~~For any~~
149 ~~municipality, special fire control district, local law~~
150 ~~municipality, local law special fire control district, or local~~
151 ~~law plan under this chapter,~~ In order for a municipality or
152 ~~municipalities and special fire control~~ district that has its
153 ~~districts with their own pension~~ plan plans for firefighters, or
154 for firefighters and police officers if both are included, to
155 participate in the distribution of the tax fund established
156 under pursuant to s. 175.101, a local law plan and its plan
157 sponsor plans must meet the minimum benefits and minimum
158 standards set forth in this chapter.

159 (1) As used in this section, the term:

160 (a) "Additional premium tax revenues" means revenues
161 received by a municipality or special fire control district
162 pursuant to s. 175.121 which exceed base premium tax revenues.

163 (b) "Base benefits" means those benefits in existence for
164 firefighters on March 12, 1999.

165 (c) "Base premium tax revenues" means revenues received by
166 a municipality or special fire control district pursuant to s.
167 175.121 equal to the amount of such revenues received for
168 calendar year 1997.

169 (d) "Extra benefits" means benefits in addition to or
170 greater than those provided to general employees of the
171 municipality and in addition to those in existence for
172 firefighters on March 12, 1999.



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173 (e) "Special benefits" means benefits provided in a defined
174 contribution plan.

175 (2)~~(1)~~ If a municipality has a pension plan for
176 firefighters, or a pension plan for firefighters and police
177 officers if both are included, which in the opinion of the
178 division meets the minimum benefits and minimum standards set
179 forth in this chapter, the board of trustees of the pension
180 plan, as approved by a majority of firefighters of the
181 municipality, must ~~may~~:

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

188 (a) The base premium tax revenues must be used to fund base
189 benefits.

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

194 1. If the plan has a long-term funded ratio of less than 80
195 percent as shown by the most recent valuation of the plan:

196 a. Seventy-five percent must be used as additional
197 contributions to pay the plan's actuarial deficiency; and

198 b. Twenty-five percent must be placed in a defined
199 contribution plan to fund special benefits.

200 2. If the plan has a long-term funded ratio of 80 percent
201 or greater as shown by the most recent valuation of the plan,



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202 100 percent must be placed in a defined contribution plan to
203 fund special benefits.

204 (c) Additional premium tax revenues not described in
205 paragraph (b) must be used to fund:

206 1. Any minimum benefits that were not included in the base
207 benefits; and

208 2. Any extra benefits that were added after March 12, 1999,
209 except as provided in subsection (4) to pay extra benefits to
210 the firefighters included in that pension plan; or

211 (b) Place the income from the premium tax in s. 175.101 in
212 a separate supplemental plan to pay extra benefits to
213 firefighters, or to firefighters and police officers if
214 included, participating in such separate supplemental plan.

215 (3) Insurance premium tax revenues may not be used to fund
216 benefits provided in a defined benefit plan which were not
217 provided by the plan as of March 1, 2013.

218 (4) If a plan offers extra benefits, such benefits may be
219 reduced if the plan continues to meet the base benefits of the
220 plan and the minimum standards set forth in this chapter. The
221 amount of insurance premium tax revenues previously used to fund
222 extra benefits before the reduction must be used as provided in
223 subsection (2)(b). Twenty-five percent of the amount of any
224 mandatory contribution paid by the municipality or special fire
225 control district that were previously used to fund extra
226 benefits before the reduction must be used as additional
227 contributions as specified in s. 175.091 to fund the plan's
228 actuarial deficiency.

229 (5)(2) The premium tax provided by this chapter shall in
230 all cases be used in its entirety to provide retirement extra



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231 benefits to firefighters, or to firefighters and police officers
232 if both are included. ~~However, local law plans in effect on~~
233 ~~October 1, 1998, must comply with the minimum benefit provisions~~
234 ~~of this chapter only to the extent that additional premium tax~~
235 ~~revenues become available to incrementally fund the cost of such~~
236 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~
237 ~~compliance with such minimum benefit provisions, as subsequent~~
238 ~~additional premium tax revenues become available, they must be~~
239 ~~used to provide extra benefits.~~ Local law plans created by
240 special act before May 27, 1939, are deemed to comply with this
241 chapter. ~~For the purpose of this chapter, the term:~~

242 ~~(a) "Additional premium tax revenues" means revenues~~
243 ~~received by a municipality or special fire control district~~
244 ~~pursuant to s. 175.121 which exceed that amount received for~~
245 ~~calendar year 1997.~~

246 ~~(b) "Extra benefits" means benefits in addition to or~~
247 ~~greater than those provided to general employees of the~~
248 ~~municipality and in addition to those in existence for~~
249 ~~firefighters on March 12, 1999.~~

250 (6)~~(3)~~ A retirement plan or amendment to a retirement plan
251 may not be proposed for adoption unless the proposed plan or
252 amendment contains an actuarial estimate of the costs involved.
253 Such proposed plan or proposed plan change may not be adopted
254 without the approval of the municipality, special fire control
255 district, or, where permitted, the Legislature. Copies of the
256 proposed plan or proposed plan change and the actuarial impact
257 statement of the proposed plan or proposed plan change shall be
258 furnished to the division before the last public hearing
259 thereon. Such statement must also indicate whether the proposed



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260 plan or proposed plan change is in compliance with s. 14, Art. X
261 of the State Constitution and those provisions of part VII of
262 chapter 112 which are not expressly provided in this chapter.
263 Notwithstanding any other provision, only those local law plans
264 created by special act of legislation before May 27, 1939, are
265 deemed to meet the minimum benefits and minimum standards only
266 in this chapter.

267 (7)~~(4)~~ Notwithstanding any other provision, with respect to
268 any supplemental plan municipality:

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

272 (b) Section 175.061(1)(b) does not apply, and a local law
273 plan and a supplemental plan shall continue to be administered
274 by a board or boards of trustees numbered, constituted, and
275 selected as the board or boards were numbered, constituted, and
276 selected on December 1, 2000.

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

279 (8)~~(5)~~ The retirement plan setting forth the benefits and
280 the trust agreement, if any, covering the duties and
281 responsibilities of the trustees and the regulations of the
282 investment of funds must be in writing, and copies made
283 available to the participants and to the general public.

284 (9) In addition to the defined benefit component of the
285 local law plan, each plan sponsor must have a defined
286 contribution plan component within the local law plan by October
287 1, 2013, or upon the creation date of a new participating plan.
288 However, the plan sponsor of any plan established by special act



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

291 Section 5. Present subsections (7) through (16) of section
292 185.02, Florida Statutes, are renumbered as subsections (8)
293 through (17), respectively, a new subsection (7) is added to
294 that section, and subsection (4), paragraph (c) of subsection
295 (5), and present subsections (10) and (15) of that section are
296 amended, to read:

297 185.02 Definitions.—For any municipality, chapter plan,
298 local law municipality, or local law plan under this chapter,
299 the following words and phrases as used in this chapter shall
300 have the following meanings, unless a different meaning is
301 plainly required by the context:

302 (4) "Compensation" or "salary" means, for noncollectively
303 bargained service earned before July 1, 2011, or for service
304 earned under collective bargaining agreements in place before
305 July 1, 2011, the total cash remuneration including "overtime"
306 paid by the primary employer to a police officer for services
307 rendered, but not including any payments for extra duty or
308 special detail work performed on behalf of a second party
309 employer. ~~A local law plan may limit the amount of overtime~~
310 ~~payments which can be used for retirement benefit calculation~~
311 ~~purposes; however, such overtime limit may not be less than 300~~
312 ~~hours per officer per calendar year.~~ For noncollectively
313 bargained service earned on or after July 1, 2011, or for
314 service earned under collective bargaining agreements entered
315 into on or after July 1, 2011, the term has the same meaning
316 except that when calculating retirement benefits, up to 300
317 hours per year in overtime compensation may be included as



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318 specified in the plan or collective bargaining agreement, but
319 payments for accrued unused sick or annual leave may not be
320 included.

321 (a) Any retirement trust fund or plan that meets the
322 requirements of this chapter does not, solely by virtue of this
323 subsection, reduce or diminish the monthly retirement income
324 otherwise payable to each police officer covered by the
325 retirement trust fund or plan.

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

334 (c) For any person who first becomes a member in any plan
335 year beginning on or after January 1, 1996, compensation for
336 that plan year may not include any amounts in excess of the
337 Internal Revenue Code s. 401(a)(17) limitation, as amended by
338 the Omnibus Budget Reconciliation Act of 1993, which limitation
339 of \$150,000 shall be adjusted as required by federal law for
340 qualified government plans and ~~shall be~~ further adjusted for
341 changes in the cost of living in the manner provided by Internal
342 Revenue Code s. 401(a)(17)(B). For any person who first became a
343 member before the first plan year beginning on or after January
344 1, 1996, the limitation on compensation may not be less than the
345 maximum compensation amount that was allowed to be taken into
346 account under the plan ~~as~~ in effect on July 1, 1993, which



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347 limitation shall be adjusted for changes in the cost of living
348 since 1989 in the manner provided by Internal Revenue Code s.
349 401(a)(17)(1991).

350 (5) "Creditable service" or "credited service" means the
351 aggregate number of years of service and fractional parts of
352 years of service of any police officer, omitting intervening
353 years and fractional parts of years when such police officer may
354 not have been employed by the municipality subject to the
355 following conditions:

356 (c) Credited service under this chapter shall be provided
357 only for service as a police officer, ~~as defined in subsection~~
358 ~~(11)~~, or for military service and may not include credit for any
359 other type of service. A municipality ~~may~~, by local ordinance,
360 may provide for the purchase of credit for military service
361 occurring before employment as well as prior service as a police
362 officer for some other employer as long as the police officer is
363 not entitled to receive a benefit for such other prior service
364 as a police officer. For purposes of determining credit for
365 prior service, in addition to service as a police officer in
366 this state, credit may be given for federal, other state, or
367 county service as long as such service is recognized by the
368 Criminal Justice Standards and Training Commission within the
369 Department of Law Enforcement as provided under chapter 943 or
370 the police officer provides proof to the board of trustees that
371 such service is equivalent to the service required to meet the
372 definition of a police officer under subsection (12) ~~(11)~~.

373 (7) "Defined contribution plan" means the component of a
374 local law plan to which deposits are made to provide special
375 benefits for police officers, or for police officers and



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376 firefighters if both are included. Such component is an element
377 of a local law plan and exists in conjunction with the defined
378 benefit component that meets the minimum benefits and minimum
379 standards of this chapter. The retirement benefits of the
380 defined contribution plan shall be provided through member-
381 directed investments, in accordance with ss. 401(a), 401(k), or
382 457 of the Internal Revenue Code and related regulations.

383 (11)-(10) "Local law plan" means a retirement defined
384 benefit pension plan, which includes both a defined benefit plan
385 component and a defined contribution plan component, for police
386 officers, or for police officers and firefighters if both are,
387 where included, as described in s. 185.35, established by
388 municipal ordinance or special act of the Legislature, which
389 enactment sets forth all plan provisions. Local law plan
390 provisions may vary from the provisions of this chapter if the,
391 provided that required minimum benefits and minimum standards of
392 this chapter are met. However, any such variance must shall
393 provide a greater benefit for police officers. Actuarial
394 valuations of local law plans shall be conducted by an enrolled
395 actuary as provided in s. 185.221(2) (b).

396 (16)-(15) "Supplemental plan" means a plan to which deposits
397 of the premium tax moneys as provided in s. 185.08 are made to
398 provide extra benefits to police officers, or police officers
399 and firefighters if both are where included, under this chapter.
400 Such a plan is an element of a local law plan and exists in
401 conjunction with a defined benefit component plan that meets the
402 minimum benefits and minimum standards of this chapter.

403 Section 6. Paragraph (b) of subsection (6) of section
404 185.06, Florida Statutes, is amended to read:



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405 185.06 General powers and duties of board of trustees.—For
406 any municipality, chapter plan, local law municipality, or local
407 law plan under this chapter:

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

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

412

413 If the board chooses to use the municipality's or special
414 district's legal counsel or actuary, or chooses to use any of
415 the municipality's other professional, technical, or other
416 advisers, it must do so only under terms and conditions
417 acceptable to the board.

418 Section 7. Present paragraphs (e), (f), and (g) of
419 subsection (1) of section 185.07, Florida Statutes, are
420 redesignated as paragraphs (f), (g), and (h), respectively, and
421 a new paragraph (e) is added to that subsection, to read:

422 185.07 Creation and maintenance of fund.—For any
423 municipality, chapter plan, local law municipality, or local law
424 plan under this chapter:

425 (1) The municipal police officers' retirement trust fund in
426 each municipality described in s. 185.03 shall be created and
427 maintained in the following manner:

428 (e) By mandatory payment by the municipality of the amount
429 specified in s. 185.35(4) if the long-term funded ratio of the
430 plan is less than 80 percent as shown by the most recent
431 valuation of the plan.

432

433 Nothing in this section shall be construed to require adjustment



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434 of member contribution rates in effect on the date this act
435 becomes a law, including rates that exceed 5 percent of salary,
436 provided that such rates are at least one-half of 1 percent of
437 salary.

438 Section 8. Section 185.35, Florida Statutes, is amended to
439 read:

440 185.35 Municipalities having their own pension plans for
441 police officers. ~~For any municipality, chapter plan, local law~~
442 ~~municipality, or local law plan under this chapter,~~ In order for
443 a municipality municipalities with its their own retirement plan
444 ~~pension plans~~ for police officers, or for police officers and
445 firefighters if both are included, to participate in the
446 distribution of the tax fund established under ~~pursuant to~~ s.
447 185.08, a local law plan and its plan sponsor plans must meet
448 the minimum benefits and minimum standards set forth in this
449 chapter:

450 (1) As used in this section, the term:

451 (a) "Additional premium tax revenues" means revenues
452 received by a municipality pursuant to s. 185.10 which exceed
453 base premium tax revenues.

454 (b) "Base benefits" means benefits in existence for police
455 officers on March 12, 1999.

456 (c) "Base premium tax revenues" means revenues received by
457 a municipality pursuant to s. 185.10 equal to the amount of such
458 revenues received for calendar year 1997.

459 (d) "Extra benefits" means benefits in addition to or
460 greater than those provided to general employees of the
461 municipality and in addition to those in existence for police
462 officers on March 12, 1999.



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463 (e) "Special benefits" means benefits provided in a defined
464 contribution plan.

465 (2)(1) If a municipality has a retirement ~~pension~~ plan for
466 police officers, or for police officers and firefighters if both
467 are included, which, in the opinion of the division, meets the
468 minimum benefits and minimum standards set forth in this
469 chapter, the board of trustees of the pension plan, as approved
470 by a majority of police officers of the municipality, must ~~may-~~

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

476 (a) The base premium tax revenues must be used to fund base
477 benefits.

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

482 1. If the plan has a long-term funded ratio of less than 80
483 percent as shown by the most recent valuation of the plan:

484 a. Seventy-five percent must be used as additional
485 contributions to pay the plan's actuarial deficiency; and

486 b. Twenty-five percent must be placed in a defined
487 contribution plan to fund special benefits.

488 2. If the plan has a long-term funded ratio of 80 percent
489 or greater as shown by the most recent valuation of the plan,
490 100 percent must be placed in a defined contribution plan to
491 fund special benefits.



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492 (c) Additional premium tax revenues not described in
493 paragraph (b) must be used to fund:

494 1. Any minimum benefits that were not included in the base
495 benefits; and

496 2. Any extra benefits that were added after March 12, 1999,
497 except as provided in subsection (4) ~~pay extra benefits to the~~
498 ~~police officers included in that pension plan; or~~

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

503 (3) Insurance premium tax revenues may not be used to fund
504 benefits provided in a defined benefit plan which were not
505 provided by the plan as of March 1, 2013.

506 (4) If a plan offers extra benefits, such benefits may be
507 reduced if the plan continues to meet the base benefits of the
508 plan and the minimum standards set forth in this chapter. The
509 amount of insurance premium tax revenues previously used to fund
510 extra benefits before the reduction must be used as provided in
511 subsection (2) (b). Twenty-five percent of the amount of any
512 mandatory contribution paid by the municipality or special fire
513 control district that were previously used to fund extra
514 benefits before the reduction must be used as additional
515 contributions as specified in s. 185.07 to fund the plan's
516 actuarial deficiency.

517 (5) ~~(2)~~ The premium tax provided by this chapter shall in
518 all cases be used in its entirety to provide extra benefits to
519 police officers, or to police officers and firefighters if both
520 are included. ~~However, local law plans in effect on October 1,~~



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521 ~~1998, must comply with the minimum benefit provisions of this~~
522 ~~chapter only to the extent that additional premium tax revenues~~
523 ~~become available to incrementally fund the cost of such~~
524 ~~compliance as provided in s. 185.16(2). If a plan is in~~
525 ~~compliance with such minimum benefit provisions, as subsequent~~
526 ~~additional tax revenues become available, they shall be used to~~
527 ~~provide extra benefits.~~ Local law plans created by special act
528 before May 27, 1939, shall be deemed to comply with this
529 chapter. For the purpose of this chapter, the term:

530 ~~(a) "Additional premium tax revenues" means revenues~~
531 ~~received by a municipality pursuant to s. 185.10 which exceed~~
532 ~~the amount received for calendar year 1997.~~

533 ~~(b) "Extra benefits" means benefits in addition to or~~
534 ~~greater than those provided to general employees of the~~
535 ~~municipality and in addition to those in existence for police~~
536 ~~officers on March 12, 1999.~~

537 (6)~~(3)~~ A retirement plan or amendment to a retirement plan
538 may not be proposed for adoption unless the proposed plan or
539 amendment contains an actuarial estimate of the costs involved.
540 Such proposed plan or proposed plan change may not be adopted
541 without the approval of the municipality or, where permitted,
542 the Legislature. Copies of the proposed plan or proposed plan
543 change and the actuarial impact statement of the proposed plan
544 or proposed plan change shall be furnished to the division
545 before the last public hearing thereon. Such statement must also
546 indicate whether the proposed plan or proposed plan change is in
547 compliance with s. 14, Art. X of the State Constitution and
548 those provisions of part VII of chapter 112 which are not
549 expressly provided in this chapter. Notwithstanding any other



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550 provision, only those local law plans created by special act of
551 legislation before May 27, 1939, are deemed to meet the minimum
552 benefits and minimum standards only in this chapter.

553 (7)~~(4)~~ Notwithstanding any other provision, with respect to
554 any supplemental plan municipality:

555 (a) Section 185.02(4)(a) does not apply, and a local law
556 plan and a supplemental plan may continue to use their
557 definition of compensation or salary in existence on March 12,
558 1999.

559 (b) A local law plan and a supplemental plan must continue
560 to be administered by a board or boards of trustees numbered,
561 constituted, and selected as the board or boards were numbered,
562 constituted, and selected on December 1, 2000.

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

565 (8)~~(5)~~ The retirement plan setting forth the benefits and
566 the trust agreement, if any, covering the duties and
567 responsibilities of the trustees and the regulations of the
568 investment of funds must be in writing and copies made available
569 to the participants and to the general public.

570 (9) In addition to the defined benefit component of the
571 local law plan, each plan sponsor must have a defined
572 contribution plan component within the local law plan by October
573 1, 2013, or upon the creation date of a new participating plan.
574 However, the plan sponsor of any plan established by special act
575 of the Legislature has until July 1, 2014, to create a defined
576 contribution component within the plan.

577 Section 9. The Legislature finds that a proper and
578 legitimate state purpose is served when employees and retirees



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579 of the state and its political subdivisions, and the dependents,
580 survivors, and beneficiaries of such employees and retirees, are
581 extended the basic protections afforded by governmental
582 retirement systems that provide fair and adequate benefits and
583 that are managed, administered, and funded in an actuarially
584 sound manner as required by s. 14, Article X of the State
585 Constitution and part VII of chapter 112, Florida Statutes.
586 Therefore, the Legislature determines and declares that this act
587 fulfills an important state interest.

588 Section 10. This act shall take effect July 1, 2013.