



595556

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/05/2013	.	
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The Committee on Appropriations (Ring and Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

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

175.021 Legislative declaration.-

(2) This chapter hereby establishes, for all municipal and special district pension plans existing ~~now or hereafter~~ under this chapter, including chapter plans and local law plans, required ~~minimum~~ benefits and minimum standards for the operation and funding of such plans, hereinafter referred to as



595556

13 firefighters' pension trust funds, which must be met as a
14 condition precedent to the plan or plan sponsor receiving a
15 distribution of insurance premium tax revenues under s. 175.121.
16 The required ~~minimum~~ benefits and minimum standards for each
17 plan as set forth in this chapter may not be diminished by local
18 charter, ordinance, or resolution or by special act of the
19 Legislature, or ~~nor may the minimum benefits or minimum~~
20 ~~standards~~ be reduced or offset by any other local, state, or
21 federal law that may include firefighters in its operation,
22 except as provided under s. 112.65.

23 Section 2. Section 175.032, Florida Statutes, is amended to
24 read:

25 175.032 Definitions.—For any municipality, special fire
26 control district, chapter plan, local law municipality, local
27 law special fire control district, or local law plan under this
28 chapter, the term ~~following words and phrases have the following~~
29 ~~meanings:~~

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

33 (2) ~~(1)(a)~~ "Average final compensation" for:

34 (a) A full-time firefighter means one-twelfth of the
35 average annual compensation of the 5 best years of the last 10
36 years of creditable service before ~~prior to~~ retirement,
37 termination, or death, or the career average as a full-time
38 firefighter since July 1, 1953, whichever is greater. A year is
39 ~~shall be~~ 12 consecutive months or such other consecutive period
40 of time as is used and consistently applied.

41 (b) ~~"Average final compensation" for~~ A volunteer



595556

42 firefighter means the average salary of the 5 best years of the
43 last 10 best contributing years before a ~~prior to~~ change in
44 status to a permanent full-time firefighter or retirement as a
45 volunteer firefighter or the career average of a volunteer
46 firefighter, since July 1, 1953, whichever is greater.

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

49 (4) "Base premium tax revenues" means revenues received by
50 a municipality or special fire control district pursuant to s.
51 175.121 equal to the amount of such revenues received for
52 calendar year 1997.

53 (5)~~(2)~~ "Chapter plan" means a separate defined benefit
54 pension plan for firefighters which incorporates by reference
55 the provisions of this chapter and has been adopted by the
56 governing body of a municipality or special district. Except as
57 may be specifically authorized in this chapter, the provisions
58 of a chapter plan may not differ from the plan provisions set
59 forth in ss. 175.021-175.341 and 175.361-175.401. Actuarial
60 valuations of chapter plans shall be conducted by the division
61 as provided by s. 175.261(1).

62 (6)~~(3)~~ "Compensation" or "salary" means, for
63 noncollectively bargained service earned before July 1, 2011, or
64 for service earned under collective bargaining agreements in
65 place before July 1, 2011, the fixed monthly remuneration paid a
66 firefighter. If remuneration is based on actual services
67 rendered, as in the case of a volunteer firefighter, the term
68 means the total cash remuneration received yearly for such
69 services, prorated on a monthly basis. For noncollectively
70 bargained service earned on or after July 1, 2011, or for



595556

71 service earned under collective bargaining agreements entered
72 into on or after July 1, 2011, the term has the same meaning
73 except that when calculating retirement benefits, up to 300
74 hours per year in overtime compensation may be included as
75 specified in the plan or collective bargaining agreement, but
76 payments for accrued unused sick or annual leave may not be
77 included.

78 (a) Any retirement trust fund or plan that meets the
79 requirements of this chapter does not, solely by virtue of this
80 subsection, reduce or diminish the monthly retirement income
81 otherwise payable to each firefighter covered by the retirement
82 trust fund or plan.

83 (b) The member's compensation or salary contributed as
84 employee-elective salary reductions or deferrals to any salary
85 reduction, deferred compensation, or tax-sheltered annuity
86 program authorized under the Internal Revenue Code shall be
87 deemed to be the compensation or salary the member would receive
88 if he or she were not participating in such program and ~~shall be~~
89 treated as compensation for retirement purposes under this
90 chapter.

91 (c) For any person who first becomes a member in any plan
92 year beginning on or after January 1, 1996, compensation for
93 that plan year may not include any amounts in excess of the
94 Internal Revenue Code s. 401(a)(17) limitation, as amended by
95 the Omnibus Budget Reconciliation Act of 1993, which limitation
96 of \$150,000 shall be adjusted as required by federal law for
97 qualified government plans and ~~shall be~~ further adjusted for
98 changes in the cost of living in the manner provided by Internal
99 Revenue Code s. 401(a)(17)(B). For any person who first became a



595556

100 member before the first plan year beginning on or after January
101 1, 1996, the limitation on compensation may not be less than the
102 maximum compensation amount that was allowed to be taken into
103 account under the plan in effect on July 1, 1993, which
104 limitation shall be adjusted for changes in the cost of living
105 since 1989 in the manner provided by Internal Revenue Code s.
106 401(a)(17)(1991).

107 (7)~~(4)~~ "Creditable service" or "credited service" means the
108 aggregate number of years of service, and fractional parts of
109 years of service, of any firefighter, omitting intervening years
110 and fractional parts of years when such firefighter may not have
111 been employed by the municipality or special fire control
112 district, subject to the following conditions:

113 (a) A ~~No~~ firefighter may not ~~will~~ receive credit for years
114 or fractional parts of years of service if he or she has
115 withdrawn his or her contributions to the fund for those years
116 or fractional parts of years of service, unless the firefighter
117 repays into the fund the amount he or she has withdrawn, plus
118 interest determined by the board. The member shall have at least
119 90 days after his or her reemployment to make repayment.

120 (b) A firefighter may voluntarily leave his or her
121 contributions in the fund for ~~a period of~~ 5 years after leaving
122 the employ of the fire department, pending the possibility of
123 being rehired by the same department, without losing credit for
124 the time he or she has participated actively as a firefighter.
125 If the firefighter is not reemployed as a firefighter, with the
126 same department, within 5 years, his or her contributions shall
127 be returned without interest.

128 (c) Credited service under this chapter shall be provided



595556

129 only for service as a firefighter, ~~as defined in subsection (8),~~
130 or for military service and does not include credit for any
131 other type of service. A municipality ~~may,~~ by local ordinance,
132 or a special fire control district ~~may,~~ by resolution, may
133 provide for the purchase of credit for military service prior to
134 employment as well as for prior service as a firefighter for
135 some other employer as long as a firefighter is not entitled to
136 receive a benefit for such prior service ~~as a firefighter~~. For
137 purposes of determining credit for prior service as a
138 firefighter, in addition to service as a firefighter in this
139 state, credit may be given for federal, other state, or county
140 service if the prior service is recognized by the Division of
141 State Fire Marshal as provided under chapter 633, or the
142 firefighter provides proof to the board of trustees that his or
143 her service is equivalent to the service required to meet the
144 definition of a firefighter under subsection (12) ~~(8)~~.

145 (8) ~~(5)~~ "Deferred Retirement Option Plan" or "DROP" means a
146 local law plan retirement option in which a firefighter may
147 elect to participate. A firefighter may retire for all purposes
148 of the plan and defer receipt of retirement benefits into a DROP
149 account while continuing employment with his or her employer.
150 However, a firefighter who enters ~~the~~ DROP and who is otherwise
151 eligible to participate may ~~shall not thereby~~ be precluded from
152 participating, or continuing to participate, in a supplemental
153 plan in existence on, or created after, March 12, 1999 ~~the~~
154 ~~effective date of this act.~~

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



595556

158 both are included. Such component is an element of a local law
159 plan and exists in conjunction with the defined benefit
160 component that meets the required benefits and minimum standards
161 of this chapter. The retirement benefits of the defined
162 contribution plan shall be provided through individual member
163 accounts, in accordance with the applicable provisions of the
164 Internal Revenue Code and related regulations, and are limited
165 to the contributions made into each member's account and the
166 actual accumulated earnings, net of expenses, earned on the
167 member's account.

168 (10)-(6) "Division" means the Division of Retirement of the
169 Department of Management Services.

170 (11)-(7) "Enrolled actuary" means an actuary who is enrolled
171 under Subtitle C of Title III of the Employee Retirement Income
172 Security Act of 1974 and who is a member of the Society of
173 Actuaries or the American Academy of Actuaries.

174 (12)-(8)(a) "Firefighter" means any person employed solely
175 by a constituted fire department of any municipality or special
176 fire control district who is certified as a firefighter as a
177 condition of employment in accordance with s. 633.35 and whose
178 duty it is to extinguish fires, to protect life, or to protect
179 property. The term includes all certified, supervisory, and
180 command personnel whose duties include, in whole or in part, the
181 supervision, training, guidance, and management responsibilities
182 of full-time firefighters, part-time firefighters, or auxiliary
183 firefighters but does not include part-time firefighters or
184 auxiliary firefighters. However, for purposes of this chapter
185 only, the term also includes public safety officers who are
186 responsible for performing both police and fire services, who



595556

187 are certified as police officers or firefighters, and who are
188 certified by their employers to the Chief Financial Officer as
189 participating in this chapter before October 1, 1979. Effective
190 October 1, 1979, public safety officers who have not been
191 certified as participating in this chapter are considered police
192 officers for retirement purposes and are eligible to participate
193 in chapter 185. Any plan may provide that the fire chief has an
194 option to participate, ~~or not,~~ in that plan.

195 (b) "Volunteer firefighter" means any person whose name is
196 carried on the active membership roll of a constituted volunteer
197 fire department or a combination of a paid and volunteer fire
198 department of any municipality or special fire control district
199 and whose duty it is to extinguish fires, to protect life, and
200 to protect property. Compensation for services rendered by a
201 volunteer firefighter does ~~shall~~ not disqualify him or her as a
202 volunteer. A person may ~~shall~~ not be disqualified as a volunteer
203 firefighter solely because he or she has other gainful
204 employment. Any person who volunteers assistance at a fire but
205 is not an active member of a department described herein is not
206 a volunteer firefighter within the meaning of this paragraph.

207 ~~(13)-(9)~~ "Firefighters' Pension Trust Fund" means a trust
208 fund, by whatever name known, as provided under s. 175.041, for
209 the purpose of assisting municipalities and special fire control
210 districts in establishing and maintaining a retirement plan for
211 firefighters.

212 ~~(14)-(10)~~ "Local law municipality" is any municipality in
213 which ~~there exists~~ a local law plan exists.

214 ~~(15)-(11)~~ "Local law plan" means a retirement defined
215 benefit pension plan, which includes both a defined benefit plan



595556

216 component and a defined contribution plan component, for
217 firefighters, or for firefighters or police officers if both are
218 ~~where~~ included, as described in s. 175.351, established by
219 municipal ordinance, special district resolution, or special act
220 of the Legislature, which ~~enactment~~ sets forth all plan
221 provisions. Local law plan provisions may vary from the
222 provisions of this chapter if the, provided that required
223 ~~minimum~~ benefits and minimum standards of this chapter are met.
224 However, any such variance must ~~shall~~ provide a greater benefit
225 for firefighters. Actuarial valuations of local law plans shall
226 be conducted by an enrolled actuary as provided in s.
227 175.261(2).

228 ~~(16)-(12)~~ "Local law special fire control district" is any
229 special fire control district in which ~~there exists~~ a local law
230 plan exists.

231 (17) "Long-term funded ratio" or "funded ratio" means the
232 ratio of the actuarial value of assets of the plan to the
233 actuarial accrued liabilities of the plan, as reported in the
234 most recent actuarial valuation of the plan, deemed to be in
235 compliance with chapter 112 by the Department of Management
236 Services.

237 (18) "Minimum benefits" means the benefits set forth in ss.
238 175.021-175.341 and ss. 175.361-175.401.

239 (19) "Minimum standards" means the standards set forth in
240 ss. 175.021-175.341 and ss. 175.361-175.401.

241 ~~(20)-(13)~~ "Property insurance" means property insurance as
242 defined in s. 624.604 and covers real and personal property
243 within the corporate limits of a any municipality, or within the
244 boundaries of a any special fire control district, within the



595556

245 state. "Multiple peril" means a combination or package policy
246 that includes both property and casualty coverage for a single
247 premium.

248 (21) "Required benefits" means the lesser of the minimum
249 benefits set forth in this chapter and the base benefits of the
250 plan. For local law plans created after March 1, 2013, the
251 required benefits are the minimum benefits set forth in this
252 chapter.

253 (22)~~(14)~~ "Retiree" or "retired firefighter" means a
254 firefighter who has entered retirement status. For the purposes
255 of a plan that includes a Deferred Retirement Option Plan
256 (DROP), a firefighter who enters the DROP is shall~~be~~ considered
257 a retiree for all purposes of the plan. However, a firefighter
258 who enters ~~the~~ DROP and who is otherwise eligible to participate
259 may shall~~not thereby~~ be precluded from participating, or
260 continuing to participate, in a supplemental plan in existence
261 on, or created after, March 12, 1999 ~~the effective date of this~~
262 ~~act.~~

263 (23)~~(15)~~ "Retirement" means a firefighter's separation from
264 city or fire district employment as a firefighter with immediate
265 eligibility for ~~receipt of~~ benefits under the plan. For purposes
266 of a plan that includes a Deferred Retirement Option Plan
267 (DROP), "retirement" means the date a firefighter enters ~~the~~
268 DROP.

269 (24) "Special benefits" means benefits provided in a
270 defined contribution plan for firefighters.

271 (25)~~(16)~~ "Special fire control district" means a special
272 district, as defined in s. 189.403~~(1)~~, established for the
273 purposes of extinguishing fires, protecting life, and protecting



595556

274 property within the incorporated or unincorporated portions of a
275 ~~any~~ county or combination of counties, or within any combination
276 of incorporated and unincorporated portions of a ~~any~~ county or
277 combination of counties. The term does not include any dependent
278 or independent special district, as those terms are defined in
279 s. 189.403(2) ~~and (3), respectively~~, the employees of which are
280 members of the Florida Retirement System pursuant to s.
281 121.051(1) or (2).

282 ~~(26)(17)~~ "Supplemental plan" means a plan to which deposits
283 are made to provide extra benefits for firefighters, or for
284 firefighters and police officers if both are ~~where~~ included
285 ~~under this chapter~~. Such a plan is an element of a local law
286 plan and exists in conjunction with a defined benefit component
287 ~~plan~~ that meets the required minimum benefits and minimum
288 standards of this chapter. Any supplemental plan in existence on
289 March 1, 2013, shall be deemed to be a defined contribution plan
290 in compliance with s. 175.351(8).

291 ~~(27)(18)~~ "Supplemental plan municipality" means a ~~any~~ local
292 law municipality in which ~~there existed~~ a supplemental plan
293 existed, of any type or nature, as of December 1, 2000.

294 Section 3. Paragraph (b) of subsection (7) of section
295 175.071, Florida Statutes, is amended to read:

296 175.071 General powers and duties of board of trustees.—For
297 any municipality, special fire control district, chapter plan,
298 local law municipality, local law special fire control district,
299 or local law plan under this chapter:

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

302 (b) Employ an independent enrolled actuary, as defined in



595556

303 s. 175.032~~(7)~~, at the pension fund's expense.

304

305 If the board chooses to use the municipality's or special
306 district's legal counsel or actuary, or chooses to use any of
307 the municipality's or special district's other professional,
308 technical, or other advisers, it must do so only under terms and
309 conditions acceptable to the board.

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

313 175.091 Creation and maintenance of fund.—For any
314 municipality, special fire control district, chapter plan, local
315 law municipality, local law special fire control district, or
316 local law plan under this chapter:

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

320 (d) By mandatory payment by the municipality or special
321 fire control district of a sum equal to the normal cost of and
322 the amount required to fund any actuarial deficiency shown by an
323 actuarial valuation as provided in part VII of chapter 112 after
324 taking into account the amounts described in paragraphs (b),
325 (c), (f), (g), and (h) and the amounts of the tax proceeds
326 described in paragraph (a) which must be used to fund defined
327 benefit plan benefits, except as otherwise excluded from
328 consideration in determining the mandatory payment.

329 (e) For local law plans, and in addition to the mandatory
330 payment specified in paragraph (d), by mandatory payment by the
331 municipality or special fire control district of the amount



595556

332 specified in s. 175.351(3), if the long-term funded ratio of the
333 plan is less than 80 percent.

334 (f)~~(e)~~ By all gifts, bequests, and devises when donated to
335 the fund.

336 (g)~~(f)~~ By all accretions to the fund by way of interest or
337 dividends on bank deposits, or otherwise.

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

341
342 Nothing in this section shall be construed to require adjustment
343 of member contribution rates in effect on the date this act
344 becomes a law, including rates that exceed 5 percent of salary,
345 provided that such rates are at least one-half of 1 percent of
346 salary.

347 Section 5. Paragraph (a) of subsection (2) of section
348 175.162, Florida Statutes, is amended to read:

349 175.162 Requirements for retirement.—For any municipality,
350 special fire control district, chapter plan, local law
351 municipality, local law special fire control district, or local
352 law plan under this chapter, any firefighter who completes 10 or
353 more years of creditable service as a firefighter and attains
354 age 55, or completes 25 years of creditable service as a
355 firefighter and attains age 52, and who for such minimum period
356 has been a member of the firefighters' pension trust fund
357 operating under a chapter plan or local law plan, is eligible
358 for normal retirement benefits. Normal retirement under the plan
359 is retirement from the service of the municipality or special
360 fire control district on or after the normal retirement date. In



595556

361 such event, payment of retirement income will be governed by the
362 following provisions of this section:

363 (2) (a) The amount of monthly retirement income payable to a
364 full-time firefighter who retires on or after his or her normal
365 retirement date shall be an amount equal to the number of his or
366 her years of credited service multiplied by 2 percent of his or
367 her average final compensation as a full-time firefighter.
368 ~~However, if current state contributions pursuant to this chapter~~
369 ~~are not adequate to fund the additional benefits to meet the~~
370 ~~minimum requirements in this chapter, only such incremental~~
371 ~~increases shall be required as state moneys are adequate to~~
372 ~~provide. Such increments shall be provided as state moneys~~
373 ~~become available.~~

374 Section 6. Section 175.351, Florida Statutes, is amended to
375 read:

376 175.351 Municipalities and special fire control districts
377 that have having their own pension plans for firefighters. ~~For~~
378 ~~any municipality, special fire control district, local law~~
379 ~~municipality, local law special fire control district, or local~~
380 ~~law plan under this chapter,~~ In order for a municipality or
381 ~~municipalities and special fire control~~ district that has its
382 ~~districts with their own pension~~ plan plans for firefighters, or
383 for firefighters and police officers if both are included, to
384 participate in the distribution of the tax fund established
385 under pursuant to s. 175.101, a local law plan and its plan
386 sponsor plans must meet the required ~~minimum~~ benefits and
387 minimum standards set forth in this chapter.

388 (1) If a municipality has a pension plan for firefighters,
389 or a ~~pension plan~~ for firefighters and police officers if both



595556

390 are included, which in the opinion of the division meets the
391 required minimum benefits and minimum standards set forth in
392 this chapter, the board of trustees of the pension plan, must as
393 approved by a majority of firefighters of the municipality, may:

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

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

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

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

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

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

414 c. The remainder must be placed in a defined contribution
415 plan to fund special benefits.

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

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



595556

419 b. The remainder must be placed in a defined contribution
420 plan to fund special benefits.

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

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

429 (2) Insurance premium tax revenues may not be used to fund
430 benefits provided in a defined benefit plan which were not
431 provided by the plan as of March 1, 2013; however, for a local
432 law plan created after March 1, 2013, up to 50 percent of the
433 insurance premium tax revenues may be used to fund defined
434 benefit plan component benefits and the remainder must be used
435 to fund defined contribution plan component benefits.

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



595556

448 ~~(4)(2)~~ The premium tax provided by this chapter shall ~~in~~
449 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~
450 benefits to firefighters, or to firefighters and police officers
451 if both are included. ~~However, local law plans in effect on~~
452 ~~October 1, 1998, must comply with the minimum benefit provisions~~
453 ~~of this chapter only to the extent that additional premium tax~~
454 ~~revenues become available to incrementally fund the cost of such~~
455 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~
456 ~~compliance with such minimum benefit provisions, as subsequent~~
457 ~~additional premium tax revenues become available, they must be~~
458 ~~used to provide extra benefits.~~ Local law plans created by
459 special act before May 27, 1939, are deemed to comply with this
460 chapter. ~~For the purpose of this chapter, the term:~~

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

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

469 (5)(3) A retirement plan or amendment to a retirement plan
470 may not be proposed for adoption unless the proposed plan or
471 amendment contains an actuarial estimate of the costs involved.
472 Such proposed plan or proposed plan change may not be adopted
473 without the approval of the municipality, special fire control
474 district, or, where permitted, the Legislature. Copies of the
475 proposed plan or proposed plan change and the actuarial impact
476 statement of the proposed plan or proposed plan change shall be



595556

477 furnished to the division before the last public hearing
478 thereon. Such statement must also indicate whether the proposed
479 plan or proposed plan change is in compliance with s. 14, Art. X
480 of the State Constitution and those provisions of part VII of
481 chapter 112 which are not expressly provided in this chapter.
482 Notwithstanding any other provision, only those local law plans
483 created by special act of legislation before May 27, 1939, are
484 deemed to meet the minimum benefits and minimum standards only
485 in this chapter.

486 (6)~~(4)~~ Notwithstanding any other provision, with respect to
487 any supplemental plan municipality:

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

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

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

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

503 (8) In addition to the defined benefit component of the
504 local law plan, each plan sponsor must have a defined
505 contribution plan component within the local law plan by October



595556

506 1, 2013, or upon the creation date of a new participating plan.
507 However, the plan sponsor of any plan established by special act
508 of the Legislature has until July 1, 2014, to create a defined
509 contribution component within the plan.

510 (9) Notwithstanding any other provision of this chapter, a
511 municipality or special fire control district that has
512 implemented or proposed changes to a local law plan based on the
513 municipality's or district's reliance on an interpretation of
514 this chapter by the department on or after August 14, 2012, and
515 before February 1, 2013, may continue the implemented changes or
516 continue to implement proposed changes. Such reliance must be
517 evidenced by formal correspondence between the municipality or
518 district and the department which describes the specific changes
519 to the local law plan, with the initial correspondence from the
520 municipality or district dated prior to February 1, 2013. The
521 changes to the local law plan that are otherwise contrary to the
522 provisions of this chapter may continue in effect until the
523 earlier of October 1, 2016, or the effective date of a
524 collective bargaining agreement that is contrary to the changes
525 to the local law plan.

526 Section 7. Subsection (2) of section 185.01, Florida
527 Statutes, is amended to read:

528 185.01 Legislative declaration.—

529 (2) This chapter hereby establishes, for all municipal
530 pension plans ~~now or hereinafter~~ provided for under this
531 chapter, including chapter plans and local law plans, required
532 ~~minimum~~ benefits and minimum standards for the operation and
533 funding of such plans, hereinafter referred to as municipal
534 police officers' retirement trust funds, which must be met as a



595556

535 condition precedent to the plan or plan sponsor receiving a
536 distribution of insurance premium tax revenues under s. 185.10.
537 The required ~~minimum~~ benefits and minimum standards for each
538 plan as set forth in this chapter may not be diminished by local
539 ordinance or by special act of the Legislature, or ~~nor may the~~
540 ~~minimum benefits or minimum standards be~~ reduced or offset by
541 any other local, state, or federal plan that may include police
542 officers in its operation, except as provided under s. 112.65.

543 Section 8. Section 185.02, Florida Statutes, is amended to
544 read:

545 185.02 Definitions.—For any municipality, chapter plan,
546 local law municipality, or local law plan under this chapter,
547 the term following words and phrases as used in this chapter
548 ~~shall have the following meanings, unless a different meaning is~~
549 ~~plainly required by the context:~~

550 (1) "Additional premium tax revenues" means revenues
551 received by a municipality pursuant to s. 185.10 which exceed
552 base premium tax revenues.

553 (2) ~~(1)~~ "Average final compensation" means one-twelfth of
554 the average annual compensation of the 5 best years of the last
555 10 years of creditable service prior to retirement, termination,
556 or death.

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

559 (4) "Base premium tax revenues" means revenues received by
560 a municipality pursuant to s. 185.10 equal to the amount of such
561 revenues received for calendar year 1997.

562 (5) ~~(2)~~ "Casualty insurance" means automobile public
563 liability and property damage insurance to be applied at the



595556

564 place of residence of the owner, or if the subject is a
565 commercial vehicle, to be applied at the place of business of
566 the owner; automobile collision insurance; fidelity bonds;
567 burglary and theft insurance; and plate glass insurance.
568 "Multiple peril" means a combination or package policy that
569 includes both property coverage and casualty coverage for a
570 single premium.

571 ~~(6)~~⁽³⁾ "Chapter plan" means a separate defined benefit
572 pension plan for police officers which incorporates by reference
573 the provisions of this chapter and has been adopted by the
574 governing body of a municipality as provided in s. 185.08.
575 Except as may be specifically authorized in this chapter, the
576 provisions of a chapter plan may not differ from the plan
577 provisions set forth in ss. 185.01-185.341 and 185.37-185.39.
578 Actuarial valuations of chapter plans shall be conducted by the
579 division as provided by s. 185.221(1)(b).

580 ~~(7)~~⁽⁴⁾ "Compensation" or "salary" means, for
581 noncollectively bargained service earned before July 1, 2011, or
582 for service earned under collective bargaining agreements in
583 place before July 1, 2011, the total cash remuneration including
584 "overtime" paid by the primary employer to a police officer for
585 services rendered, but not including any payments for extra duty
586 or special detail work performed on behalf of a second party
587 employer. ~~A local law plan may limit the amount of overtime~~
588 ~~payments which can be used for retirement benefit calculation~~
589 ~~purposes; however, such overtime limit may not be less than 300~~
590 ~~hours per officer per calendar year.~~ For noncollectively
591 bargained service earned on or after July 1, 2011, or for
592 service earned under collective bargaining agreements entered



595556

593 into on or after July 1, 2011, the term has the same meaning
594 except that when calculating retirement benefits, up to 300
595 hours per year in overtime compensation may be included as
596 specified in the plan or collective bargaining agreement, but
597 payments for accrued unused sick or annual leave may not be
598 included.

599 (a) Any retirement trust fund or plan that meets the
600 requirements of this chapter does not, solely by virtue of this
601 subsection, reduce or diminish the monthly retirement income
602 otherwise payable to each police officer covered by the
603 retirement trust fund or plan.

604 (b) The member's compensation or salary contributed as
605 employee-elective salary reductions or deferrals to any salary
606 reduction, deferred compensation, or tax-sheltered annuity
607 program authorized under the Internal Revenue Code shall be
608 deemed to be the compensation or salary the member would receive
609 if he or she were not participating in such program and shall be
610 treated as compensation for retirement purposes under this
611 chapter.

612 (c) For any person who first becomes a member in any plan
613 year beginning on or after January 1, 1996, compensation for
614 that plan year may not include any amounts in excess of the
615 Internal Revenue Code s. 401(a)(17) limitation, as amended by
616 the Omnibus Budget Reconciliation Act of 1993, which limitation
617 of \$150,000 shall be adjusted as required by federal law for
618 qualified government plans and ~~shall be~~ further adjusted for
619 changes in the cost of living in the manner provided by Internal
620 Revenue Code s. 401(a)(17)(B). For any person who first became a
621 member before the first plan year beginning on or after January



595556

622 1, 1996, the limitation on compensation may not be less than the
623 maximum compensation amount that was allowed to be taken into
624 account under the plan ~~as~~ in effect on July 1, 1993, which
625 limitation shall be adjusted for changes in the cost of living
626 since 1989 in the manner provided by Internal Revenue Code s.
627 401(a)(17)(1991).

628 (8)~~(5)~~ "Creditable service" or "credited service" means the
629 aggregate number of years of service and fractional parts of
630 years of service of any police officer, omitting intervening
631 years and fractional parts of years when such police officer may
632 not have been employed by the municipality subject to the
633 following conditions:

634 (a) A ~~No~~ police officer may not ~~will~~ receive credit for
635 years or fractional parts of years of service if he or she has
636 withdrawn his or her contributions to the fund for those years
637 or fractional parts of years of service, unless the police
638 officer repays into the fund the amount he or she has withdrawn,
639 plus interest as determined by the board. The member has ~~shall~~
640 ~~have~~ at least 90 days after his or her reemployment to make
641 repayment.

642 (b) A police officer may voluntarily leave his or her
643 contributions in the fund for ~~a period of~~ 5 years after leaving
644 the employ of the police department, pending the possibility of
645 his or her being rehired by the same department, without losing
646 credit for the time he or she has participated actively as a
647 police officer. If he or she is not reemployed as a police
648 officer with the same department within 5 years, his or her
649 contributions shall be returned to him or her without interest.

650 (c) Credited service under this chapter shall be provided



595556

651 only for service as a police officer, ~~as defined in subsection~~
652 ~~(11)~~, or for military service and may not include credit for any
653 other type of service. A municipality ~~may~~, by local ordinance,
654 may provide for the purchase of credit for military service
655 occurring before employment as well as prior service as a police
656 officer for some other employer as long as the police officer is
657 not entitled to receive a benefit for such ~~other~~ prior service
658 ~~as a police officer~~. For purposes of determining credit for
659 prior service, in addition to service as a police officer in
660 this state, credit may be given for federal, other state, or
661 county service as long as such service is recognized by the
662 Criminal Justice Standards and Training Commission within the
663 Department of Law Enforcement as provided under chapter 943 or
664 the police officer provides proof to the board of trustees that
665 such service is equivalent to the service required to meet the
666 definition of a police officer under subsection (16) ~~(11)~~.

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

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

675 2. The police officer is entitled to reemployment under ~~the~~
676 ~~provisions of~~ the Uniformed Services Employment and Reemployment
677 Rights Act.

678 3. The police officer returns to his or her employment as a
679 police officer of the municipality within 1 year after ~~from~~ the



595556

680 date of his or her release from such active service.

681 ~~(9)-(6)~~ "Deferred Retirement Option Plan" or "DROP" means a
682 local law plan retirement option in which a police officer may
683 elect to participate. A police officer may retire for all
684 purposes of the plan and defer receipt of retirement benefits
685 into a DROP account while continuing employment with his or her
686 employer. However, a police officer who enters the DROP and who
687 is otherwise eligible to participate ~~may shall~~ not ~~thereby~~ be
688 precluded from participating, or continuing to participate, in a
689 supplemental plan in existence on, or created after, March 12,
690 1999 ~~the effective date of this act.~~

691 (10) "Defined contribution plan" means the component of a
692 local law plan to which deposits are made to provide benefits
693 for police officers, or for police officers and firefighters if
694 both are included. Such component is an element of a local law
695 plan and exists in conjunction with the defined benefit
696 component that meets the required benefits and minimum standards
697 of this chapter. The retirement benefits of the defined
698 contribution plan shall be provided through individual member
699 accounts, in accordance with the applicable provisions of the
700 Internal Revenue Code and related regulations, and are limited
701 to the contributions made into each member's account and the
702 actual accumulated earnings, net of expenses, earned on the
703 member's account.

704 ~~(11)-(7)~~ "Division" means the Division of Retirement of the
705 Department of Management Services.

706 ~~(12)-(8)~~ "Enrolled actuary" means an actuary who is enrolled
707 under Subtitle C of Title III of the Employee Retirement Income
708 Security Act of 1974 and who is a member of the Society of



595556

709 Actuaries or the American Academy of Actuaries.

710 (13)~~(9)~~ "Local law municipality" is any municipality in
711 which ~~there exists~~ a local law plan exists.

712 (14)~~(10)~~ "Local law plan" means a retirement defined
713 benefit pension plan, which includes both a defined benefit plan
714 component and a defined contribution plan component, for police
715 officers, or for police officers and firefighters if both are~~7~~
716 ~~where~~ included, as described in s. 185.35, established by
717 municipal ordinance or special act of the Legislature, which
718 ~~enactment~~ sets forth all plan provisions. Local law plan
719 provisions may vary from the provisions of this chapter if the~~7~~
720 ~~provided that~~ required ~~minimum~~ benefits and minimum standards of
721 this chapter are met. However, any such variance must ~~shall~~
722 provide a greater benefit for police officers. Actuarial
723 valuations of local law plans shall be conducted by an enrolled
724 actuary as provided in s. 185.221(2)(b).

725 (15) "Long-term funded ratio" or "funded ratio" means the
726 ratio of the actuarial value of assets of the plan to the
727 actuarial accrued liabilities of the plan, as reported in the
728 most recent actuarial valuation of the plan, deemed to be in
729 compliance with chapter 112 by the Department of Management
730 Services.

731 (16) "Minimum benefits" means the benefits set forth in ss.
732 185.01-185.341 and ss. 185.37-185.50.

733 (17) "Minimum standards" means the standards set forth in
734 ss. 185.01-185.341 and ss. 185.37-185.50.

735 (18)~~(11)~~ "Police officer" means any person who is elected,
736 appointed, or employed full time by a ~~any~~ municipality, who is
737 certified or required to be certified as a law enforcement



595556

738 officer in compliance with s. 943.1395, who is vested with
739 authority to bear arms and make arrests, and whose primary
740 responsibility is the prevention and detection of crime or the
741 enforcement of the penal, criminal, traffic, or highway laws of
742 the state. The term ~~This definition~~ includes all certified
743 supervisory and command personnel whose duties include, in whole
744 or in part, the supervision, training, guidance, and management
745 responsibilities of full-time law enforcement officers, part-
746 time law enforcement officers, or auxiliary law enforcement
747 officers, but does not include part-time law enforcement
748 officers or auxiliary law enforcement officers as those terms
749 ~~the same~~ are defined in s. 943.10 ~~(6) and (8)~~, respectively. For
750 the purposes of this chapter only, the term also includes
751 ~~"police officer" also shall include~~ a public safety officer who
752 is responsible for performing both police and fire services. Any
753 plan may provide that the police chief shall have an option to
754 participate, ~~or not~~, in that plan.

755 ~~(19)(12)~~ "Police Officers' Retirement Trust Fund" means a
756 trust fund, by whatever name known, as provided under s. 185.03
757 for the purpose of assisting municipalities in establishing and
758 maintaining a retirement plan for police officers.

759 (20) "Required benefits" means the lesser of the minimum
760 benefits set forth in this chapter and the base benefits of the
761 plan. For local law plans created after March 1, 2013, the
762 required benefits are the minimum benefits set forth in this
763 chapter.

764 ~~(21)(13)~~ "Retiree" or "retired police officer" means a
765 police officer who has entered retirement status. For the
766 purposes of a plan that includes a Deferred Retirement Option



595556

767 Plan (DROP), a police officer who enters ~~the~~ DROP is shall be
768 considered a retiree for all purposes of the plan. However, a
769 police officer who enters ~~the~~ DROP and who is otherwise eligible
770 to participate may shall not ~~thereby~~ be precluded from
771 participating, or continuing to participate, in a supplemental
772 plan in existence on, or created after, March 12, 1999 the
773 ~~effective date of this act.~~

774 (22)-(14) "Retirement" means a police officer's separation
775 from city employment as a police officer with immediate
776 eligibility for ~~receipt of~~ benefits under the plan. For purposes
777 of a plan that includes a Deferred Retirement Option Plan
778 (DROP), "retirement" means the date a police officer enters ~~the~~
779 DROP.

780 (23) "Special benefits" means benefits provided in a
781 defined contribution plan for police officers.

782 (24)-(15) "Supplemental plan" means a plan to which deposits
783 of the premium tax moneys as provided in s. 185.08 are made to
784 provide extra benefits to police officers, or police officers
785 and firefighters if both are where included, ~~under this chapter.~~
786 Such a plan is an element of a local law plan and exists in
787 conjunction with a defined benefit component plan that meets the
788 required minimum benefits and minimum standards of this chapter.
789 Any supplemental plan in existence on March 1, 2013, shall be
790 deemed to be defined contribution plan in compliance with s.
791 185.35(8).

792 (25)-(16) "Supplemental plan municipality" means a any local
793 law municipality in which ~~there existed~~ a supplemental plan
794 existed as of December 1, 2000.

795 Section 9. Paragraph (b) of subsection (6) of section



595556

796 185.06, Florida Statutes, is amended to read:

797 185.06 General powers and duties of board of trustees.—For
798 any municipality, chapter plan, local law municipality, or local
799 law plan under this chapter:

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

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

804
805 If the board chooses to use the municipality's or special
806 district's legal counsel or actuary, or chooses to use any of
807 the municipality's other professional, technical, or other
808 advisers, it must do so only under terms and conditions
809 acceptable to the board.

810 Section 10. Paragraphs (d) through (g) of subsection (1) of
811 section 185.07, Florida Statutes, are amended, and a new
812 paragraph (e) is added to that subsection, to read:

813 185.07 Creation and maintenance of fund.—For any
814 municipality, chapter plan, local law municipality, or local law
815 plan under this chapter:

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

819 (d) By payment by the municipality or other sources of a
820 sum equal to the normal cost and the amount required to fund any
821 actuarial deficiency shown by an actuarial valuation as provided
822 in part VII of chapter 112 after taking into account the amounts
823 described in paragraphs (b), (c), (f), (g), and (h) and the
824 amounts of the tax proceeds described in paragraph (a) which



595556

825 must be used to fund defined benefit plan benefits, except as
826 otherwise excluded from consideration in determining the
827 mandatory payment.

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

832 (f)~~(e)~~ By all gifts, bequests and devises when donated to
833 the fund.

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

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

839

840 Nothing in this section shall be construed to require adjustment
841 of member contribution rates in effect on the date this act
842 becomes a law, including rates that exceed 5 percent of salary,
843 provided that such rates are at least one-half of 1 percent of
844 salary.

845 Section 11. Subsection (2) of section 185.16, Florida
846 Statutes, is amended to read:

847 185.16 Requirements for retirement.—For any municipality,
848 chapter plan, local law municipality, or local law plan under
849 this chapter, any police officer who completes 10 or more years
850 of creditable service as a police officer and attains age 55, or
851 completes 25 years of creditable service as a police officer and
852 attains age 52, and for such period has been a member of the
853 retirement fund is eligible for normal retirement benefits.



595556

854 Normal retirement under the plan is retirement from the service
855 of the city on or after the normal retirement date. In such
856 event, for chapter plans and local law plans, payment of
857 retirement income will be governed by the following provisions
858 of this section:

859 (2) The amount of the monthly retirement income payable to
860 a police officer who retires on or after his or her normal
861 retirement date shall be an amount equal to the number of the
862 police officer's years of credited service multiplied by 2
863 percent of his or her average final compensation. ~~However, if~~
864 ~~current state contributions pursuant to this chapter are not~~
865 ~~adequate to fund the additional benefits to meet the minimum~~
866 ~~requirements in this chapter, only increment increases shall be~~
867 ~~required as state moneys are adequate to provide. Such~~
868 ~~increments shall be provided as state moneys become available.~~

869 Section 12. Section 185.35, Florida Statutes, is amended to
870 read:

871 185.35 Municipalities that have ~~having~~ their own retirement
872 ~~pension~~ plans for police officers. ~~For any municipality, chapter~~
873 ~~plan, local law municipality, or local law plan under this~~
874 ~~chapter,~~ In order for a municipality that has municipalities
875 ~~with its their own retirement plan pension plans~~ for police
876 officers, or for police officers and firefighters if both are
877 included, to participate in the distribution of the tax fund
878 established under ~~pursuant to~~ s. 185.08, a local law plan and
879 its plan sponsor plans must meet the required ~~minimum~~ benefits
880 and minimum standards set forth in this chapter:

881 (1) If a municipality has a retirement ~~pension~~ plan for
882 police officers, or for police officers and firefighters if both



595556

883 are included, which, in the opinion of the division, meets the
884 required ~~minimum~~ benefits and minimum standards set forth in
885 this chapter, the board of trustees of the pension plan must,~~as~~
886 ~~approved by a majority of police officers of the municipality,~~
887 ~~may:~~

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

893 (a) The base premium tax revenues must be used to fund base
894 benefits.

895 (b) Of the premium tax revenues received which are in
896 excess of the amount received for the 2012 calendar year, and
897 any accumulations of additional premium tax revenues which have
898 not been applied to fund extra benefits:

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

901 a. Fifty percent must be used as additional contributions
902 to pay the plan's actuarial deficiency and may not be considered
903 in the determination of the mandatory payment described in s.
904 185.07(1)(d);

905 b. Twenty-five percent must be used to fund base benefits;
906 and

907 c. The remainder must be placed in a defined contribution
908 plan to fund special benefits.

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

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



595556

912 b. The remainder must be placed in a defined contribution
913 plan to fund special benefits.

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

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

922 (2) Insurance premium tax revenues may not be used to fund
923 benefits provided in a defined benefit plan which were not
924 provided by the plan as of March 1, 2013; however, for a local
925 law plan created after March 1, 2013, up to 50 percent of the
926 insurance premium tax revenues may be used to fund defined
927 benefit plan component benefits and the remainder must be used
928 to fund defined contribution plan component benefits.

929 (3) If a plan offers benefits in excess of its required
930 benefits, such benefits may be reduced if the plan continues to
931 meet the required benefits of the plan and the minimum standards
932 set forth in this chapter. The amount of insurance premium tax
933 revenues previously used to fund benefits in excess of the
934 plan's required benefits before the reduction must be used as
935 provided in subsection (1)(b). Twenty-five percent of the amount
936 of any mandatory contribution paid by the municipality or
937 special fire control district which was previously used to fund
938 benefits above the level of required benefits provided before
939 the reduction must be used as additional contributions as
940 specified in s. 185.07 to fund the plan's actuarial deficiency.



595556

941 ~~(4)-(2)~~ The premium tax provided by this chapter shall ~~in~~
942 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~
943 benefits to police officers, or to police officers and
944 firefighters if both are included. ~~However, local law plans in~~
945 ~~effect on October 1, 1998, must comply with the minimum benefit~~
946 ~~provisions of this chapter only to the extent that additional~~
947 ~~premium tax revenues become available to incrementally fund the~~
948 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~
949 ~~is in compliance with such minimum benefit provisions, as~~
950 ~~subsequent additional tax revenues become available, they shall~~
951 ~~be used to provide extra benefits.~~ Local law plans created by
952 special act before May 27, 1939, shall be deemed to comply with
953 this chapter. ~~For the purpose of this chapter, the term:~~

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

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

961 ~~(5)-(3)~~ A retirement plan or amendment to a retirement plan
962 may not be proposed for adoption unless the proposed plan or
963 amendment contains an actuarial estimate of the costs involved.
964 Such proposed plan or proposed plan change may not be adopted
965 without the approval of the municipality or, where permitted,
966 the Legislature. Copies of the proposed plan or proposed plan
967 change and the actuarial impact statement of the proposed plan
968 or proposed plan change shall be furnished to the division
969 before the last public hearing thereon. Such statement must also



595556

970 indicate whether the proposed plan or proposed plan change is in
971 compliance with s. 14, Art. X of the State Constitution and
972 those provisions of part VII of chapter 112 which are not
973 expressly provided in this chapter. Notwithstanding any other
974 provision, only those local law plans created by special act of
975 legislation before May 27, 1939, are deemed to meet the minimum
976 benefits and minimum standards only in this chapter.

977 (6)~~(4)~~ Notwithstanding any other provision, with respect to
978 any supplemental plan municipality:

979 (a) Section 185.02(7)(a) ~~185.02(4)(a)~~ does not apply, and a
980 local law plan and a supplemental plan may continue to use their
981 definition of compensation or salary in existence on March 12,
982 1999.

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

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

989 (7)~~(5)~~ The retirement plan setting forth the benefits and
990 the trust agreement, if any, covering the duties and
991 responsibilities of the trustees and the regulations of the
992 investment of funds must be in writing and copies made available
993 to the participants and to the general public.

994 (8) In addition to the defined benefit component of the
995 local law plan, each plan sponsor must have a defined
996 contribution plan component within the local law plan by October
997 1, 2013, or upon the creation date of a new participating plan.
998 However, the plan sponsor of any plan established by special act



595556

999 of the Legislature has until July 1, 2014, to create a defined
1000 contribution component within the plan.

1001 (9) Notwithstanding any other provision of this chapter, a
1002 municipality that has implemented or proposed changes to a local
1003 law plan based on the municipality's reliance on an
1004 interpretation of this chapter by the department on or after
1005 August 14, 2012 and before February 1, 2013, may continue the
1006 implemented changes or continue to implement proposed changes.
1007 Such reliance must be evidenced by formal correspondence between
1008 the municipality and the department which describes the specific
1009 changes to the local law plan, with the initial correspondence
1010 from the municipality dated prior to February 1, 2013. The
1011 changes to the local law plan which are otherwise contrary to
1012 the provisions of this chapter may continue in effect until the
1013 earlier of October 1, 2016, or the effective date of a
1014 collective bargaining agreement that is contrary to the changes
1015 to the local law plan.

1016 Section 13. The Legislature finds that a proper and
1017 legitimate state purpose is served when employees and retirees
1018 of the state and its political subdivisions, and the dependents,
1019 survivors, and beneficiaries of such employees and retirees, are
1020 extended the basic protections afforded by governmental
1021 retirement systems that provide fair and adequate benefits and
1022 that are managed, administered, and funded in an actuarially
1023 sound manner as required by s. 14, Article X of the State
1024 Constitution and part VII of chapter 112, Florida Statutes.
1025 Therefore, the Legislature determines and declares that this act
1026 fulfills an important state interest.

1027 Section 14. This act shall take effect July 1, 2013.



595556

1028
1029 ===== T I T L E A M E N D M E N T =====

1030 And the title is amended as follows:

1031 Delete everything before the enacting clause
1032 and insert:

1033 A bill to be entitled
1034 An act relating to firefighter and police officer
1035 pension plans; amending s. 175.021, F.S.; revising the
1036 legislative declaration to require all plans to meet
1037 the requirements of ch. 175, F.S., in order to receive
1038 insurance premium tax revenues; amending s. 175.032,
1039 F.S.; revising definitions to conform to changes made
1040 by the act and adding new definitions; amending s.
1041 175.071, F.S.; conforming a cross-reference; amending
1042 s. 175.091, F.S.; revising existing payment provisions
1043 and providing for an additional mandatory payment by
1044 the municipality or special fire control district to
1045 the firefighters' pension trust fund; amending s.
1046 175.162, F.S.; deleting a limitation on state
1047 contributions funding additional benefits; amending s.
1048 175.351, F.S., relating to municipalities and special
1049 fire control districts that have their own pension
1050 plans and want to participate in the distribution of a
1051 tax fund; revising criteria governing the use of
1052 income from the premium tax; requiring plan sponsors
1053 to have a defined contribution plan in place by a
1054 certain date; authorizing a municipality to implement
1055 certain changes to a local law plan which are contrary
1056 to ch. 175, F.S., under certain time-limited



595556

1057 circumstances; amending s. 185.01, F.S.; revising the
1058 legislative declaration to require all plans to meet
1059 the requirements of ch. 185, F.S., in order to receive
1060 insurance premium tax revenues; amending s. 185.02,
1061 F.S.; revising definitions to conform to changes made
1062 by the act and adding new definitions; deleting a
1063 provision allowing a local law plan to limit the
1064 amount of overtime payments which can be used for
1065 retirement benefit calculations; amending s. 185.06,
1066 F.S.; conforming a cross-reference; amending s.
1067 185.07, F.S.; revising existing payment provisions and
1068 providing for an additional mandatory payment by the
1069 municipality to the police officers' retirement trust
1070 fund; amending s. 185.16, F.S.; deleting a limitation
1071 on state contributions funding additional benefits;
1072 amending s. 185.35, F.S., relating to municipalities
1073 that have their own pension plans for police officers
1074 and want to participate in the distribution of a tax
1075 fund; revising criteria governing the use of income
1076 from the premium tax; requiring plan sponsors to have
1077 a defined contribution plan in place by a certain
1078 date; authorizing a municipality to implement certain
1079 changes to a local law plan which are contrary to ch.
1080 185, F.S., under certain time-limited circumstances;
1081 providing a declaration of important state interest;
1082 providing an effective date.