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LEGISLATIVE ACTION

Senate

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House

Senator Bradley moved the following:

Senate Amendment (with title amendment)

Between lines 1531 and 1532

insert:

Section 13. 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, minimum benefits and minimum standards for the operation and



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

23 Section 14. Section 175.032, Florida Statutes, is amended
24 to 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.



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41 (b) ~~"Average final compensation"~~ for A volunteer
42 firefighter means the average salary of the 5 best years of the
43 last 10 best contributing years before ~~prior to~~ change in status
44 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 premium tax revenues" means:

48 (a) For a local law plan in effect on October 1, 1998, the
49 revenues received by a municipality or special fire control
50 district pursuant to s. 175.121 for calendar year 1997.

51 (b) For a local law plan created between October 1, 1998,
52 and March 1, 2014, inclusive, the revenues received by a
53 municipality or special fire control district pursuant to s.
54 175.121 based upon the tax collections during the second
55 calendar year of participation.

56 (4)~~(2)~~ "Chapter plan" means a separate defined benefit
57 pension plan for firefighters which incorporates by reference
58 the provisions of this chapter and has been adopted by the
59 governing body of a municipality or special district. Except as
60 ~~may be~~ specifically authorized in this chapter, the provisions
61 of a chapter plan may not differ from the plan provisions set
62 forth in ss. 175.021-175.341 and ss. 175.361-175.401. Actuarial
63 valuations of chapter plans shall be conducted by the division
64 as provided by s. 175.261(1).

65 (5)~~(3)~~ "Compensation" or "salary" means, for
66 noncollectively bargained service earned before July 1, 2011, or
67 for service earned under collective bargaining agreements in
68 place before July 1, 2011, the fixed monthly remuneration paid a
69 firefighter. If remuneration is based on actual services



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70 rendered, as in the case of a volunteer firefighter, the term
71 means the total cash remuneration received yearly for such
72 services, prorated on a monthly basis. For noncollectively
73 bargained service earned on or after July 1, 2011, or for
74 service earned under collective bargaining agreements entered
75 into on or after July 1, 2011, the term has the same meaning
76 except that when calculating retirement benefits, up to 300
77 hours per year in overtime compensation may be included as
78 specified in the plan or collective bargaining agreement, but
79 payments for accrued unused sick or annual leave may not be
80 included.

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

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

94 (c) For any person who first becomes a member in any plan
95 year beginning on or after January 1, 1996, compensation for
96 that plan year may not include any amounts in excess of the
97 Internal Revenue Code s. 401(a)(17) limitation, as amended by
98 the Omnibus Budget Reconciliation Act of 1993, which limitation



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99 of \$150,000 shall be adjusted as required by federal law for
100 qualified government plans and ~~shall be~~ further adjusted for
101 changes in the cost of living in the manner provided by Internal
102 Revenue Code s. 401(a)(17)(B). For any person who first became a
103 member before the first plan year beginning on or after January
104 1, 1996, the limitation on compensation may not be less than the
105 maximum compensation amount that was allowed to be taken into
106 account under the plan in effect on July 1, 1993, which
107 limitation shall be adjusted for changes in the cost of living
108 since 1989 in the manner provided by Internal Revenue Code s.
109 401(a)(17)(1991).

110 ~~(6)(4)~~ "Creditable service" or "credited service" means the
111 aggregate number of years of service₇ and fractional parts of
112 years of service₇ of any firefighter, omitting intervening years
113 and fractional parts of years when such firefighter may not have
114 been employed by the municipality or special fire control
115 district, subject to the following conditions:

116 (a) A ~~No~~ firefighter may not ~~will~~ receive credit for years
117 or fractional parts of years of service if he or she has
118 withdrawn his or her contributions to the fund for those years
119 or fractional parts of years of service, unless the firefighter
120 repays into the fund the amount he or she has withdrawn, plus
121 interest determined by the board. The member shall have at least
122 90 days after his or her reemployment to make repayment.

123 (b) A firefighter may voluntarily leave his or her
124 contributions in the fund for ~~a period of~~ 5 years after leaving
125 the employ of the fire department, pending the possibility of
126 being rehired by the same department, without losing credit for
127 the time he or she has participated actively as a firefighter.



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128 If the firefighter is not reemployed as a firefighter~~7~~ with the
129 same department~~7~~ within 5 years, his or her contributions shall
130 be returned without interest.

131 (c) Credited service under this chapter shall be provided
132 only for service as a firefighter~~7~~, ~~as defined in subsection (8)~~~~7~~,
133 or for military service and does not include credit for any
134 other type of service. A municipality ~~may~~, by local ordinance,
135 or a special fire control district ~~may~~, by resolution, may
136 provide for the purchase of credit for military service prior to
137 employment as well as for prior service as a firefighter for
138 some other employer as long as a firefighter is not entitled to
139 receive a benefit for such prior service ~~as a firefighter~~. For
140 purposes of determining credit for prior service as a
141 firefighter, in addition to service as a firefighter in this
142 state, credit may be given for federal, other state, or county
143 service if the prior service is recognized by the Division of
144 State Fire Marshal as provided in ~~under~~ chapter 633, or the
145 firefighter provides proof to the board of trustees that his or
146 her service is equivalent to the service required to meet the
147 definition of a firefighter under subsection (11) ~~(8)~~.

148 (d) In determining the creditable service of any
149 firefighter, credit for up to 5 years of the time spent in the
150 military service of the Armed Forces of the United States shall
151 be added to the years of actual service if:

152 1. The firefighter is in the active employ of an employer
153 immediately prior to such service and leaves a position, other
154 than a temporary position, for the purpose of voluntary or
155 involuntary service in the Armed Forces of the United States.

156 2. The firefighter is entitled to reemployment under the



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157 provisions of the Uniformed Services Employment and Reemployment
158 Rights Act.

159 3. The firefighter returns to his or her employment as a
160 firefighter of the municipality or special fire control district
161 within 1 year from the date of release from such active service.

162 (7)(5) "Deferred Retirement Option Plan" or "DROP" means a
163 local law plan retirement option in which a firefighter may
164 elect to participate. A firefighter may retire for all purposes
165 of the plan and defer receipt of retirement benefits into a DROP
166 account while continuing employment with his or her employer.
167 However, a firefighter who enters ~~the~~ DROP and who is otherwise
168 eligible to participate may shall not ~~thereby~~ be precluded from
169 participation or continued participation participating, or
170 continuing to participate, in a supplemental plan in existence
171 on, or created after, March 12, 1999 ~~the effective date of this~~
172 ~~act.~~

173 (8) "Defined contribution plan" means the component of a
174 local law plan, as provided in s. 175.351(1), to which deposits,
175 if any, are made to provide benefits for firefighters, or for
176 firefighters and police officers if both are included. Such
177 component is an element of a local law plan and exists in
178 conjunction with the defined benefit component that meets the
179 minimum benefits and minimum standards of this chapter. The
180 retirement benefits, if any, of the defined contribution plan
181 shall be provided through individual member accounts in
182 accordance with the applicable provisions of the Internal
183 Revenue Code and related regulations and are limited to the
184 contributions, if any, made into each member's account and the
185 actual accumulated earnings, net of expenses, earned on the



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186 member's account.

187 (9)~~(6)~~ "Division" means the Division of Retirement of the
188 Department of Management Services.

189 (10)~~(7)~~ "Enrolled actuary" means an actuary who is enrolled
190 under Subtitle C of Title III of the Employee Retirement Income
191 Security Act of 1974 and who is a member of the Society of
192 Actuaries or the American Academy of Actuaries.

193 (11)~~(8)~~ (a) "Firefighter" means a person employed solely by
194 a constituted fire department of any municipality or special
195 fire control district who is certified as a firefighter as a
196 condition of employment in accordance with s. 633.408 and whose
197 duty it is to extinguish fires, to protect life, or to protect
198 property. The term includes all certified, supervisory, and
199 command personnel whose duties include, in whole or in part, the
200 supervision, training, guidance, and management responsibilities
201 of full-time firefighters, part-time firefighters, or auxiliary
202 firefighters but does not include part-time firefighters or
203 auxiliary firefighters. However, for purposes of this chapter
204 only, the term also includes public safety officers who are
205 responsible for performing both police and fire services, who
206 are certified as police officers or firefighters, and who are
207 certified by their employers to the Chief Financial Officer as
208 participating in this chapter before October 1, 1979. Effective
209 October 1, 1979, public safety officers who have not been
210 certified as participating in this chapter are considered police
211 officers for retirement purposes and are eligible to participate
212 in chapter 185. Any plan may provide that the fire chief has an
213 option to participate,~~or not,~~ in that plan.

214 (b) "Volunteer firefighter" means any person whose name is



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215 carried on the active membership roll of a constituted volunteer
216 fire department or a combination of a paid and volunteer fire
217 department of any municipality or special fire control district
218 and whose duty it is to extinguish fires, to protect life, and
219 to protect property. Compensation for services rendered by a
220 volunteer firefighter does ~~shall~~ not disqualify him or her as a
221 volunteer. A person may ~~shall~~ not be disqualified as a volunteer
222 firefighter solely because he or she has other gainful
223 employment. Any person who volunteers assistance at a fire but
224 is not an active member of a department described herein is not
225 a volunteer firefighter within the meaning of this paragraph.

226 (12) ~~(9)~~ "Firefighters' Pension Trust Fund" means a trust
227 fund, by whatever name known, as provided under s. 175.041, for
228 the purpose of assisting municipalities and special fire control
229 districts in establishing and maintaining a retirement plan for
230 firefighters.

231 (13) ~~(10)~~ "Local law municipality" is any municipality in
232 which ~~there exists~~ a local law plan exists.

233 (14) ~~(11)~~ "Local law plan" means a retirement defined
234 ~~benefit pension~~ plan, that includes both a defined benefit plan
235 component and a defined contribution plan component, for
236 firefighters, or for firefighters and ~~or~~ police officers if both
237 are ~~where~~ included, as described in s. 175.351, established by
238 municipal ordinance, special district resolution, or special act
239 of the Legislature, which ~~enactment~~ sets forth all plan
240 provisions. Local law plan provisions may vary from the
241 provisions of this chapter if the, ~~provided that required~~
242 minimum benefits and minimum standards of this chapter are met.
243 However, any such variance must ~~shall~~ provide a greater benefit



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244 for firefighters. Actuarial valuations of local law plans shall
245 be conducted by an enrolled actuary as provided in s.
246 175.261(2).

247 (15)~~(12)~~ "Local law special fire control district" means ~~is~~
248 any special fire control district in which ~~there exists~~ a local
249 law plan exists.

250 (16) "Minimum benefits" means the benefits set forth in ss.
251 175.021-175.341 and ss. 175.361-175.401.

252 (17) "Minimum standards" means the standards set forth in
253 ss. 175.021-175.401.

254 (18)~~(13)~~ "Property insurance" means property insurance as
255 defined in s. 624.604 and covers real and personal property
256 within the corporate limits of a ~~any~~ municipality, or within the
257 boundaries of a ~~any~~ special fire control district, within the
258 state. The term "multiple peril" means a combination or package
259 policy that includes both property and casualty coverage for a
260 single premium.

261 (19)~~(14)~~ "Retiree" or "retired firefighter" means a
262 firefighter who has entered retirement status. For the purposes
263 of a plan that includes a Deferred Retirement Option Plan
264 (DROP), a firefighter who enters ~~the~~ DROP is ~~shall be~~ considered
265 a retiree for all purposes of the plan. However, a firefighter
266 who enters ~~the~~ DROP and who is otherwise eligible to participate
267 may ~~shall~~ not ~~thereby~~ be precluded from participation or
268 continued participation ~~participating, or continuing to~~
269 ~~participate,~~ in a supplemental plan in existence on, or created
270 after, March 12, 1999 ~~the effective date of this act.~~

271 (20)~~(15)~~ "Retirement" means a firefighter's separation from
272 municipal ~~city~~ or fire district employment as a firefighter with



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273 immediate eligibility for ~~receipt~~ of benefits under the plan.
274 For purposes of a plan that includes a Deferred Retirement
275 Option Plan (DROP), "retirement" means the date a firefighter
276 enters ~~the~~ DROP.

277 (21) "Special act plan" means a plan subject to the
278 provisions of this chapter which was created by an act of the
279 Legislature and continues to require an act of the Legislature
280 to alter plan benefits.

281 (22) "Special benefits" means benefits provided in a
282 defined contribution plan for firefighters.

283 (23)~~(16)~~ "Special fire control district" means a special
284 district, as defined in s. 189.403~~(1)~~, established for the
285 purposes of extinguishing fires, protecting life, and protecting
286 property within the incorporated or unincorporated portions of a
287 ~~any~~ county or combination of counties, or within any combination
288 of incorporated and unincorporated portions of a ~~any~~ county or
289 combination of counties. The term does not include any dependent
290 or independent special district, as those terms are defined in
291 s. 189.403, whose s. 189.403(2) and (3), respectively, the
292 ~~employees of which~~ are members of the Florida Retirement System
293 pursuant to s. 121.051(1) or (2).

294 (24)~~(17)~~ "Supplemental plan" means a plan to which deposits
295 are made to provide special ~~extra~~ benefits for firefighters, or
296 for firefighters and police officers if both are ~~where~~ included
297 ~~under this chapter~~. Such a plan is an element of a local law
298 plan and exists in conjunction with a defined benefit component
299 ~~plan~~ that meets the minimum benefits and minimum standards of
300 this chapter. Any supplemental plan in existence on March 1,
301 2014, shall be deemed to be a defined contribution plan in



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302 compliance with s. 175.351(6).

303 (25)(18) "Supplemental plan municipality" means a ~~any~~ local
304 law municipality in which any ~~there existed a~~ supplemental plan
305 existed, ~~of any type or nature~~, as of December 1, 2000.

306 Section 15. Subsection (7) of section 175.071, Florida
307 Statutes, is amended to read:

308 175.071 General powers and duties of board of trustees.—For
309 any municipality, special fire control district, chapter plan,
310 local law municipality, local law special fire control district,
311 or local law plan under this chapter:

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

314 (a) Employ independent legal counsel at the pension fund's
315 expense.

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

318 (c) Employ such independent professional, technical, or
319 other advisers as it deems necessary at the pension fund's
320 expense.

321
322 If the board chooses to use the municipality's or special
323 district's legal counsel or actuary, or chooses to use any of
324 the municipality's or special district's other professional,
325 technical, or other advisers, it must do so only under terms and
326 conditions acceptable to the board.

327 Section 16. Paragraph (d) of subsection (1) of section
328 175.091, Florida Statutes, is amended to read:

329 175.091 Creation and maintenance of fund.—For any
330 municipality, special fire control district, chapter plan, local



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331 law municipality, local law special fire control district, or
332 local law plan under this chapter:

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

336 (d) By mandatory payment by the municipality or special
337 fire control district of a sum equal to the normal cost of and
338 the amount required to fund any actuarial deficiency shown by an
339 actuarial valuation conducted under ~~as provided in~~ part VII of
340 chapter 112 after taking into account the amounts described in
341 paragraphs (b), (c), (e), (f), and (g) and the tax proceeds
342 described in paragraph (a) which are used to fund defined
343 benefit plan benefits.

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

350 Section 17. Paragraph (a) of subsection (2) of section
351 175.162, Florida Statutes, is amended to read:

352 175.162 Requirements for retirement.—For any municipality,
353 special fire control district, chapter plan, local law
354 municipality, local law special fire control district, or local
355 law plan under this chapter, any firefighter who completes 10 or
356 more years of creditable service as a firefighter and attains
357 age 55, or completes 25 years of creditable service as a
358 firefighter and attains age 52, and who for such minimum period
359 has been a member of the firefighters' pension trust fund



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360 operating under a chapter plan or local law plan, is eligible
361 for normal retirement benefits. Normal retirement under the plan
362 is retirement from the service of the municipality or special
363 fire control district on or after the normal retirement date. In
364 such event, payment of retirement income will be governed by the
365 following provisions of this section:

366 (2) (a) 1. The amount of monthly retirement income payable to
367 a full-time firefighter who retires on or after his or her
368 normal retirement date shall be an amount equal to the number of
369 his or her years of credited service multiplied by 2.75 ~~2~~
370 percent of his or her average final compensation as a full-time
371 firefighter. ~~However, if current state contributions pursuant to~~
372 ~~this chapter are not adequate to fund the additional benefits to~~
373 ~~meet the minimum requirements in this chapter, only such~~
374 ~~incremental increases shall be required as state moneys are~~
375 ~~adequate to provide. Such increments shall be provided as state~~
376 ~~moneys become available.~~

377 2. Effective July 1, 2014, a plan that is in compliance
378 with this chapter except that the plan provides a benefit that
379 is less than 2.75 percent of the average final compensation of a
380 full-time firefighter for all years of credited service, as
381 provided in subparagraph 1., or provides an effective benefit
382 that is below 2.75 percent as a result of a maximum benefit
383 limitation, must maintain, at a minimum, the percentage amount
384 or maximum benefit limitation in effect on July 1, 2014, and is
385 not required to increase the benefit to 2.75 percent of the
386 average final compensation of a full-time firefighter for all
387 years of credited service.

388 3. Effective July 1, 2014, a plan that is in compliance



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389 with this chapter except that the plan provides a benefit that
390 is less than 2.75 percent of the average final compensation of a
391 full-time firefighter for all years of credited service, as
392 provided in subparagraph 1., or provides an effective benefit
393 that is below 2.75 percent as a result of a maximum benefit
394 limitation, and which changes the percentage amount or maximum
395 benefit limitation to 2.75 percent, or greater, of the average
396 final compensation of a full-time firefighter for all years of
397 credited service, as provided in subparagraph 1., may not
398 thereafter decrease the percentage amount or maximum benefit
399 limitation to less than 2.75 percent of the average final
400 compensation of a full-time firefighter for all years of
401 credited service, as provided in subparagraph 1.

402 Section 18. Section 175.351, Florida Statutes, is amended
403 to read:

404 175.351 Municipalities and special fire control districts
405 that have ~~having~~ their own retirement ~~pension~~ plans for
406 firefighters. ~~For any municipality, special fire control~~
407 ~~district, local law municipality, local law special fire control~~
408 ~~district, or local law plan under this chapter,~~ In order for a
409 municipality or ~~municipalities~~ and special fire control ~~district~~
410 that has its ~~districts~~ with their own retirement plan ~~pension~~
411 ~~plans~~ for firefighters, or for firefighters and police officers
412 if both are included, to participate in the distribution of the
413 tax fund established under ~~pursuant to~~ s. 175.101, a local law
414 ~~plan~~ plans must meet the minimum benefits and minimum standards
415 set forth in this chapter, except as provided in the mutual
416 consent provisions in paragraph (1)(g) with respect to the
417 minimum benefits not met as of October 1, 2012.



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418 (1) If a municipality has a retirement ~~pension~~ plan for
419 firefighters, or a ~~pension plan~~ for firefighters and police
420 officers if both are included, which in the opinion of the
421 division meets the minimum benefits and minimum standards set
422 forth in this chapter, the board of trustees of the pension plan
423 must, as approved by a majority of firefighters of the
424 municipality, may:

425 ~~(a)~~ place the income from the premium tax in s. 175.101 in
426 such ~~pension~~ plan for the sole and exclusive use of its
427 firefighters, or for firefighters and police officers if both
428 are included, where it shall become an integral part of that
429 ~~pension~~ plan and ~~shall~~ be used to fund benefits as provided
430 herein. Effective October 1, 2014, for noncollectively bargained
431 service or upon entering into a collective bargaining agreement
432 on or after July 1, 2014:

433 (a) The base premium tax revenues must be used to fund
434 minimum benefits or other retirement benefits in excess of the
435 minimum benefits as determined by the municipality or special
436 fire control district.

437 (b) Of the additional premium tax revenues received which
438 are in excess of the amount received for the 2012 calendar year,
439 50 percent must be used to fund minimum benefits or other
440 retirement benefits in excess of the minimum benefits as
441 determined by the municipality or special fire control district,
442 and 50 percent must be placed in a defined contribution plan to
443 fund special benefits.

444 (c) Additional premium tax revenues not described in
445 paragraph (b) must be used to fund benefits that are not
446 included in the minimum benefits. If the additional premium tax



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447 revenues subject to this paragraph exceed the full annual cost
448 of benefits provided through the plan which are in excess of the
449 minimum benefits, any amount in excess of the full annual cost
450 must be used as provided in paragraph (b).

451 (d) Of any accumulations of additional premium tax revenues
452 which have not been allocated to fund benefits in excess of the
453 minimum benefits, 50 percent of the amount of the accumulations
454 must be used to fund special benefits, and 50 percent must be
455 applied to fund any unfunded actuarial liabilities of the plan;
456 provided that any amount of accumulations in excess of the
457 amount required to fund the unfunded actuarial liabilities must
458 be used to fund special benefits ~~to pay extra benefits to the~~
459 ~~firefighters included in that pension plan; or~~

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

464 (e) For a plan created after March 1, 2014, 50 percent of
465 the insurance premium tax revenues must be used to fund defined
466 benefit plan component benefits, with the remainder used to fund
467 defined contribution plan component benefits.

468 (f) If a plan offers benefits in excess of the minimum
469 benefits, such benefits, excluding supplemental plan benefits in
470 effect as of September 30, 2013, may be reduced if the plan
471 continues to meet the minimum benefits and the minimum standards
472 set forth in this chapter. The amount of insurance premium tax
473 revenues previously used to fund benefits in excess of minimum
474 benefits, excluding the amount of any additional premium tax
475 revenues distributed to a supplemental plan for calendar year



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476 2012, before the reduction must be used as provided in paragraph
477 (b). However, benefits in excess of the minimum benefits may not
478 be reduced if a plan does not meet the minimum percentage amount
479 of 2.75 percent, or greater, of the average final compensation
480 of a full-time firefighter, as provided in s. 175.162(2)(a)1.,
481 or provides an effective benefit that is below 2.75 percent as a
482 result of a maximum benefit limitation, as described in s.
483 175.162(2)(a)2.

484 (g) Notwithstanding paragraphs (a)-(f), the use of premium
485 tax revenues, including any accumulations of additional premium
486 tax revenues which have not been allocated to fund benefits in
487 excess of the minimum benefits, may deviate from the provisions
488 of this subsection by mutual consent of the members' collective
489 bargaining representative or, if none, by majority consent of
490 the firefighter members of the fund, and by consent of the
491 municipality or special fire control district, provided that the
492 plan continues to meet the minimum benefits and minimum
493 standards of this chapter; however, a plan that operates
494 pursuant to this paragraph which does not meet the minimum
495 benefits as of October 1, 2012, may continue to provide the
496 benefits that do not meet the minimum benefits at the same level
497 as was provided as of October 1, 2012, and all other benefit
498 levels must continue to meet the minimum benefits. Such mutually
499 agreed deviation shall continue until modified or revoked by
500 subsequent mutual consent of the members' collective bargaining
501 representative or, if none, by a majority of the firefighter
502 members of the fund, and the municipality or special fire
503 control district. An existing arrangement for the use of premium
504 tax revenues contained within a special act plan or a plan



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505 within a supplemental plan municipality is considered, as of
506 July 1, 2014, to be a deviation for which mutual consent has
507 been granted.

508 (2) The premium tax provided by this chapter shall ~~in all~~
509 ~~eases~~ be used in its entirety to provide retirement ~~extra~~
510 benefits to firefighters, or to firefighters and police officers
511 if both are included. ~~However, local law plans in effect on~~
512 ~~October 1, 1998, must comply with the minimum benefit provisions~~
513 ~~of this chapter only to the extent that additional premium tax~~
514 ~~revenues become available to incrementally fund the cost of such~~
515 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~
516 ~~compliance with such minimum benefit provisions, as subsequent~~
517 ~~additional premium tax revenues become available, they must be~~
518 ~~used to provide extra benefits.~~ Local law plans created by
519 special act before May 27, 1939, are deemed to comply with this
520 chapter. ~~For the purpose of this chapter, the term:~~

521 (a) ~~"Additional premium tax revenues" means revenues~~
522 ~~received by a municipality or special fire control district~~
523 ~~pursuant to s. 175.121 which exceed that amount received for~~
524 ~~calendar year 1997.~~

525 (b) ~~"Extra benefits" means benefits in addition to or~~
526 ~~greater than those provided to general employees of the~~
527 ~~municipality and in addition to those in existence for~~
528 ~~firefighters on March 12, 1999.~~

529 (3) A retirement plan or amendment to a retirement plan may
530 not be proposed for adoption unless the proposed plan or
531 amendment contains an actuarial estimate of the costs involved.
532 Such proposed plan or proposed plan change may not be adopted
533 without the approval of the municipality, special fire control



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534 district, or, where required ~~permitted~~, the Legislature. Copies
535 of the proposed plan or proposed plan change and the actuarial
536 impact statement of the proposed plan or proposed plan change
537 shall be furnished to the division before the last public
538 hearing on the proposal is held ~~thereon~~. Such statement must
539 also indicate whether the proposed plan or proposed plan change
540 is in compliance with s. 14, Art. X of the State Constitution
541 and those provisions of part VII of chapter 112 which are not
542 expressly provided in this chapter. Notwithstanding any other
543 provision, only those local law plans created by special act of
544 legislation before May 27, 1939, are deemed to meet the minimum
545 benefits and minimum standards only in this chapter.

546 (4) Notwithstanding any other provision, with respect to
547 any supplemental plan municipality:

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

551 (b) Section 175.061(1)(b) does not apply, and a local law
552 plan and a supplemental plan shall continue to be administered
553 by a board or boards of trustees numbered, constituted, and
554 selected as the board or boards were numbered, constituted, and
555 selected on December 1, 2000.

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

558 (5) The retirement plan setting forth the benefits and the
559 trust agreement, if any, covering the duties and
560 responsibilities of the trustees and the regulations of the
561 investment of funds must be in writing, and copies made
562 available to the participants and to the general public.



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563 (6) In addition to the defined benefit component of the
564 local law plan, each plan sponsor must have a defined
565 contribution plan component within the local law plan by October
566 1, 2014, for noncollectively bargained service, upon entering
567 into a collective bargaining agreement on or after July 1, 2014,
568 or upon the creation date of a new participating plan. Depending
569 upon the application of subsection (1), a defined contribution
570 component may or may not receive any funding.

571 (7) Notwithstanding any other provision of this chapter, a
572 municipality or special fire control district that has
573 implemented or proposed changes to a local law plan based on the
574 municipality's or district's reliance on an interpretation of
575 this chapter by the Department of Management Services on or
576 after August 14, 2012, and before March 4, 2014, may continue
577 the implemented changes or continue to implement proposed
578 changes. Such reliance must be evidenced by a written collective
579 bargaining proposal or agreement, or formal correspondence
580 between the municipality or district and the Department of
581 Management Services which describes the specific changes to the
582 local law plan, with the initial proposal, agreement, or
583 correspondence from the municipality or district dated before
584 March 4, 2014. Changes to the local law plan which are otherwise
585 contrary to the minimum benefits and minimum standards in this
586 chapter may continue in effect until the earlier of October 1,
587 2017, or the effective date of a collective bargaining agreement
588 that is contrary to the changes to the local law plan.

589 Section 19. Subsection (2) of section 185.01, Florida
590 Statutes, is amended to read:

591 185.01 Legislative declaration.—



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592 (2) This chapter hereby establishes, for all municipal
593 pension plans ~~now or hereinafter~~ provided for under this
594 chapter, including chapter plans and local law plans, minimum
595 benefits and minimum standards for the operation and funding of
596 such plans, hereinafter referred to as municipal police
597 officers' retirement trust funds, which must be met as
598 conditions precedent to the plans or plan sponsors receiving a
599 distribution of insurance premium tax revenues under s. 185.10.
600 The minimum benefits and minimum standards for each plan as set
601 forth in this chapter may not be diminished by local ordinance
602 or by special act of the Legislature and may not, ~~nor may the~~
603 ~~minimum benefits or minimum standards~~ be reduced or offset by
604 any other local, state, or federal plan that includes ~~may~~
605 ~~include~~ police officers in its operation, except as provided
606 under s. 112.65.

607 Section 20. Section 185.02, Florida Statutes, is amended to
608 read:

609 185.02 Definitions.—For any municipality, chapter plan,
610 local law municipality, or local law plan under this chapter,
611 the term following words and phrases as used in this chapter
612 ~~shall have the following meanings, unless a different meaning is~~
613 ~~plainly required by the context:~~

614 (1) "Additional premium tax revenues" means revenues
615 received by a municipality pursuant to s. 185.10 which exceed
616 base premium tax revenues.

617 (2) ~~(1)~~ "Average final compensation" means one-twelfth of
618 the average annual compensation of the 5 best years of the last
619 10 years of creditable service prior to retirement, termination,
620 or death.



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621 (3) "Base premium tax revenues" means:
622 (a) For a local law plan in effect on October 1, 1998, the
623 revenues received by a municipality pursuant to s. 185.10 for
624 the calendar year 1997.
625 (b) For a local law plan created between October 1, 1998,
626 and March 1, 2014, inclusive, the revenues received by a
627 municipality pursuant to s. 185.10 based upon the tax
628 collections during the second calendar year of participation.
629 (4)~~(2)~~ "Casualty insurance" means automobile public
630 liability and property damage insurance to be applied at the
631 place of residence of the owner, or if the subject is a
632 commercial vehicle, to be applied at the place of business of
633 the owner; automobile collision insurance; fidelity bonds;
634 burglary and theft insurance; and plate glass insurance. The
635 term "multiple peril" means a combination or package policy that
636 includes both property coverage and casualty coverage for a
637 single premium.
638 (5)~~(3)~~ "Chapter plan" means a separate defined benefit
639 pension plan for police officers which incorporates by reference
640 the provisions of this chapter and has been adopted by the
641 governing body of a municipality as provided in s. 185.08.
642 Except as ~~may be~~ specifically authorized in this chapter, the
643 provisions of a chapter plan may not differ from the plan
644 provisions set forth in ss. 185.01-185.341 and ss. 185.37-
645 185.39. Actuarial valuations of chapter plans shall be conducted
646 by the division as provided by s. 185.221(1)(b).
647 (6)~~(4)~~ "Compensation" or "salary" means, for
648 noncollectively bargained service earned before July 1, 2011, or
649 for service earned under collective bargaining agreements in



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650 place before July 1, 2011, the total cash remuneration including
651 "overtime" paid by the primary employer to a police officer for
652 services rendered, but not including any payments for extra duty
653 or special detail work performed on behalf of a second party
654 employer. Overtime may be limited prior to July 1, 2011, in a
655 local law plan by the plan provisions ~~A local law plan may limit~~
656 ~~the amount of overtime payments which can be used for retirement~~
657 ~~benefit calculation purposes; however, such overtime limit may~~
658 ~~not be less than 300 hours per officer per calendar year.~~ For
659 noncollectively bargained service earned on or after July 1,
660 2011, or for service earned under collective bargaining
661 agreements entered into on or after July 1, 2011, the term has
662 the same meaning except that when calculating retirement
663 benefits, up to 300 hours per year in overtime compensation may
664 be included as specified in the plan or collective bargaining
665 agreement, but payments for accrued unused sick or annual leave
666 may not be included.

667 (a) Any retirement trust fund or plan that meets the
668 requirements of this chapter does not, solely by virtue of this
669 subsection, reduce or diminish the monthly retirement income
670 otherwise payable to each police officer covered by the
671 retirement trust fund or plan.

672 (b) The member's compensation or salary contributed as
673 employee-elective salary reductions or deferrals to any salary
674 reduction, deferred compensation, or tax-sheltered annuity
675 program authorized under the Internal Revenue Code shall be
676 deemed to be the compensation or salary the member would receive
677 if he or she were not participating in such program and shall be
678 treated as compensation for retirement purposes under this



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679 chapter.

680 (c) For any person who first becomes a member in any plan
681 year beginning on or after January 1, 1996, compensation for
682 that plan year may not include any amounts in excess of the
683 Internal Revenue Code s. 401(a)(17) limitation, as amended by
684 the Omnibus Budget Reconciliation Act of 1993, which limitation
685 of \$150,000 shall be adjusted as required by federal law for
686 qualified government plans and ~~shall be~~ further adjusted for
687 changes in the cost of living in the manner provided by Internal
688 Revenue Code s. 401(a)(17)(B). For any person who first became a
689 member before the first plan year beginning on or after January
690 1, 1996, the limitation on compensation may not be less than the
691 maximum compensation amount that was allowed to be taken into
692 account under the plan ~~as~~ in effect on July 1, 1993, which
693 limitation shall be adjusted for changes in the cost of living
694 since 1989 in the manner provided by Internal Revenue Code s.
695 401(a)(17)(1991).

696 ~~(7)-(5)~~ "Creditable service" or "credited service" means the
697 aggregate number of years of service and fractional parts of
698 years of service of any police officer, omitting intervening
699 years and fractional parts of years when such police officer may
700 not have been employed by the municipality subject to the
701 following conditions:

702 (a) A ~~No~~ police officer may not ~~will~~ receive credit for
703 years or fractional parts of years of service if he or she has
704 withdrawn his or her contributions to the fund for those years
705 or fractional parts of years of service, unless the police
706 officer repays into the fund the amount he or she has withdrawn,
707 plus interest as determined by the board. The member has ~~shall~~



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708 ~~have~~ at least 90 days after his or her reemployment to make
709 repayment.

710 (b) A police officer may voluntarily leave his or her
711 contributions in the fund for ~~a period of~~ 5 years after leaving
712 the employ of the police department, pending the possibility of
713 his or her being rehired by the same department, without losing
714 credit for the time he or she has participated actively as a
715 police officer. If he or she is not reemployed as a police
716 officer with the same department within 5 years, his or her
717 contributions shall be returned ~~to him or her~~ without interest.

718 (c) Credited service under this chapter shall be provided
719 only for service as a police officer, ~~as defined in subsection~~
720 ~~(11)~~, or for military service and may not include credit for any
721 other type of service. A municipality ~~may~~, by local ordinance,
722 may provide for the purchase of credit for military service
723 occurring before employment as well as prior service as a police
724 officer for some other employer as long as the police officer is
725 not entitled to receive a benefit for such ~~other~~ prior service
726 ~~as a police officer~~. For purposes of determining credit for
727 prior service, in addition to service as a police officer in
728 this state, credit may be given for federal, other state, or
729 county service as long as such service is recognized by the
730 Criminal Justice Standards and Training Commission within the
731 Department of Law Enforcement as provided in ~~under~~ chapter 943
732 or the police officer provides proof to the board of trustees
733 that such service is equivalent to the service required to meet
734 the definition of a police officer under subsection (16) ~~(11)~~.

735 (d) In determining the creditable service of a ~~any~~ police
736 officer, credit for up to 5 years of the time spent in the



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737 military service of the Armed Forces of the United States shall
738 be added to the years of actual service, if:

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

743 2. The police officer is entitled to reemployment under ~~the~~
744 ~~provisions of~~ the Uniformed Services Employment and Reemployment
745 Rights Act.

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

749 (8) ~~(6)~~ "Deferred Retirement Option Plan" or "DROP" means a
750 local law plan retirement option in which a police officer may
751 elect to participate. A police officer may retire for all
752 purposes of the plan and defer receipt of retirement benefits
753 into a DROP account while continuing employment with his or her
754 employer. However, a police officer who enters ~~the~~ DROP and who
755 is otherwise eligible to participate may ~~shall~~ not ~~thereby~~ be
756 precluded from participation or continued participation
757 ~~participating, or continuing to participate,~~ in a supplemental
758 plan in existence on, or created after, March 12, 1999 ~~the~~
759 ~~effective date of this act.~~

760 (9) "Defined contribution plan" means the component of a
761 local law plan, as provided in s. 185.35(1), to which deposits,
762 if any, are made to provide benefits for police officers, or for
763 police officers and firefighters if both are included. Such
764 component is an element of a local law plan and exists in
765 conjunction with the defined benefit component that meets the



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766 minimum benefits and minimum standards of this chapter. The
767 retirement benefits, if any, of the defined contribution plan
768 shall be provided through individual member accounts in
769 accordance with the applicable provisions of the Internal
770 Revenue Code and related regulations and are limited to the
771 contributions, if any, made into each member's account and the
772 actual accumulated earnings, net of expenses, earned on the
773 member's account.

774 (10)-(7) "Division" means the Division of Retirement of the
775 Department of Management Services.

776 (11)-(8) "Enrolled actuary" means an actuary who is enrolled
777 under Subtitle C of Title III of the Employee Retirement Income
778 Security Act of 1974 and who is a member of the Society of
779 Actuaries or the American Academy of Actuaries.

780 (12)-(9) "Local law municipality" means is any municipality
781 in which ~~there exists~~ a local law plan exists.

782 (13)-(10) "Local law plan" means a retirement defined
783 benefit pension plan, that includes both a defined benefit plan
784 component and a defined contribution plan component, for police
785 officers, or for police officers and firefighters if both are
786 where included, as described in s. 185.35, established by
787 municipal ordinance or special act of the Legislature, which
788 enactment sets forth all plan provisions. Local law plan
789 provisions may vary from the provisions of this chapter if the
790 provided that required minimum benefits and minimum standards of
791 this chapter are met. However, any such variance must shall
792 provide a greater benefit for police officers. Actuarial
793 valuations of local law plans shall be conducted by an enrolled
794 actuary as provided in s. 185.221(2)(b).



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795 (14) "Minimum benefits" means the benefits set forth in ss.
796 185.01-185.341 and ss. 185.37-185.50.

797 (15) "Minimum standards" means the standards set forth in
798 ss. 185.01-185.50.

799 (16)~~(11)~~ "Police officer" means any person who is elected,
800 appointed, or employed full time by a ~~any~~ municipality, who is
801 certified or required to be certified as a law enforcement
802 officer in compliance with s. 943.1395, who is vested with
803 authority to bear arms and make arrests, and whose primary
804 responsibility is the prevention and detection of crime or the
805 enforcement of the penal, criminal, traffic, or highway laws of
806 the state. The term ~~This definition~~ includes all certified
807 supervisory and command personnel whose duties include, in whole
808 or in part, the supervision, training, guidance, and management
809 responsibilities of full-time law enforcement officers, part-
810 time law enforcement officers, or auxiliary law enforcement
811 officers, but does not include part-time law enforcement
812 officers or auxiliary law enforcement officers as those terms
813 ~~the same~~ are defined in s. 943.10~~(6) and (8)~~, respectively. For
814 the purposes of this chapter only, the term also includes
815 ~~"police officer" also shall include~~ a public safety officer who
816 is responsible for performing both police and fire services. Any
817 plan may provide that the police chief shall have an option to
818 participate~~, or not,~~ in that plan.

819 (17)~~(12)~~ "Police Officers' Retirement Trust Fund" means a
820 trust fund, by whatever name known, as provided under s. 185.03
821 for the purpose of assisting municipalities in establishing and
822 maintaining a retirement plan for police officers.

823 (18)~~(13)~~ "Retiree" or "retired police officer" means a



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824 police officer who has entered retirement status. For the
825 purposes of a plan that includes a Deferred Retirement Option
826 Plan (DROP), a police officer who enters ~~the~~ DROP is ~~shall be~~
827 considered a retiree for all purposes of the plan. However, a
828 police officer who enters ~~the~~ DROP and who is otherwise eligible
829 to participate may ~~shall~~ not ~~thereby~~ be precluded from
830 participating, or continuing to participate, in a supplemental
831 plan in existence on, or created after, March 12, 1999 ~~the~~
832 ~~effective date of this act.~~

833 (19) ~~(14)~~ "Retirement" means a police officer's separation
834 from municipal ~~city~~ employment as a police officer with
835 immediate eligibility for ~~receipt of~~ benefits under the plan.
836 For purposes of a plan that includes a Deferred Retirement
837 Option Plan (DROP), "retirement" means the date a police officer
838 enters ~~the~~ DROP.

839 (20) "Special act plan" means a plan subject to the
840 provisions of this chapter which was created by an act of the
841 Legislature and continues to require an act of the Legislature
842 to alter plan benefits.

843 (21) "Special benefits" means benefits provided in a
844 defined contribution plan for police officers.

845 (22) ~~(15)~~ "Supplemental plan" means a plan to which deposits
846 of the premium tax moneys as provided in s. 185.08 are made to
847 provide special ~~extra~~ benefits to police officers, or police
848 officers and firefighters if both are ~~where included, under this~~
849 ~~chapter~~. Such a plan is an element of a local law plan and
850 exists in conjunction with a defined benefit component ~~plan~~ that
851 meets the minimum benefits and minimum standards of this
852 chapter. Any supplemental plan in existence on March 1, 2014,



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853 shall be deemed to be a defined contribution plan in compliance
854 with s. 185.35(6).

855 (23)(16) "Supplemental plan municipality" means a ~~any~~ local
856 law municipality in which ~~there existed~~ a supplemental plan
857 existed as of December 1, 2000.

858 Section 21. Subsection (6) of section 185.06, Florida
859 Statutes, is amended to read:

860 185.06 General powers and duties of board of trustees.—For
861 any municipality, chapter plan, local law municipality, or local
862 law plan under this chapter:

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

865 (a) Employ independent legal counsel at the pension fund's
866 expense.

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

869 (c) Employ such independent professional, technical, or
870 other advisers as it deems necessary at the pension fund's
871 expense.

872
873 If the board chooses to use the municipality's or special
874 district's legal counsel or actuary, or chooses to use any of
875 the municipality's other professional, technical, or other
876 advisers, it must do so only under terms and conditions
877 acceptable to the board.

878 Section 22. Paragraph (d) of subsection (1) of section
879 185.07, Florida Statutes, is amended to read:

880 185.07 Creation and maintenance of fund.—For any
881 municipality, chapter plan, local law municipality, or local law



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882 plan under this chapter:

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

886 (d) By payment by the municipality or other sources of a
887 sum equal to the normal cost and the amount required to fund any
888 actuarial deficiency shown by an actuarial valuation conducted
889 under ~~as provided in~~ part VII of chapter 112 after taking into
890 account the amounts described in paragraphs (b), (c), (e), (f),
891 and (g) and the tax proceeds described in paragraph (a) which
892 are used to fund defined benefit plan benefits.

893
894 Nothing in this section shall be construed to require adjustment
895 of member contribution rates in effect on the date this act
896 becomes a law, including rates that exceed 5 percent of salary,
897 provided that such rates are at least one-half of 1 percent of
898 salary.

899 Section 23. Subsection (2) of section 185.16, Florida
900 Statutes, is amended to read:

901 185.16 Requirements for retirement.—For any municipality,
902 chapter plan, local law municipality, or local law plan under
903 this chapter, any police officer who completes 10 or more years
904 of creditable service as a police officer and attains age 55, or
905 completes 25 years of creditable service as a police officer and
906 attains age 52, and for such period has been a member of the
907 retirement fund is eligible for normal retirement benefits.
908 Normal retirement under the plan is retirement from the service
909 of the city on or after the normal retirement date. In such
910 event, for chapter plans and local law plans, payment of



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911 retirement income will be governed by the following provisions
912 of this section:

913 (2) (a) The amount of the monthly retirement income payable
914 to a police officer who retires on or after his or her normal
915 retirement date shall be an amount equal to the number of the
916 police officer's years of credited service multiplied by 2.75 ~~2~~
917 percent of his or her average final compensation. ~~However, if~~
918 ~~current state contributions pursuant to this chapter are not~~
919 ~~adequate to fund the additional benefits to meet the minimum~~
920 ~~requirements in this chapter, only increment increases shall be~~
921 ~~required as state moneys are adequate to provide. Such~~
922 ~~increments shall be provided as state moneys become available.~~

923 (b) Effective July 1, 2014, a plan that is in compliance
924 with this chapter except that the plan provides a benefit that
925 is less than 2.75 percent of the average final compensation of a
926 police officer for all years of credited service, as provided in
927 paragraph (a), or provides an effective benefit that is below
928 2.75 percent as a result of a maximum benefit limitation, must
929 maintain, at a minimum, the percentage amount or maximum benefit
930 limitation in effect on July 1, 2014, and is not required to
931 increase the benefit to 2.75 percent of the average final
932 compensation of a police officer for all years of credited
933 service.

934 (c) Effective July 1, 2014, a plan that is in compliance
935 with this chapter except that the plan provides a benefit that
936 is less than 2.75 percent of the average final compensation of a
937 police officer for all years of credited service, as provided in
938 paragraph (a), or provides an effective benefit that is below
939 2.75 percent as a result of a maximum benefit limitation, and



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940 which changes the percentage amount or maximum benefit
941 limitation to 2.75 percent, or greater, of the average final
942 compensation of a police officer for all years of credited
943 service, as provided in paragraph (a), may not thereafter
944 decrease the percentage amount or the maximum benefit limitation
945 to less than 2.75 percent of the average final compensation of a
946 police officer for all years of credited service, as provided in
947 paragraph (a).

948 Section 24. Section 185.35, Florida Statutes, is amended to
949 read:

950 185.35 Municipalities that have ~~having~~ their own retirement
951 ~~pension~~ plans for police officers. ~~For any municipality, chapter~~
952 ~~plan, local law municipality, or local law plan under this~~
953 ~~chapter,~~ In order for a municipality that has its municipalities
954 ~~with their own retirement plan pension plans~~ for police
955 officers, or for police officers and firefighters if both are
956 included, to participate in the distribution of the tax fund
957 established under ~~pursuant to~~ s. 185.08, a local law plan plans
958 must meet the minimum benefits and minimum standards set forth
959 in this chapter, except as provided in the mutual consent
960 provisions in paragraph (1)(g) with respect to the minimum
961 benefits not met as of October 1, 2012.†

962 (1) If a municipality has a retirement ~~pension~~ plan for
963 police officers, or for police officers and firefighters if both
964 are included, which, in the opinion of the division, meets the
965 minimum benefits and minimum standards set forth in this
966 chapter, the board of trustees of the pension plan must, ~~as~~
967 ~~approved by a majority of police officers of the municipality,~~
968 ~~may:~~



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969 ~~(a)~~ place the income from the premium tax in s. 185.08 in
970 such ~~pension~~ plan for the sole and exclusive use of its police
971 officers, or its police officers and firefighters if both are
972 included, where it shall become an integral part of that ~~pension~~
973 plan and ~~shall~~ be used to fund benefits as provided herein.

974 Effective October 1, 2014, for noncollectively bargained service
975 or upon entering into a collective bargaining agreement on or
976 after July 1, 2014:

977 (a) The base premium tax revenues must be used to fund
978 minimum benefits or other retirement benefits in excess of the
979 minimum benefits as determined by the municipality.

980 (b) Of the additional premium tax revenues received which
981 are in excess of the amount received for the 2012 calendar year,
982 50 percent must be used to fund minimum benefits or other
983 retirement benefits in excess of the minimum benefits as
984 determined by the municipality, and 50 percent must be placed in
985 a defined contribution plan to fund special benefits.

986 (c) Additional premium tax revenues not described in
987 paragraph (b) must be used to fund benefits that are not
988 included in the minimum benefits. If the additional premium tax
989 revenues subject to this paragraph exceed the full annual cost
990 of benefits provided through the plan which are in excess of the
991 minimum benefits, any amount in excess of the full annual cost
992 must be used as provided in paragraph (b).

993 (d) Of any accumulations of additional premium tax revenues
994 which have not been allocated to fund benefits in excess of the
995 minimum benefits, 50 percent of the amount of the accumulations
996 must be used to fund special benefits and 50 percent must be
997 applied to fund any unfunded actuarial liabilities of the plan;



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998 provided that any amount of accumulations in excess of the
999 amount required to fund the unfunded actuarial liabilities must
1000 be used to fund special benefits ~~pay extra benefits to the~~
1001 ~~police officers included in that pension plan; or~~

1002 ~~(b) May place the income from the premium tax in s. 185.08~~
1003 ~~in a separate supplemental plan to pay extra benefits to the~~
1004 ~~police officers, or police officers and firefighters if~~
1005 ~~included, participating in such separate supplemental plan.~~

1006 (e) For a plan created after March 1, 2014, 50 percent of
1007 the insurance premium tax revenues shall be used to fund defined
1008 benefit plan component benefits, with the remainder used to fund
1009 defined contribution plan component benefits.

1010 (f) If a plan offers benefits in excess of the minimum
1011 benefits, such benefits, excluding supplemental plan benefits in
1012 effect as of September 30, 2013, may be reduced if the plan
1013 continues to meet the minimum benefits and the minimum standards
1014 set forth in this chapter. The amount of insurance premium tax
1015 revenues previously used to fund benefits in excess of the
1016 minimum benefits, excluding the amount of any additional premium
1017 tax revenues distributed to a supplemental plan for calendar
1018 year 2012, before the reduction must be used as provided in
1019 paragraph (b). However, benefits in excess of the minimum
1020 benefits may not be reduced if a plan does not meet the minimum
1021 percentage amount of 2.75 percent, or greater, of the average
1022 final compensation of a police officer, as provided in s.
1023 185.16(2) (a), or provides an effective benefit that is below
1024 2.75 percent as a result of a maximum benefit limitation, as
1025 described in s. 185.16(2) (b).

1026 (g) Notwithstanding paragraphs (a)-(f), the use of premium



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1027 tax revenues, including any accumulations of additional premium
1028 tax revenues which have not been allocated to fund benefits in
1029 excess of the minimum benefits, may deviate from the provisions
1030 of this subsection by mutual consent of the members' collective
1031 bargaining representative or, if none, by majority consent of
1032 the police officer members of the fund, and by consent of the
1033 municipality, provided that the plan continues to meet the
1034 minimum benefits and minimum standards of this chapter; however,
1035 a plan that operates pursuant to this paragraph which does not
1036 meet the minimum benefits as of October 1, 2012, may continue to
1037 provide the benefits that do not meet the minimum benefits at
1038 the same level as was provided as of October 1, 2012, and all
1039 other benefit levels must continue to meet the minimum benefits.
1040 Such mutually agreed deviation shall continue until modified or
1041 revoked by subsequent mutual consent of the members' collective
1042 bargaining representative or, if none, by a majority of the
1043 police officer members of the fund, and the municipality. An
1044 existing arrangement for the use of premium tax revenues
1045 contained within a special act plan or a plan within a
1046 supplemental plan municipality is considered, as of July 1,
1047 2014, to be a deviation for which mutual consent has been
1048 granted.

1049 (2) The premium tax provided by this chapter shall ~~in all~~
1050 ~~eases~~ be used in its entirety to provide retirement ~~extra~~
1051 benefits to police officers, or to police officers and
1052 firefighters if both are included. ~~However, local law plans in~~
1053 ~~effect on October 1, 1998, must comply with the minimum benefit~~
1054 ~~provisions of this chapter only to the extent that additional~~
1055 ~~premium tax revenues become available to incrementally fund the~~



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1056 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~
1057 ~~is in compliance with such minimum benefit provisions, as~~
1058 ~~subsequent additional tax revenues become available, they shall~~
1059 ~~be used to provide extra benefits.~~ Local law plans created by
1060 special act before May 27, 1939, shall be deemed to comply with
1061 this chapter. ~~For the purpose of this chapter, the term:~~

1062 ~~(a) "Additional premium tax revenues" means revenues~~
1063 ~~received by a municipality pursuant to s. 185.10 which exceed~~
1064 ~~the amount received for calendar year 1997.~~

1065 ~~(b) "Extra benefits" means benefits in addition to or~~
1066 ~~greater than those provided to general employees of the~~
1067 ~~municipality and in addition to those in existence for police~~
1068 ~~officers on March 12, 1999.~~

1069 (3) A retirement plan or amendment to a retirement plan may
1070 not be proposed for adoption unless the proposed plan or
1071 amendment contains an actuarial estimate of the costs involved.
1072 Such proposed plan or proposed plan change may not be adopted
1073 without the approval of the municipality or, where required
1074 ~~permitted~~, the Legislature. Copies of the proposed plan or
1075 proposed plan change and the actuarial impact statement of the
1076 proposed plan or proposed plan change shall be furnished to the
1077 division before the last public hearing on the proposal is held
1078 ~~thereon~~. Such statement must also indicate whether the proposed
1079 plan or proposed plan change is in compliance with s. 14, Art. X
1080 of the State Constitution and those provisions of part VII of
1081 chapter 112 which are not expressly provided in this chapter.
1082 Notwithstanding any other provision, only those local law plans
1083 created by special act of legislation before May 27, 1939, are
1084 deemed to meet the minimum benefits and minimum standards only



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1085 in this chapter.

1086 (4) Notwithstanding any other provision, with respect to
1087 any supplemental plan municipality:

1088 (a) Section 185.02(6)(a) ~~185.02(4)(a)~~ does not apply, and a
1089 local law plan and a supplemental plan may continue to use their
1090 definition of compensation or salary in existence on March 12,
1091 1999.

1092 (b) A local law plan and a supplemental plan must continue
1093 to be administered by a board or boards of trustees numbered,
1094 constituted, and selected as the board or boards were numbered,
1095 constituted, and selected on December 1, 2000.

1096 ~~(c) The election set forth in paragraph (1)(b) is deemed to~~
1097 ~~have been made.~~

1098 (5) The retirement plan setting forth the benefits and the
1099 trust agreement, if any, covering the duties and
1100 responsibilities of the trustees and the regulations of the
1101 investment of funds must be in writing and copies made available
1102 to the participants and to the general public.

1103 (6) In addition to the defined benefit component of the
1104 local law plan, each plan sponsor must have a defined
1105 contribution plan component within the local law plan by October
1106 1, 2014, for noncollectively bargained service, upon entering
1107 into a collective bargaining agreement on or after July 1, 2014,
1108 or upon the creation date of a new participating plan. Depending
1109 upon the application of subsection (1), a defined contribution
1110 component may or may not receive any funding.

1111 (7) Notwithstanding any other provision of this chapter, a
1112 municipality that has implemented or proposed changes to a local
1113 law plan based on the municipality's reliance on an



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1114 interpretation of this chapter by the Department of Management
1115 Services on or after August 14, 2012, and before March 4, 2014,
1116 may continue the implemented changes or continue to implement
1117 proposed changes. Such reliance must be evidenced by a written
1118 collective bargaining proposal or agreement, or formal
1119 correspondence between the municipality and the Department of
1120 Management Services which describes the specific changes to the
1121 local law plan, with the initial proposal, agreement, or
1122 correspondence from the municipality dated before March 4, 2014.
1123 Changes to the local law plan which are otherwise contrary to
1124 the minimum benefits and minimum standards of this chapter may
1125 continue in effect until the earlier of October 1, 2017, or the
1126 effective date of a collective bargaining agreement that is
1127 contrary to the changes to the local law plan.

1128
1129 ===== T I T L E A M E N D M E N T =====

1130 And the title is amended as follows:

1131 Between lines 93 and 94

1132 insert:

1133 amending s. 175.021, F.S.; revising the legislative
1134 declaration to require that all firefighter pension
1135 plans meet the requirements of ch. 175, F.S., in order
1136 to receive insurance premium tax revenues; amending s.
1137 175.032, F.S.; revising definitions to conform to
1138 changes made by the act and providing new definitions;
1139 amending s. 175.071, F.S.; conforming a cross-
1140 reference; amending s. 175.091, F.S.; revising the
1141 method of creating and maintaining a firefighters'
1142 pension trust fund; amending s. 175.162, F.S.;



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1143 deleting a provision basing the availability of
1144 additional benefits in a firefighter pension plan upon
1145 state funding; revising the calculation of monthly
1146 retirement income for a full-time firefighter;
1147 providing that certain firefighter pension plans must
1148 maintain a certain minimum percentage of average final
1149 compensation by a specified date; amending s. 175.351,
1150 F.S., relating to municipalities and special fire
1151 control districts that have their own pension plans
1152 and want to participate in the distribution of a tax
1153 fund; redesignating the term "pension plan" as
1154 "retirement plan"; revising criteria governing the use
1155 of revenues from the premium tax; authorizing a
1156 retirement plan to reduce certain excess benefits if
1157 the plan continues to meet certain minimum benefits
1158 and standards; providing that the use of premium tax
1159 revenues may deviate from the requirements of ch. 175,
1160 F.S., under certain circumstances; requiring plan
1161 sponsors to have a defined contribution plan in place
1162 by a certain date; authorizing a municipality to
1163 implement certain changes to a local law plan which
1164 are contrary to ch. 175, F.S., for a limited time;
1165 amending s. 185.01, F.S.; revising the legislative
1166 declaration to require that all police officer pension
1167 plans meet the requirements of ch. 185, F.S., in order
1168 to receive insurance premium tax revenues; amending s.
1169 185.02, F.S.; revising definitions to conform to
1170 changes made by the act and adding new definitions;
1171 revising applicability of the limitation on the amount



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1172 of overtime payments that may be used for retirement
1173 benefit calculations; amending s. 185.06, F.S.;
1174 conforming a cross-reference; amending s. 185.07,
1175 F.S.; revising the method of creating and maintaining
1176 a police officers' retirement trust fund; amending s.
1177 185.16, F.S.; deleting a provision basing the
1178 availability of additional benefits in a police
1179 officer pension plan upon state funding; revising the
1180 calculation of monthly retirement income for a police
1181 officer; providing that certain police officer pension
1182 plans must maintain a certain minimum percentage of
1183 average final compensation after a specified date;
1184 amending s. 185.35, F.S., relating to municipalities
1185 that have their own pension plans for police officers
1186 and want to participate in the distribution of a tax
1187 fund; conforming a cross-reference; redesignating the
1188 term "pension plan" as "retirement plan"; revising
1189 criteria governing the use of revenues from the
1190 premium tax; authorizing a plan to reduce certain
1191 excess benefits if the plan continues to meet certain
1192 minimum benefits and minimum standards; providing that
1193 the use of premium tax revenues may deviate from the
1194 requirements of ch. 185, F.S., under specified
1195 circumstances; requiring plan sponsors to have a
1196 defined contribution plan in place by a certain date;
1197 authorizing a municipality to implement certain
1198 changes to a local law plan which are contrary to ch.
1199 185, F.S., for a limited time;