

HB 1189

2014

1 A bill to be entitled

2 An act relating to publicly funded retirement  
3 programs; amending s. 175.041, F.S.; revising  
4 applicability of the Marvin B. Clayton Firefighters  
5 Pension Trust Fund Act; providing that any municipal  
6 services taxing unit that provides fire protection  
7 services to another municipality under an interlocal  
8 agreement is eligible to receive property insurance  
9 premium taxes; amending s. 175.101, F.S.; authorizing  
10 a municipal services taxing unit that enters into an  
11 interlocal agreement for fire protection services with  
12 another municipality to impose an excise tax on  
13 property insurance premiums; amending s. 175.111,  
14 F.S.; requiring municipal services taxing units to  
15 provide the Division of Retirement of the Department  
16 of Management Services with a certified copy of the  
17 ordinance assessing and imposing certain taxes;  
18 amending ss. 175.122 and 175.351, F.S.; revising  
19 provisions relating to the limitation of disbursement  
20 to conform to changes made by the act; amending s.  
21 175.411, F.S.; authorizing a municipal services taxing  
22 unit, under certain conditions, to revoke its  
23 participation and cease to receive property insurance  
24 premium taxes; providing an effective date.

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

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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Section 1. Subsection (3) of section 175.041, Florida Statutes, is amended to read:

175.041 Firefighters' Pension Trust Fund created; applicability of provisions.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(3) ~~The provisions of~~ This chapter applies ~~shall apply~~ only to municipalities organized and established pursuant to the laws of the state and to special fire control districts. This chapter does, ~~and said provisions shall~~ not apply to the unincorporated areas of any county or counties except with respect to municipal services taxing units established in unincorporated areas for the purpose of receiving fire protection service from a municipality and special fire control districts that include unincorporated areas. This chapter also does not, ~~nor shall the provisions hereof~~ apply to any governmental entity whose firefighters are eligible to participate in the Florida Retirement System.

(a) Special fire control districts that include, or consist exclusively of, unincorporated areas of one or more counties may levy and impose the tax and participate in the retirement programs enabled by this chapter.

(b) With respect to the distribution of premium taxes, a single consolidated government consisting of a former county and

53 one or more municipalities, consolidated pursuant to s. 3 or s.  
54 6(e), Art. VIII of the State Constitution, is also eligible to  
55 participate under this chapter. The consolidated government  
56 shall notify the division when it has entered into an interlocal  
57 agreement to provide fire services to a municipality within its  
58 boundaries. The municipality may enact an ordinance levying the  
59 tax as provided in s. 175.101. Upon being provided copies of the  
60 interlocal agreement and the municipal ordinance levying the  
61 tax, the division may distribute any premium taxes reported for  
62 the municipality to the consolidated government as long as the  
63 interlocal agreement is in effect.

64 (c) Any municipality that has entered into an interlocal  
65 agreement to provide fire protection services to any other  
66 incorporated municipality or a municipal services taxing unit in  
67 an unincorporated area, in its entirety, for a period of 12  
68 months or more may be eligible to receive the premium taxes  
69 reported for such other municipality or municipal services  
70 taxing unit. In order to be eligible for such premium taxes, the  
71 municipality providing the fire services must notify the  
72 division that it has entered into an interlocal agreement with  
73 another municipality or a county on behalf of a municipal  
74 services taxing unit. The municipality receiving the fire  
75 services may enact an ordinance levying the tax as provided in  
76 s. 175.101. Upon being provided copies of the interlocal  
77 agreement and the municipal ordinance levying the tax, the  
78 division may distribute any premium taxes reported for the

79 municipality or municipal services taxing unit receiving the  
 80 fire services to the participating municipality providing the  
 81 fire services as long as the interlocal agreement is in effect.

82 Section 2. Subsections (1) and (3) of section 175.101,  
 83 Florida Statutes, are amended to read:

84 175.101 State excise tax on property insurance premiums  
 85 authorized; procedure.—For any municipality, special fire  
 86 control district, chapter plan, local law municipality, local  
 87 law special fire control district, or local law plan under this  
 88 chapter:

89 (1) Each municipality, ~~or~~ special fire control district,  
 90 or municipal services taxing unit in this state described and  
 91 classified in s. 175.041, having a lawfully established  
 92 firefighters' pension trust fund or municipal fund or special  
 93 fire control district fund, by whatever name known, providing  
 94 pension benefits to firefighters as provided under this chapter,  
 95 may assess and impose on every insurance company, corporation,  
 96 or other insurer now engaged in or carrying on, or who shall  
 97 hereinafter engage in or carry on, the business of property  
 98 insurance as shown by the records of the Office of Insurance  
 99 Regulation of the Financial Services Commission, an excise tax  
 100 in addition to any lawful license or excise tax now levied by  
 101 each of the municipalities, ~~or~~ special fire control districts,  
 102 or municipal services taxing units, respectively, amounting to  
 103 1.85 percent of the gross amount of receipts of premiums from  
 104 policyholders on all premiums collected on property insurance

105 policies covering property within the corporate limits of such  
 106 municipalities or within the legally defined boundaries of  
 107 special fire control districts or municipal services taxing  
 108 units, respectively. Whenever the boundaries of a special fire  
 109 control district or municipal services taxing unit that has  
 110 lawfully established a firefighters' pension trust fund  
 111 encompass a portion of the corporate territory of a municipality  
 112 that has also lawfully established a firefighters' pension trust  
 113 fund, that portion of the tax receipts attributable to insurance  
 114 policies covering property situated both within the municipality  
 115 and the special fire control district or municipal services  
 116 taxing unit shall be given to the fire service provider. For the  
 117 purpose of this section, the boundaries of a special fire  
 118 control district or municipal services taxing unit include an  
 119 area that has been annexed until the completion of the 4-year  
 120 period provided for in s. 171.093(4), or other agreed-upon  
 121 extension, or if a special fire control district or municipal  
 122 services taxing unit is providing services under an interlocal  
 123 agreement executed in accordance with s. 171.093(3). The agent  
 124 shall identify the fire service provider on the property owner's  
 125 application for insurance. Remaining revenues collected pursuant  
 126 to this chapter shall be distributed to the municipality, ~~or~~  
 127 special fire control district, or municipal services taxing unit  
 128 according to the location of the insured property.

129 (3) This excise tax shall be payable annually on March 1  
 130 of each year after the passage of an ordinance, in the case of a

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131 municipality, or resolution, in the case of a special fire  
132 control district or municipal services taxing unit, assessing  
133 and imposing the tax authorized by this section. Installments of  
134 taxes shall be paid according to the provision of s.  
135 624.5092(2)(a), (b), and (c).

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137 This section also applies to any municipality consisting of a  
138 single consolidated government which is made up of a former  
139 county and one or more municipalities, consolidated pursuant to  
140 the authority in s. 3 or s. 6(e), Art. VIII of the State  
141 Constitution, and to property insurance policies covering  
142 property within the boundaries of the consolidated government,  
143 regardless of whether the properties are located within one or  
144 more separately incorporated areas within the consolidated  
145 government, provided the properties are being provided fire  
146 protection services by the consolidated government. This section  
147 also applies to any municipality, as provided in s.  
148 175.041(3)(c), which has entered into an interlocal agreement to  
149 receive fire protection services from another municipality  
150 participating under this chapter. The excise tax may be levied  
151 on all premiums collected on property insurance policies  
152 covering property located within the corporate limits of the  
153 municipality receiving the fire protection services, but will be  
154 available for distribution to the municipality providing the  
155 fire protection services.

156 Section 3. Section 175.111, Florida Statutes, is amended

157 to read:

158           175.111 Certified copy of ordinance or resolution filed;  
159 insurance companies' annual report of premiums; duplicate files;  
160 book of accounts.—For any municipality, municipal services  
161 taxing unit, special fire control district, chapter plan, local  
162 law municipality, local law special fire control district, or  
163 local law plan under this chapter, whenever any municipality  
164 passes an ordinance or whenever any special fire control  
165 district passes a resolution establishing a chapter plan or  
166 local law plan assessing and imposing the taxes authorized in s.  
167 175.101, a certified copy of such ordinance or resolution shall  
168 be deposited with the division. Thereafter every insurance  
169 company, association, corporation, or other insurer carrying on  
170 the business of property insurance on real or personal property,  
171 on or before the succeeding March 1 after date of the passage of  
172 the ordinance or resolution, shall report fully in writing and  
173 under oath to the division and the Department of Revenue a just  
174 and true account of all premiums by such insurer received for  
175 property insurance policies covering or insuring any real or  
176 personal property located within the corporate limits of each  
177 such municipality, municipal services taxing unit, or special  
178 fire control district during the period of time elapsing between  
179 the date of the passage of the ordinance or resolution and the  
180 end of the calendar year. The report shall include the code  
181 designation as prescribed by the division for each piece of  
182 insured property, real or personal, located within the corporate

183 limits of each municipality and municipal services taxing unit,  
 184 and within the legally defined boundaries of each special fire  
 185 control district. The aforesaid insurer shall annually  
 186 thereafter, on March 1, file with the Department of Revenue a  
 187 similar report covering the preceding year's premium receipts,  
 188 and every such insurer at the same time of making such reports  
 189 shall pay to the Department of Revenue the amount of the tax  
 190 hereinbefore mentioned. Every insurer engaged in carrying on  
 191 such insurance business in the state shall keep accurate books  
 192 of accounts of all such business done by it within the corporate  
 193 limits of each such municipality and municipal services taxing  
 194 unit and within the legally defined boundaries of each such  
 195 special fire control district, and in such manner as to be able  
 196 to comply with the provisions of this chapter. Based on the  
 197 insurers' reports of premium receipts, the division shall  
 198 prepare a consolidated premium report and shall furnish to any  
 199 municipality, municipal services taxing unit, or special fire  
 200 control district requesting the same a copy of the relevant  
 201 section of that report.

202 Section 4. Section 175.122, Florida Statutes, is amended  
 203 to read:

204 175.122 Limitation of disbursement.—For any municipality,  
 205 municipal services taxing unit, special fire control district,  
 206 chapter plan, local law municipality, local law special fire  
 207 control district, or local law plan under this chapter, any  
 208 municipality, municipal services taxing unit, or special fire



209 control district participating in the firefighters' pension  
 210 trust fund pursuant to the provisions of this chapter, whether  
 211 under a chapter plan or local law plan, shall be limited to  
 212 receiving any moneys from such fund in excess of that produced  
 213 by one-half of the excise tax, as provided for in s. 175.101;  
 214 however, any such municipality, municipal services taxing unit,  
 215 or special fire control district receiving less than 6 percent  
 216 of its fire department payroll from such fund shall be entitled  
 217 to receive from such fund the amount determined under s.  
 218 175.121, in excess of one-half of the excise tax, not to exceed  
 219 6 percent of its fire department payroll. Payroll amounts of  
 220 members included in the Florida Retirement System shall not be  
 221 included.

222 Section 5. Subsection (1) of section 175.351, Florida  
 223 Statutes, is amended to read:

224 175.351 Municipalities, municipal services taxing units,  
 225 and special fire control districts having their own pension  
 226 plans for firefighters.—For any municipality, municipal services  
 227 taxing unit, special fire control district, local law  
 228 municipality, local law special fire control district, or local  
 229 law plan under this chapter, in order for municipalities,  
 230 municipal services taxing units, and special fire control  
 231 districts with their own pension plans for firefighters, or for  
 232 firefighters and police officers if included, to participate in  
 233 the distribution of the tax fund established pursuant to s.  
 234 175.101, local law plans must meet the minimum benefits and

235 minimum standards set forth in this chapter.

236 (1) If a municipality has a pension plan for firefighters,  
 237 or a pension plan for firefighters and police officers if  
 238 included, which in the opinion of the division meets the minimum  
 239 benefits and minimum standards set forth in this chapter, the  
 240 board of trustees of the pension plan, as approved by a majority  
 241 of firefighters of the municipality, may:

242 (a) Place the income from the premium tax in s. 175.101 in  
 243 such pension plan for the sole and exclusive use of its  
 244 firefighters, or for firefighters and police officers if  
 245 included, where it shall become an integral part of that pension  
 246 plan and shall be used to pay extra benefits to the firefighters  
 247 included in that pension plan; or

248 (b) Place the income from the premium tax in s. 175.101 in  
 249 a separate supplemental plan to pay extra benefits to  
 250 firefighters, or to firefighters and police officers if  
 251 included, participating in such separate supplemental plan.

252 Section 6. Section 175.411, Florida Statutes, is amended  
 253 to read:

254 175.411 Optional participation.—A municipality, municipal  
 255 services taxing unit, or special fire control district may  
 256 revoke its participation under this chapter by rescinding the  
 257 legislative act, ordinance, or resolution which assesses and  
 258 imposes the taxes authorized in s. 175.101, and by furnishing a  
 259 certified copy of such legislative act, ordinance, or resolution  
 260 to the division. Thereafter, the municipality, municipal

261 services taxing unit, or special fire control district shall be  
262 prohibited from participating under this chapter, and shall not  
263 be eligible for future premium tax moneys. Premium tax moneys  
264 previously received shall continue to be used for the sole and  
265 exclusive benefit of firefighters, or firefighters and police  
266 officers where included, and no amendment, legislative act,  
267 ordinance, or resolution shall be adopted which shall have the  
268 effect of reducing the then-vested accrued benefits of the  
269 firefighters, retirees, or their beneficiaries. The  
270 municipality, municipal services taxing unit, or special fire  
271 control district shall continue to furnish an annual report to  
272 the division as provided in s. 175.261. If the municipality,  
273 municipal services taxing unit, or special fire control district  
274 subsequently terminates the defined benefit plan, they shall do  
275 so in compliance with the provisions of s. 175.361.

276 Section 7. This act shall take effect July 1, 2014.