

By Senator Bradley

7-01253A-14

20141442__

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.

25
26 Be It Enacted by the Legislature of the State of Florida:

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

7-01253A-14

20141442__

30 175.041 Firefighters' Pension Trust Fund created;
31 applicability of provisions.—For any municipality, special fire
32 control district, chapter plan, local law municipality, local
33 law special fire control district, or local law plan under this
34 chapter:

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

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

51 (b) With respect to the distribution of premium taxes, a
52 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

7-01253A-14

20141442__

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

7-01253A-14

20141442__

88 chapter:

89 (1) Each municipality, ~~or~~ special fire control district, or
90 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

7-01253A-14

20141442__

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 of
130 each year after the passage of an ordinance, in the case of a
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).

136
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

7-01253A-14

20141442__

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 to
157 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

7-01253A-14

20141442__

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 to
203 read:

7-01253A-14

20141442__

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

7-01253A-14

20141442__

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 to
253 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

7-01253A-14

20141442__

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.