

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Caldwell offered the following:

2
3 **Amendment**

4 Remove lines 1530-2551 and insert:

5 (3) "Base premium tax revenues" means for local law plans
6 in effect on October 1, 1998, the revenues received by a
7 municipality or special fire control district pursuant to s.
8 175.121 for the calendar year 1997, and for local law plans
9 created after October 1, 1998 and on or before March 1, 2014,
10 the revenues received by a municipality or special fire control
11 district pursuant to s. 175.121 for the second full year of
12 distribution after the plan was created.

13 (4)-(2) "Chapter plan" means a separate defined benefit
14 pension plan for firefighters which incorporates by reference

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15 the provisions of this chapter and has been adopted by the
16 governing body of a municipality or special district. Except as
17 ~~may be~~ specifically authorized in this chapter, the provisions
18 of a chapter plan may not differ from the plan provisions set
19 forth in ss. 175.021-175.341 and ss. 175.361-175.401. Actuarial
20 valuations of chapter plans shall be conducted by the division
21 as provided by s. 175.261(1).

22 (5)~~(3)~~ "Compensation" or "salary" means, for
23 noncollectively bargained service earned before July 1, 2011, or
24 for service earned under collective bargaining agreements in
25 place before July 1, 2011, the fixed monthly remuneration paid a
26 firefighter. If remuneration is based on actual services
27 rendered, as in the case of a volunteer firefighter, the term
28 means the total cash remuneration received yearly for such
29 services, prorated on a monthly basis. For noncollectively
30 bargained service earned on or after July 1, 2011, or for
31 service earned under collective bargaining agreements entered
32 into on or after July 1, 2011, the term has the same meaning
33 except that when calculating retirement benefits, up to 300
34 hours per year in overtime compensation may be included as
35 specified in the plan or collective bargaining agreement, but
36 payments for accrued unused sick or annual leave may not be
37 included.

38 (a) Any retirement trust fund or plan that meets the
39 requirements of this chapter does not, solely by virtue of this
40 subsection, reduce or diminish the monthly retirement income

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41 otherwise payable to each firefighter covered by the retirement
42 trust fund or plan.

43 (b) The member's compensation or salary contributed as
44 employee-elective salary reductions or deferrals to any salary
45 reduction, deferred compensation, or tax-sheltered annuity
46 program authorized under the Internal Revenue Code shall be
47 deemed to be the compensation or salary the member would receive
48 if he or she were not participating in such program and ~~shall be~~
49 treated as compensation for retirement purposes under this
50 chapter.

51 (c) For any person who first becomes a member in any plan
52 year beginning on or after January 1, 1996, compensation for
53 that plan year may not include any amounts in excess of the
54 Internal Revenue Code s. 401(a)(17) limitation, as amended by
55 the Omnibus Budget Reconciliation Act of 1993, which limitation
56 of \$150,000 shall be adjusted as required by federal law for
57 qualified government plans and ~~shall be~~ further adjusted for
58 changes in the cost of living in the manner provided by Internal
59 Revenue Code s. 401(a)(17)(B). For any person who first became a
60 member before the first plan year beginning on or after January
61 1, 1996, the limitation on compensation may not be less than the
62 maximum compensation amount that was allowed to be taken into
63 account under the plan in effect on July 1, 1993, which
64 limitation shall be adjusted for changes in the cost of living
65 since 1989 in the manner provided by Internal Revenue Code s.
66 401(a)(17)(1991).

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67 ~~(6)~~⁽⁴⁾ "Creditable service" or "credited service" means
68 the aggregate number of years of service~~7~~ and fractional parts
69 of years of service~~7~~ of any firefighter, omitting intervening
70 years and fractional parts of years when such firefighter may
71 not have been employed by the municipality or special fire
72 control district, subject to the following conditions:

73 (a) A ~~No~~ firefighter may not ~~will~~ receive credit for years
74 or fractional parts of years of service if he or she has
75 withdrawn his or her contributions to the fund for those years
76 or fractional parts of years of service, unless the firefighter
77 repays into the fund the amount he or she has withdrawn, plus
78 interest determined by the board. The member shall have at least
79 90 days after his or her reemployment to make repayment.

80 (b) A firefighter may voluntarily leave his or her
81 contributions in the fund for ~~a period of~~ 5 years after leaving
82 the employ of the fire department, pending the possibility of
83 being rehired by the same department, without losing credit for
84 the time he or she has participated actively as a firefighter.
85 If the firefighter is not reemployed as a firefighter~~7~~ with the
86 same department~~7~~ within 5 years, his or her contributions shall
87 be returned without interest.

88 (c) Credited service under this chapter shall be provided
89 only for service as a firefighter~~7~~, ~~as defined in subsection (8)~~~~7~~,
90 or for military service and does not include credit for any
91 other type of service. A municipality ~~may~~, by local ordinance,
92 or a special fire control district ~~may~~, by resolution, may

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93 provide for the purchase of credit for military service prior to
94 employment as well as for prior service as a firefighter for
95 some other employer as long as a firefighter is not entitled to
96 receive a benefit for such prior service ~~as a firefighter~~. For
97 purposes of determining credit for prior service as a
98 firefighter, in addition to service as a firefighter in this
99 state, credit may be given for federal, other state, or county
100 service if the prior service is recognized by the Division of
101 State Fire Marshal as provided in ~~under~~ chapter 633, or the
102 firefighter provides proof to the board of trustees that his or
103 her service is equivalent to the service required to meet the
104 definition of a firefighter under subsection (11) ~~(8)~~.

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

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

113 2. The firefighter is entitled to reemployment under the
114 provisions of the Uniformed Services Employment and Reemployment
115 Rights Act.

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

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119 (7)~~(5)~~ "Deferred Retirement Option Plan" or "DROP" means a
120 local law plan retirement option in which a firefighter may
121 elect to participate. A firefighter may retire for all purposes
122 of the plan and defer receipt of retirement benefits into a DROP
123 account while continuing employment with his or her employer.
124 However, a firefighter who enters ~~the~~ DROP and who is otherwise
125 eligible to participate may ~~shall~~ not ~~thereby~~ be precluded from
126 participation or continued participation ~~participating, or~~
127 ~~continuing to participate,~~ in a supplemental plan in existence
128 on, or created after, March 12, 1999 ~~the effective date of this~~
129 ~~act.~~

130 (8) "Defined contribution plan" means the component of a
131 local law plan, as provided in s. 175.351(1), to which deposits,
132 if any, are made to provide benefits for firefighters, or for
133 firefighters and police officers if both are included. Such
134 component is an element of a local law plan and exists in
135 conjunction with the defined benefit component that meets the
136 minimum benefits and minimum standards of this chapter. The
137 retirement benefits, if any, of the defined contribution plan
138 shall be provided through individual member accounts in
139 accordance with the applicable provisions of the Internal
140 Revenue Code and related regulations and are limited to the
141 contributions, if any, made into each member's account and the
142 actual accumulated earnings, net of expenses, earned on the
143 member's account.

144 (9)~~(6)~~ "Division" means the Division of Retirement of the

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145 Department of Management Services.

146 ~~(10)-(7)~~ "Enrolled actuary" means an actuary who is
147 enrolled under Subtitle C of Title III of the Employee
148 Retirement Income Security Act of 1974 and who is a member of
149 the Society of Actuaries or the American Academy of Actuaries.

150 ~~(11)-(8)~~(a) "Firefighter" means a person employed solely by
151 a constituted fire department of any municipality or special
152 fire control district who is certified as a firefighter as a
153 condition of employment in accordance with s. 633.408 and whose
154 duty it is to extinguish fires, to protect life, or to protect
155 property. The term includes all certified, supervisory, and
156 command personnel whose duties include, in whole or in part, the
157 supervision, training, guidance, and management responsibilities
158 of full-time firefighters, part-time firefighters, or auxiliary
159 firefighters but does not include part-time firefighters or
160 auxiliary firefighters. However, for purposes of this chapter
161 only, the term also includes public safety officers who are
162 responsible for performing both police and fire services, who
163 are certified as police officers or firefighters, and who are
164 certified by their employers to the Chief Financial Officer as
165 participating in this chapter before October 1, 1979. Effective
166 October 1, 1979, public safety officers who have not been
167 certified as participating in this chapter are considered police
168 officers for retirement purposes and are eligible to participate
169 in chapter 185. Any plan may provide that the fire chief has an
170 option to participate, ~~or not,~~ in that plan.

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171 (b) "Volunteer firefighter" means any person whose name is
172 carried on the active membership roll of a constituted volunteer
173 fire department or a combination of a paid and volunteer fire
174 department of any municipality or special fire control district
175 and whose duty it is to extinguish fires, to protect life, and
176 to protect property. Compensation for services rendered by a
177 volunteer firefighter does ~~shall~~ not disqualify him or her as a
178 volunteer. A person may ~~shall~~ not be disqualified as a volunteer
179 firefighter solely because he or she has other gainful
180 employment. Any person who volunteers assistance at a fire but
181 is not an active member of a department described herein is not
182 a volunteer firefighter within the meaning of this paragraph.

183 ~~(12)-(9)~~ "Firefighters' Pension Trust Fund" means a trust
184 fund, by whatever name known, as provided under s. 175.041, for
185 the purpose of assisting municipalities and special fire control
186 districts in establishing and maintaining a retirement plan for
187 firefighters.

188 ~~(13)-(10)~~ "Local law municipality" is any municipality in
189 which ~~there exists~~ a local law plan exists.

190 ~~(14)-(11)~~ "Local law plan" means a retirement defined
191 benefit pension plan, which includes both a defined benefit plan
192 component and a defined contribution plan component, for
193 firefighters, or for firefighters and ~~or~~ police officers if both
194 are ~~where~~ included, as described in s. 175.351, established by
195 municipal ordinance, special district resolution, or special act
196 of the Legislature, which ~~enactment~~ sets forth all plan

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197 provisions. Local law plan provisions may vary from the
198 provisions of this chapter ~~if the, provided that required~~
199 minimum benefits and minimum standards of this chapter are met.
200 However, any such variance must ~~shall~~ provide a greater benefit
201 for firefighters. Actuarial valuations of local law plans shall
202 be conducted by an enrolled actuary as provided in s.
203 175.261(2).

204 ~~(15)-(12)~~ "Local law special fire control district" means
205 ~~is~~ any special fire control district in which ~~there exists~~ a
206 local law plan exists.

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

209 (17) "Minimum standards" means the standards set forth in
210 ss. 175.021-175.341 and ss. 175.361-175.401.

211 ~~(18)-(13)~~ "Property insurance" means property insurance as
212 defined in s. 624.604 and covers real and personal property
213 within the corporate limits of a any municipality, or within the
214 boundaries of a any special fire control district, within the
215 state. The term "multiple peril" means a combination or package
216 policy that includes both property and casualty coverage for a
217 single premium.

218 ~~(19)-(14)~~ "Retiree" or "retired firefighter" means a
219 firefighter who has entered retirement status. For the purposes
220 of a plan that includes a Deferred Retirement Option Plan
221 (DROP), a firefighter who enters ~~the~~ DROP is ~~shall be~~ considered
222 a retiree for all purposes of the plan. However, a firefighter

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223 who enters ~~the~~ DROP and who is otherwise eligible to participate
224 may shall not ~~thereby~~ be precluded from participation or
225 continued participation participating, or continuing to
226 participate, in a supplemental plan in existence on, or created
227 after, March 12, 1999 ~~the effective date of this act.~~

228 (20)-(15) "Retirement" means a firefighter's separation
229 from municipal city or fire district employment as a firefighter
230 with immediate eligibility for ~~receipt of~~ benefits under the
231 plan. For purposes of a plan that includes a Deferred Retirement
232 Option Plan (DROP), "retirement" means the date a firefighter
233 enters ~~the~~ DROP.

234 (21) "Special act plan" means a plan subject to the
235 provisions of this chapter which was created by an act of the
236 Legislature and continues to require an act of the Legislature
237 to alter plan benefits.

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

240 (23)-(16) "Special fire control district" means a special
241 district, as defined in s. 189.403~~(1)~~, established for the
242 purposes of extinguishing fires, protecting life, and protecting
243 property within the incorporated or unincorporated portions of a
244 ~~any~~ county or combination of counties, or within any combination
245 of incorporated and unincorporated portions of a any county or
246 combination of counties. The term does not include any dependent
247 or independent special district, as those terms are defined in
248 s. 189.403, whose s. 189.403(2) and (3), respectively, the

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249 employees ~~of which~~ are members of the Florida Retirement System
250 pursuant to s. 121.051(1) or (2).

251 ~~(24)-(17)~~ "Supplemental plan" means a plan to which
252 deposits are made to provide special ~~extra~~ benefits for
253 firefighters, or for firefighters and police officers if both
254 are ~~where~~ included ~~under this chapter~~. Such a plan is an element
255 of a local law plan and exists in conjunction with a defined
256 benefit component ~~plan~~ that meets the minimum benefits and
257 minimum standards of this chapter. Any supplemental plan in
258 existence on March 1, 2014, shall be deemed to be a defined
259 contribution plan in compliance with s. 175.351(6).

260 ~~(25)-(18)~~ "Supplemental plan municipality" means a ~~any~~
261 local law municipality in which any ~~there existed~~ a supplemental
262 plan existed, ~~of any type or nature~~, as of December 1, 2000.

263 Section 12. Subsection (7) of section 175.071, Florida
264 Statutes, is amended to read:

265 175.071 General powers and duties of board of trustees.—
266 For any municipality, special fire control district, chapter
267 plan, local law municipality, local law special fire control
268 district, or local law plan under this chapter:

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

271 (a) Employ independent legal counsel at the pension fund's
272 expense.

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

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

278
279 If the board chooses to use the municipality's or special
280 district's legal counsel or actuary, or chooses to use any of
281 the municipality's or special district's other professional,
282 technical, or other advisers, it must do so only under terms and
283 conditions acceptable to the board.

284 Section 13. Paragraph (d) of subsection (1) of section
285 175.091, Florida Statutes, is amended to read:

286 175.091 Creation and maintenance of fund.—For any
287 municipality, special fire control district, chapter plan, local
288 law municipality, local law special fire control district, or
289 local law plan under this chapter:

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

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

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301
302 Nothing in this section shall be construed to require adjustment
303 of member contribution rates in effect on the date this act
304 becomes a law, including rates that exceed 5 percent of salary,
305 provided that such rates are at least one-half of 1 percent of
306 salary.

307 Section 14. Paragraph (a) of subsection (2) of section
308 175.162, Florida Statutes, is amended to read:

309 175.162 Requirements for retirement.—For any municipality,
310 special fire control district, chapter plan, local law
311 municipality, local law special fire control district, or local
312 law plan under this chapter, any firefighter who completes 10 or
313 more years of creditable service as a firefighter and attains
314 age 55, or completes 25 years of creditable service as a
315 firefighter and attains age 52, and who for such minimum period
316 has been a member of the firefighters' pension trust fund
317 operating under a chapter plan or local law plan, is eligible
318 for normal retirement benefits. Normal retirement under the plan
319 is retirement from the service of the municipality or special
320 fire control district on or after the normal retirement date. In
321 such event, payment of retirement income will be governed by the
322 following provisions of this section:

323 (2) (a) 1. The amount of monthly retirement income payable
324 to a full-time firefighter who retires on or after his or her
325 normal retirement date shall be an amount equal to the number of
326 his or her years of credited service multiplied by 2.75 ~~2~~

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327 percent of his or her average final compensation as a full-time
328 firefighter. ~~However, if current state contributions pursuant to~~
329 ~~this chapter are not adequate to fund the additional benefits to~~
330 ~~meet the minimum requirements in this chapter, only such~~
331 ~~incremental increases shall be required as state moneys are~~
332 ~~adequate to provide. Such increments shall be provided as state~~
333 ~~moneys become available.~~

334 2. Effective July 1, 2014, a plan that is in compliance
335 with this chapter except that the plan provides a benefit that
336 is less than 2.75 percent of the average final compensation of a
337 full-time firefighter for all years of credited service, as
338 provided in subparagraph 1., or provides an effective benefit
339 that is below 2.75 percent as a result of a maximum benefit
340 limitation, must maintain, at a minimum, the percentage amount
341 or maximum benefit limitation in effect on July 1, 2014, and is
342 not required to increase the benefit to 2.75 percent of the
343 average final compensation of a full-time firefighter for all
344 years of credited service.

345 3. Effective July 1, 2014, a plan that is in compliance
346 with this chapter except that the plan provides a benefit that
347 is less than 2.75 percent of the average final compensation of a
348 full-time firefighter for all years of credited service, as
349 provided in subparagraph 1., or provides an effective benefit
350 that is below 2.75 percent as a result of a maximum benefit
351 limitation, and that changes the percentage amount or maximum
352 benefit limitation to 2.75 percent, or greater, of the average

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353 final compensation of a full-time firefighter for all years of
354 credited service, as provided in subparagraph 1., may not
355 thereafter decrease the percentage amount or maximum benefit
356 limitation to less than 2.75 percent of the average final
357 compensation of a full-time firefighter for all years of
358 credited service as provided in subparagraph 1.

359 Section 15. Section 175.351, Florida Statutes, is amended
360 to read:

361 175.351 Municipalities and special fire control districts
362 that have ~~having~~ their own pension plans for firefighters. ~~For~~
363 ~~any municipality, special fire control district, local law~~
364 ~~municipality, local law special fire control district, or local~~
365 ~~law plan under this chapter,~~ In order for a municipality or
366 ~~municipalities and special fire control~~ district that has its
367 ~~districts with their own~~ retirement plan ~~pension plans~~ for
368 firefighters, or for firefighters and police officers if both
369 are included, to participate in the distribution of the tax fund
370 established under ~~pursuant to~~ s. 175.101, a local law ~~plan~~ ~~plans~~
371 must meet the minimum benefits and minimum standards set forth
372 in this chapter, except as provided in the mutual consent
373 provisions in subsection (1)(g) with respect to the minimum
374 benefits not met as of October 1, 2012.

375 (1) If a municipality has a retirement ~~pension~~ plan for
376 firefighters, or ~~a pension plan~~ for firefighters and police
377 officers if both are included, which in the opinion of the
378 division meets the minimum benefits and minimum standards set

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379 forth in this chapter, the board of trustees of the pension plan
380 ~~must, as approved by a majority of firefighters of the~~
381 ~~municipality, may:~~

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

390 (a) The base premium tax revenues must be used to fund
391 minimum benefits or other retirement benefits in excess of the
392 minimum benefits as determined by the municipality or special
393 fire control district.

394 (b) Of the additional premium tax revenues received which
395 are in excess of the amount received for calendar year 2012, 50
396 percent must be used to fund minimum benefits or other
397 retirement benefits in excess of the minimum benefits as
398 determined by the municipality or special fire control district,
399 and 50 percent must be placed in a defined contribution plan to
400 fund special benefits.

401 (c) Additional premium tax revenues not described in
402 paragraph (b) must be used to fund benefits that are not
403 included in the minimum benefits. If the additional premium tax
404 revenues subject to this paragraph exceed the full annual cost

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405 of benefits provided through the plan which are in excess of the
406 minimum benefits, any amount in excess of the full annual cost
407 must be used as provided in paragraph (b).

408 (d) Of any accumulations of additional premium tax
409 revenues which have not been allocated to fund benefits in
410 excess of the minimum benefits, 50 percent of the amount of the
411 accumulations must be used to fund special benefits, and 50
412 percent must be applied to fund any unfunded actuarial
413 liabilities of the plan with any amount of the accumulations in
414 excess of the amount required to fund the unfunded actuarial
415 liabilities being used to fund special benefits ~~to pay extra~~
416 ~~benefits to the firefighters included in that pension plan; or~~

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

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

425 (f) If a plan offers benefits in excess of the minimum
426 benefits, excluding supplemental plan benefits in effect as of
427 September 30, 2013, such benefits may be reduced if the plan
428 continues to meet the minimum benefits and the minimum standards
429 set forth in this chapter. The amount of insurance premium tax
430 revenues previously used to fund benefits in excess of minimum

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431 benefits, excluding additional premium tax revenues in an amount
432 equal to the amount of additional premium tax revenues
433 distributed to a supplemental plan for calendar year 2012,
434 before the reduction must be used as provided in paragraph (b).
435 However, benefits in excess of the minimum benefits may not be
436 reduced if a plan does not meet the minimum percentage amount of
437 2.75 percent, or greater, of the average final compensation of a
438 full-time firefighter, as provided in s. 175.162(2)(a)1., or
439 provides an effective benefit that is below 2.75 percent as a
440 result of a maximum benefit limitation, as described in s.
441 175.162(2)(a)2.

442 (g) Notwithstanding any other provision of paragraphs (a)-
443 (f), the use of premium tax revenues, including any
444 accumulations of additional premium tax revenues which have not
445 been allocated to fund benefits in excess of the minimum
446 benefits, may deviate from the provisions of this subsection by
447 mutual consent of the members' collective bargaining
448 representative or, if none, by majority consent of the
449 firefighter members of the fund, and by consent of the
450 municipality or special fire control district, provided that the
451 plan continues to meet the minimum benefits and minimum
452 standards of this chapter; however, a plan which operates
453 pursuant to this paragraph and does not meet the minimum
454 benefits as of October 1, 2012, may continue to provide the
455 benefits that do not meet the minimum benefits at the same
456 level, but not less than that level, as was provided as of

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457 October 1, 2012, and all other benefit levels must continue to
458 meet the minimum benefits. Such mutually agreed deviation shall
459 continue until modified or revoked by subsequent mutual consent
460 of the members' collective bargaining representative or, if
461 none, by a majority of the firefighter members of the fund, and
462 the municipality or special fire control district. An existing
463 arrangement for the use of premium tax revenues contained within
464 a special act plan or a plan within a supplemental plan
465 municipality is considered, as of July 1, 2014, to be a
466 deviation for which mutual consent has been granted.

467 (2) The premium tax provided by this chapter shall ~~in all~~
468 ~~eases~~ be used in its entirety to provide retirement ~~extra~~
469 benefits to firefighters, or to firefighters and police officers
470 if both are included. ~~However, local law plans in effect on~~
471 ~~October 1, 1998, must comply with the minimum benefit provisions~~
472 ~~of this chapter only to the extent that additional premium tax~~
473 ~~revenues become available to incrementally fund the cost of such~~
474 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~
475 ~~compliance with such minimum benefit provisions, as subsequent~~
476 ~~additional premium tax revenues become available, they must be~~
477 ~~used to provide extra benefits.~~ Local law plans created by
478 special act before May 27, 1939, are deemed to comply with this
479 chapter. ~~For the purpose of this chapter, the term:~~

480 (a) ~~"Additional premium tax revenues" means revenues~~
481 ~~received by a municipality or special fire control district~~
482 ~~pursuant to s. 175.121 which exceed that amount received for~~

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483 ~~calendar year 1997.~~

484 ~~(b) "Extra benefits" means benefits in addition to or~~
485 ~~greater than those provided to general employees of the~~
486 ~~municipality and in addition to those in existence for~~
487 ~~firefighters on March 12, 1999.~~

488 (3) A retirement plan or amendment to a retirement plan
489 may not be proposed for adoption unless the proposed plan or
490 amendment contains an actuarial estimate of the costs involved.
491 Such proposed plan or proposed plan change may not be adopted
492 without the approval of the municipality, special fire control
493 district, or, where required ~~permitted~~, the Legislature. Copies
494 of the proposed plan or proposed plan change and the actuarial
495 impact statement of the proposed plan or proposed plan change
496 shall be furnished to the division before the last public
497 hearing on the proposal is held ~~thereon~~. Such statement must
498 also indicate whether the proposed plan or proposed plan change
499 is in compliance with s. 14, Art. X of the State Constitution
500 and those provisions of part VII of chapter 112 which are not
501 expressly provided in this chapter. Notwithstanding any other
502 provision, only those local law plans created by special act of
503 legislation before May 27, 1939, are deemed to meet the minimum
504 benefits and minimum standards only in this chapter.

505 (4) Notwithstanding any other provision, with respect to
506 any supplemental plan municipality:

507 (a) A local law plan and a supplemental plan may continue
508 to use their definition of compensation or salary in existence

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509 on March 12, 1999.

510 (b) Section 175.061(1)(b) does not apply, and a local law
511 plan and a supplemental plan shall continue to be administered
512 by a board or boards of trustees numbered, constituted, and
513 selected as the board or boards were numbered, constituted, and
514 selected on December 1, 2000.

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

517 (5) The retirement plan setting forth the benefits and the
518 trust agreement, if any, covering the duties and
519 responsibilities of the trustees and the regulations of the
520 investment of funds must be in writing, and copies made
521 available to the participants and to the general public.

522 (6) In addition to the defined benefit component of the
523 local law plan, each plan sponsor must have a defined
524 contribution plan component within the local law plan by October
525 1, 2014, for noncollectively bargained service, upon entering
526 into a collective bargaining agreement on or after July 1, 2014,
527 or upon the creation date of a new participating plan. Depending
528 upon the application of subsection (1), a defined contribution
529 component may or may not receive any funding.

530 (7) Notwithstanding any other provision of this chapter, a
531 municipality or special fire control district that has
532 implemented or proposed changes to a local law plan based on the
533 municipality's or district's reliance on an interpretation of
534 this chapter by the Department of Management Services on or

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535 after August 14, 2012, and before March 4, 2014, may continue
536 the implemented changes or continue to implement proposed
537 changes. Such reliance must be evidenced by a written collective
538 bargaining proposal or agreement, or formal correspondence
539 between the municipality or district and the Department of
540 Management Services which describes the specific changes to the
541 local law plan, with the initial proposal, agreement, or
542 correspondence from the municipality or district dated before
543 March 4, 2014. Changes to the local law plan which are otherwise
544 contrary to the minimum benefits and minimum standards in this
545 chapter may continue in effect until the earlier of October 1,
546 2017, or the effective date of a collective bargaining agreement
547 that is contrary to the changes to the local law plan.

548 Section 16. Subsection (2) of section 185.01, Florida
549 Statutes, is amended to read:

550 185.01 Legislative declaration.—

551 (2) This chapter hereby establishes, for all municipal
552 pension plans ~~now or hereinafter~~ provided for under this
553 chapter, including chapter plans and local law plans, minimum
554 benefits and minimum standards for the operation and funding of
555 such plans, hereinafter referred to as municipal police
556 officers' retirement trust funds, which must be met as
557 conditions precedent to the plans or plan sponsors receiving a
558 distribution of insurance premium tax revenues under s. 185.10.
559 The minimum benefits and minimum standards for each plan as set
560 forth in this chapter may not be diminished by local ordinance

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561 or by special act of the Legislature and may not, ~~nor may the~~
562 ~~minimum benefits or minimum standards~~ be reduced or offset by
563 any other local, state, or federal plan that includes ~~may~~
564 ~~include~~ police officers in its operation, except as provided
565 under s. 112.65.

566 Section 17. Section 185.02, Florida Statutes, is amended
567 to read:

568 185.02 Definitions.—For any municipality, chapter plan,
569 local law municipality, or local law plan under this chapter,
570 the term following words and phrases as used in this chapter
571 ~~shall have the following meanings, unless a different meaning is~~
572 ~~plainly required by the context:~~

573 (1) "Additional premium tax revenues" means revenues
574 received by a municipality pursuant to s. 185.10 which exceed
575 base premium tax revenues.

576 (2)~~(1)~~ "Average final compensation" means one-twelfth of
577 the average annual compensation of the 5 best years of the last
578 10 years of creditable service prior to retirement, termination,
579 or death.

580 (3) "Base premium tax revenues" means for local law plans
581 in effect on October 1, 1998, the revenues received by a
582 municipality pursuant to s. 185.10 for the calendar year 1997,
583 and for local law plans created after October 1, 1998 and on or
584 before March 1, 2014, the revenues received by a municipality
585 pursuant to s. 185.10 for the second full year of distribution
586 after the plan was created.

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587 (4)~~(2)~~ "Casualty insurance" means automobile public
588 liability and property damage insurance to be applied at the
589 place of residence of the owner, or if the subject is a
590 commercial vehicle, to be applied at the place of business of
591 the owner; automobile collision insurance; fidelity bonds;
592 burglary and theft insurance; and plate glass insurance. The
593 term "multiple peril" means a combination or package policy that
594 includes both property coverage and casualty coverage for a
595 single premium.

596 (5)~~(3)~~ "Chapter plan" means a separate defined benefit
597 pension plan for police officers which incorporates by reference
598 the provisions of this chapter and has been adopted by the
599 governing body of a municipality as provided in s. 185.08.
600 Except as ~~may be~~ specifically authorized in this chapter, the
601 provisions of a chapter plan may not differ from the plan
602 provisions set forth in ss. 185.01-185.341 and ss. 185.37-
603 185.39. Actuarial valuations of chapter plans shall be conducted
604 by the division as provided by s. 185.221(1)(b).

605 (6)~~(4)~~ "Compensation" or "salary" means, for
606 noncollectively bargained service earned before July 1, 2011, or
607 for service earned under collective bargaining agreements in
608 place before July 1, 2011, the total cash remuneration including
609 "overtime" paid by the primary employer to a police officer for
610 services rendered, but not including any payments for extra duty
611 or special detail work performed on behalf of a second party
612 employer. Overtime may be limited prior to July 1, 2011, in a

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613 local law plan by the plan provisions. ~~A local law plan may~~
614 ~~limit the amount of overtime payments which can be used for~~
615 ~~retirement benefit calculation purposes; however, such overtime~~
616 ~~limit may not be less than 300 hours per officer per calendar~~
617 ~~year.~~ For noncollectively bargained service earned on or after
618 July 1, 2011, or for service earned under collective bargaining
619 agreements entered into on or after July 1, 2011, the term has
620 the same meaning except that when calculating retirement
621 benefits, up to 300 hours per year in overtime compensation may
622 be included as specified in the plan or collective bargaining
623 agreement, but payments for accrued unused sick or annual leave
624 may not be included.

625 (a) Any retirement trust fund or plan that meets the
626 requirements of this chapter does not, solely by virtue of this
627 subsection, reduce or diminish the monthly retirement income
628 otherwise payable to each police officer covered by the
629 retirement trust fund or plan.

630 (b) The member's compensation or salary contributed as
631 employee-elective salary reductions or deferrals to any salary
632 reduction, deferred compensation, or tax-sheltered annuity
633 program authorized under the Internal Revenue Code shall be
634 deemed to be the compensation or salary the member would receive
635 if he or she were not participating in such program and shall be
636 treated as compensation for retirement purposes under this
637 chapter.

638 (c) For any person who first becomes a member in any plan

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639 year beginning on or after January 1, 1996, compensation for
640 that plan year may not include any amounts in excess of the
641 Internal Revenue Code s. 401(a)(17) limitation, as amended by
642 the Omnibus Budget Reconciliation Act of 1993, which limitation
643 of \$150,000 shall be adjusted as required by federal law for
644 qualified government plans and ~~shall be~~ further adjusted for
645 changes in the cost of living in the manner provided by Internal
646 Revenue Code s. 401(a)(17)(B). For any person who first became a
647 member before the first plan year beginning on or after January
648 1, 1996, the limitation on compensation may not be less than the
649 maximum compensation amount that was allowed to be taken into
650 account under the plan ~~as~~ in effect on July 1, 1993, which
651 limitation shall be adjusted for changes in the cost of living
652 since 1989 in the manner provided by Internal Revenue Code s.
653 401(a)(17)(1991).

654 ~~(7)(5)~~ "Creditable service" or "credited service" means
655 the aggregate number of years of service and fractional parts of
656 years of service of any police officer, omitting intervening
657 years and fractional parts of years when such police officer may
658 not have been employed by the municipality subject to the
659 following conditions:

660 (a) A ~~No~~ police officer may not ~~will~~ receive credit for
661 years or fractional parts of years of service if he or she has
662 withdrawn his or her contributions to the fund for those years
663 or fractional parts of years of service, unless the police
664 officer repays into the fund the amount he or she has withdrawn,

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665 plus interest as determined by the board. The member has ~~shall~~
666 ~~have~~ at least 90 days after his or her reemployment to make
667 repayment.

668 (b) A police officer may voluntarily leave his or her
669 contributions in the fund for ~~a period of~~ 5 years after leaving
670 the employ of the police department, pending the possibility of
671 his or her being rehired by the same department, without losing
672 credit for the time he or she has participated actively as a
673 police officer. If he or she is not reemployed as a police
674 officer with the same department within 5 years, his or her
675 contributions shall be returned ~~to him or her~~ without interest.

676 (c) Credited service under this chapter shall be provided
677 only for service as a police officer, ~~as defined in subsection~~
678 ~~(11)~~, or for military service and may not include credit for any
679 other type of service. A municipality ~~may~~, by local ordinance,
680 may provide for the purchase of credit for military service
681 occurring before employment as well as prior service as a police
682 officer for some other employer as long as the police officer is
683 not entitled to receive a benefit for such ~~other~~ prior service
684 ~~as a police officer~~. For purposes of determining credit for
685 prior service, in addition to service as a police officer in
686 this state, credit may be given for federal, other state, or
687 county service as long as such service is recognized by the
688 Criminal Justice Standards and Training Commission within the
689 Department of Law Enforcement as provided in ~~under~~ chapter 943
690 or the police officer provides proof to the board of trustees

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691 that such service is equivalent to the service required to meet
692 the definition of a police officer under subsection (16) ~~(11)~~.

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

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

701 2. The police officer is entitled to reemployment under
702 ~~the provisions of~~ the Uniformed Services Employment and
703 Reemployment Rights Act.

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

707 (8) ~~(6)~~ "Deferred Retirement Option Plan" or "DROP" means a
708 local law plan retirement option in which a police officer may
709 elect to participate. A police officer may retire for all
710 purposes of the plan and defer receipt of retirement benefits
711 into a DROP account while continuing employment with his or her
712 employer. However, a police officer who enters ~~the~~ DROP and who
713 is otherwise eligible to participate may ~~shall~~ not ~~thereby~~ be
714 precluded from participation or continued participation
715 ~~participating, or continuing to participate,~~ in a supplemental
716 plan in existence on, or created after, March 12, 1999 ~~the~~

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717 ~~effective date of this act.~~

718 (9) "Defined contribution plan" means the component of a
719 local law plan, as provided in s. 185.35(1), to which deposits,
720 if any, are made to provide benefits for police officers, or for
721 police officers and firefighters if both are included. Such
722 component is an element of a local law plan and exists in
723 conjunction with the defined benefit component that meets the
724 minimum benefits and minimum standards of this chapter. The
725 retirement benefits, if any, of the defined contribution plan
726 shall be provided through individual member accounts in
727 accordance with the applicable provisions of the Internal
728 Revenue Code and related regulations and are limited to the
729 contributions, if any, made into each member's account and the
730 actual accumulated earnings, net of expenses, earned on the
731 member's account.

732 (10)-(7) "Division" means the Division of Retirement of the
733 Department of Management Services.

734 (11)-(8) "Enrolled actuary" means an actuary who is
735 enrolled under Subtitle C of Title III of the Employee
736 Retirement Income Security Act of 1974 and who is a member of
737 the Society of Actuaries or the American Academy of Actuaries.

738 (12)-(9) "Local law municipality" means ~~is~~ any municipality
739 in which ~~there exists~~ a local law plan exists.

740 (13)-(10) "Local law plan" means a retirement defined
741 ~~benefit pension~~ plan, which includes both a defined benefit plan
742 component and a defined contribution plan component, for police

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743 officers, or for police officers and firefighters if both are,
744 ~~where~~ included, as described in s. 185.35, established by
745 municipal ordinance or special act of the Legislature, which
746 ~~enactment~~ sets forth all plan provisions. Local law plan
747 provisions may vary from the provisions of this chapter if the,
748 ~~provided that required~~ minimum benefits and minimum standards of
749 this chapter are met. However, any such variance must shall
750 provide a greater benefit for police officers. Actuarial
751 valuations of local law plans shall be conducted by an enrolled
752 actuary as provided in s. 185.221(2)(b).

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

755 (15) "Minimum standards" means the standards set forth in
756 ss. 185.01-185.341 and ss. 185.37-185.50.

757 (16) (11) "Police officer" means any person who is elected,
758 appointed, or employed full time by a any municipality, who is
759 certified or required to be certified as a law enforcement
760 officer in compliance with s. 943.1395, who is vested with
761 authority to bear arms and make arrests, and whose primary
762 responsibility is the prevention and detection of crime or the
763 enforcement of the penal, criminal, traffic, or highway laws of
764 the state. The term ~~This definition~~ includes all certified
765 supervisory and command personnel whose duties include, in whole
766 or in part, the supervision, training, guidance, and management
767 responsibilities of full-time law enforcement officers, part-
768 time law enforcement officers, or auxiliary law enforcement

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769 officers, but does not include part-time law enforcement
770 officers or auxiliary law enforcement officers as those terms
771 ~~the same~~ are defined in s. 943.10(6) and (8), respectively. For
772 the purposes of this chapter only, the term also includes
773 ~~"police officer"~~ also shall include a public safety officer who
774 is responsible for performing both police and fire services. Any
775 plan may provide that the police chief shall have an option to
776 participate, ~~or not,~~ in that plan.

777 (17)~~(12)~~ "Police Officers' Retirement Trust Fund" means a
778 trust fund, by whatever name known, as provided under s. 185.03
779 for the purpose of assisting municipalities in establishing and
780 maintaining a retirement plan for police officers.

781 (18)~~(13)~~ "Retiree" or "retired police officer" means a
782 police officer who has entered retirement status. For the
783 purposes of a plan that includes a Deferred Retirement Option
784 Plan (DROP), a police officer who enters ~~the~~ DROP is ~~shall be~~
785 considered a retiree for all purposes of the plan. However, a
786 police officer who enters ~~the~~ DROP and who is otherwise eligible
787 to participate may ~~shall~~ not ~~thereby~~ be precluded from
788 participating, or continuing to participate, in a supplemental
789 plan in existence on, or created after, March 12, 1999 ~~the~~
790 ~~effective date of this act.~~

791 (19)~~(14)~~ "Retirement" means a police officer's separation
792 from municipal ~~city~~ employment as a police officer with
793 immediate eligibility for ~~receipt of~~ benefits under the plan.
794 For purposes of a plan that includes a Deferred Retirement

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795 Option Plan (DROP), "retirement" means the date a police officer
796 enters ~~the~~ DROP.

797 (20) "Special act plan" means a plan subject to the
798 provisions of this chapter which was created by an act of the
799 Legislature and continues to require an act of the Legislature
800 to alter plan benefits.

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

803 (22)~~(15)~~ "Supplemental plan" means a plan to which
804 deposits of the premium tax moneys as provided in s. 185.08 are
805 made to provide special ~~extra~~ benefits to police officers, or
806 police officers and firefighters if both are ~~where~~ included,
807 ~~under this chapter~~. Such a plan is an element of a local law
808 plan and exists in conjunction with a defined benefit component
809 ~~plan~~ that meets the minimum benefits and minimum standards of
810 this chapter. Any supplemental plan in existence on March 1,
811 2014, shall be deemed to be a defined contribution plan in
812 compliance with s. 185.35(6).

813 (23)~~(16)~~ "Supplemental plan municipality" means a ~~any~~
814 local law municipality in which ~~there existed~~ a supplemental
815 plan existed as of December 1, 2000.

816 Section 18. Subsection (6) of section 185.06, Florida
817 Statutes, is amended to read:

818 185.06 General powers and duties of board of trustees.—For
819 any municipality, chapter plan, local law municipality, or local
820 law plan under this chapter:

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

823 (a) Employ independent legal counsel at the pension fund's
824 expense.

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

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

830

831 If the board chooses to use the municipality's or special
832 district's legal counsel or actuary, or chooses to use any of
833 the municipality's other professional, technical, or other
834 advisers, it must do so only under terms and conditions
835 acceptable to the board.

836 Section 19. Paragraph (d) of subsection (1) of section
837 185.07, Florida Statutes, is amended to read:

838 185.07 Creation and maintenance of fund.—For any
839 municipality, chapter plan, local law municipality, or local law
840 plan under this chapter:

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

844 (d) By payment by the municipality or other sources of a
845 sum equal to the normal cost and the amount required to fund any
846 actuarial deficiency shown by an actuarial valuation conducted

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847 under as provided in part VII of chapter 112 after taking into
848 account the amounts described in paragraphs (b), (c), (e), (f),
849 and (g) and the tax proceeds described in paragraph (a) which
850 are used to fund defined benefit plan benefits.

851
852 Nothing in this section shall be construed to require adjustment
853 of member contribution rates in effect on the date this act
854 becomes a law, including rates that exceed 5 percent of salary,
855 provided that such rates are at least one-half of 1 percent of
856 salary.

857 Section 20. Subsection (2) of section 185.16, Florida
858 Statutes, is amended to read:

859 185.16 Requirements for retirement.—For any municipality,
860 chapter plan, local law municipality, or local law plan under
861 this chapter, any police officer who completes 10 or more years
862 of creditable service as a police officer and attains age 55, or
863 completes 25 years of creditable service as a police officer and
864 attains age 52, and for such period has been a member of the
865 retirement fund is eligible for normal retirement benefits.
866 Normal retirement under the plan is retirement from the service
867 of the city on or after the normal retirement date. In such
868 event, for chapter plans and local law plans, payment of
869 retirement income will be governed by the following provisions
870 of this section:

871 (2) (a) The amount of the monthly retirement income payable
872 to a police officer who retires on or after his or her normal

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873 retirement date shall be an amount equal to the number of the
874 police officer's years of credited service multiplied by 2.75 ~~2~~
875 percent of his or her average final compensation. ~~However, if~~
876 ~~current state contributions pursuant to this chapter are not~~
877 ~~adequate to fund the additional benefits to meet the minimum~~
878 ~~requirements in this chapter, only increment increases shall be~~
879 ~~required as state moneys are adequate to provide. Such~~
880 ~~increments shall be provided as state moneys become available.~~

881 (b) Effective July 1, 2014, a plan that is in compliance
882 with this chapter except that the plan provides a benefit that
883 is less than 2.75 percent of the average final compensation of a
884 police officer for all years of credited service, as provided in
885 paragraph (a), or provides an effective benefit that is below
886 2.75 percent as a result of a maximum benefit limitation, must
887 maintain, at a minimum, the percentage amount or maximum benefit
888 limitation in effect on July 1, 2014, and is not required to
889 increase the benefit to 2.75 percent of the average final
890 compensation of a police officer for all years of credited
891 service.

892 (c) Effective July 1, 2014, a plan that is in compliance
893 with this chapter except that the plan provides a benefit that
894 is less than 2.75 percent of the average final compensation of a
895 police officer for all years of credited service, as provided in
896 paragraph (a), or provides an effective benefit that is below
897 2.75 percent as a result of a maximum benefit limitation, and
898 that changes the percentage amount or maximum benefit limitation

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899 to 2.75 percent, or greater, of the average final compensation
900 of a police officer for all years of credited service, as
901 provided in paragraph (a), may not thereafter decrease the
902 percentage amount or maximum benefit limitation to less than
903 2.75 percent of the average final compensation of a police
904 officer for all years of credited service, as provided in
905 paragraph (a).

906 Section 21. Section 185.35, Florida Statutes, is amended
907 to read:

908 185.35 Municipalities that have ~~having~~ their own
909 retirement ~~pension~~ plans for police officers. ~~For any~~
910 ~~municipality, chapter plan, local law municipality, or local law~~
911 ~~plan under this chapter,~~ In order for a municipality that has
912 its municipalities with their own retirement plan ~~pension plans~~
913 for police officers, or for police officers and firefighters if
914 both are included, to participate in the distribution of the tax
915 fund established under ~~pursuant to~~ s. 185.08, a local law plan
916 ~~plans~~ must meet the minimum benefits and minimum standards set
917 forth in this chapter, except as provided in the mutual consent
918 provisions in subsection (1)(g) with respect to the minimum
919 benefits not met as of October 1, 2012.÷

920 (1) If a municipality has a retirement ~~pension~~ plan for
921 police officers, or for police officers and firefighters if both
922 are included, which, in the opinion of the division, meets the
923 minimum benefits and minimum standards set forth in this
924 chapter, the board of trustees of the pension plan must, ~~as~~

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925 ~~approved by a majority of police officers of the municipality,~~
926 ~~may:~~

927 ~~(a)~~ place the income from the premium tax in s. 185.08 in
928 such ~~pension~~ plan for the sole and exclusive use of its police
929 officers, or its police officers and firefighters if both are
930 included, where it shall become an integral part of that ~~pension~~
931 plan and ~~shall~~ be used to fund benefits as provided herein.
932 Effective October 1, 2014, for noncollectively bargained service
933 or upon entering into a collective bargaining agreement on or
934 after July 1, 2014:

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

938 (b) Of the additional premium tax revenues received which
939 are in excess of the amount received for calendar year 2012, 50
940 percent must be used to fund minimum benefits or other
941 retirement benefits in excess of the minimum benefits as
942 determined by the municipality, and 50 percent must be placed in
943 a defined contribution plan to fund special benefits.

944 (c) Additional premium tax revenues not described in
945 paragraph (b) must be used to fund benefits that are not
946 included in the minimum benefits. If the additional premium tax
947 revenues subject to this paragraph exceed the full annual cost
948 of benefits provided through the plan which are in excess of the
949 minimum benefits, any amount in excess of the full annual cost
950 must be used as provided in paragraph (b).

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951 (d) Of any accumulations of additional premium tax
952 revenues which have not been allocated to fund benefits in
953 excess of the minimum benefits, 50 percent of the amount of the
954 accumulations must be used to fund special benefits, and 50
955 percent must be applied to fund any unfunded actuarial
956 liabilities of the plan with any amount of accumulations in
957 excess of the amount required to fund the unfunded actuarial
958 liabilities being used to fund special benefits ~~pay extra~~
959 ~~benefits to the police officers included in that pension plan;~~
960 ~~or~~

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

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

969 (f) If a plan offers benefits in excess of the minimum
970 benefits, excluding supplemental plan benefits in effect as of
971 September 30, 2013, such benefits may be reduced if the plan
972 continues to meet the minimum benefits and the minimum standards
973 set forth in this chapter. The amount of insurance premium tax
974 revenues previously used to fund benefits in excess of the
975 minimum benefits, excluding additional premium tax revenues in
976 an amount equal to the amount of additional premium tax revenues

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977 distributed to a supplemental plan for calendar year 2012,
978 before the reduction must be used as provided in paragraph (b).
979 However, benefits in excess of the minimum benefits may not be
980 reduced if a plan does not meet the minimum percentage amount of
981 2.75 percent, or greater, of the average final compensation of a
982 police officer, as provided in s. 185.16(2) (a), or provides an
983 effective benefit that is below 2.75 percent as a result of a
984 maximum benefit limitation, as described in s. 185.16(2) (b).
985 (g) Notwithstanding any other provisions of paragraphs
986 (a)-(f), the use of premium tax revenues, including any
987 accumulations of additional premium tax revenues which have not
988 been allocated to fund benefits in excess of the minimum
989 benefits, may deviate from the provisions of this subsection by
990 mutual consent of the members' collective bargaining
991 representative or, if none, by majority consent of the police
992 officer members of the fund, and by consent of the municipality,
993 provided that the plan continues to meet the minimum benefits
994 and minimum standards of this chapter; however, a plan which
995 operates pursuant to this paragraph and does not meet the
996 minimum benefits as of October 1, 2012, may continue to provide
997 the benefits that do not meet the minimum benefits at the same
998 level, but not less than that level, as was provided as of
999 October 1, 2012, and all other benefit levels must continue to
1000 meet the minimum benefits. Such mutually agreed deviation shall
1001 continue until modified or revoked by subsequent mutual consent
1002 of the members' collective bargaining representative or, if

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1003 none, by a majority of the police officer members of the fund,
1004 and the municipality. An existing arrangement for the use of
1005 premium tax revenues contained within a special act plan or a
1006 plan within a supplemental plan municipality is considered, as
1007 of July 1, 2014, to be a deviation for which mutual consent has
1008 been granted.

1009 (2) The premium tax provided by this chapter shall ~~in all~~
1010 ~~eases~~ be used in its entirety to provide retirement ~~extra~~
1011 benefits to police officers, or to police officers and
1012 firefighters if both are included. ~~However, local law plans in~~
1013 ~~effect on October 1, 1998, must comply with the minimum benefit~~
1014 ~~provisions of this chapter only to the extent that additional~~
1015 ~~premium tax revenues become available to incrementally fund the~~
1016 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~
1017 ~~is in compliance with such minimum benefit provisions, as~~
1018 ~~subsequent additional tax revenues become available, they shall~~
1019 ~~be used to provide extra benefits.~~ Local law plans created by
1020 special act before May 27, 1939, shall be deemed to comply with
1021 this chapter. ~~For the purpose of this chapter, the term:~~

1022 ~~(a) "Additional premium tax revenues" means revenues~~
1023 ~~received by a municipality pursuant to s. 185.10 which exceed~~
1024 ~~the amount received for calendar year 1997.~~

1025 ~~(b) "Extra benefits" means benefits in addition to or~~
1026 ~~greater than those provided to general employees of the~~
1027 ~~municipality and in addition to those in existence for police~~
1028 ~~officers on March 12, 1999.~~

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1029 (3) A retirement plan or amendment to a retirement plan
1030 may not be proposed for adoption unless the proposed plan or
1031 amendment contains an actuarial estimate of the costs involved.
1032 Such proposed plan or proposed plan change may not be adopted
1033 without the approval of the municipality or, where required
1034 ~~permitted~~, the Legislature. Copies of the proposed plan or
1035 proposed plan change and the actuarial impact statement of the
1036 proposed plan or proposed plan change shall be furnished to the
1037 division before the last public hearing on the proposal is held
1038 ~~thereon~~. Such statement must also indicate whether the proposed
1039 plan or proposed plan change is in compliance with s. 14, Art. X
1040 of the State Constitution and those provisions of part VII of
1041 chapter 112 which are not expressly provided in this chapter.
1042 Notwithstanding any other provision, only those local law plans
1043 created by special act of legislation before May 27, 1939, are
1044 deemed to meet the minimum benefits and minimum standards only
1045 in this chapter.

1046 (4) Notwithstanding any other provision, with respect to
1047 any supplemental plan municipality:

1048 (a) Section 185.02(6)(a) ~~185.02(4)(a)~~ does not apply, and
1049 a local law plan and a supplemental plan may continue to use
1050 their definition of compensation or salary in existence on March
1051 12, 1999.

1052 (b) A local law plan and a supplemental plan must continue
1053 to be administered by a board or boards of trustees numbered,
1054 constituted, and selected as the board or boards were numbered,

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1055 constituted, and selected on December 1, 2000.

1056 ~~(c) The election set forth in paragraph (1)(b) is deemed~~
1057 ~~to have been made.~~

1058 (5) The retirement plan setting forth the benefits and the
1059 trust agreement, if any, covering the duties and
1060 responsibilities of the trustees and the regulations of the
1061 investment of funds must be in writing and copies made available
1062 to the participants and to the general public.

1063 (6) In addition to the defined benefit component of the
1064 local law plan, each plan sponsor must have a defined
1065 contribution plan component within the local law plan by October
1066 1, 2014, for noncollectively bargained service, upon entering
1067 into a collective bargaining agreement on or after July 1, 2014,
1068 or upon the creation date of a new participating plan. Depending
1069 upon the application of subsection (1), a defined contribution
1070 component may or may not receive any funding.

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