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LEGISLATIVE ACTION

Senate

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House

Senator Bradley moved the following:

1 **Senate Amendment to Amendment (710348) (with title**
2 **amendment)**

3
4 Between lines 1441 and 1442
5 insert:

6 Section 13. Subsection (2) of section 175.021, Florida
7 Statutes, is amended to read:

8 175.021 Legislative declaration.—

9 (2) This chapter hereby establishes, for all municipal and
10 special district pension plans existing ~~now or hereafter~~ under
11 this chapter, including chapter plans and local law plans,



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

24 Section 14. Section 175.032, Florida Statutes, is amended
25 to read:

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

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

34 (2)(1)(a) "Average final compensation" for:

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



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41 of time as is used and consistently applied.

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

48 (3) "Base premium tax revenues" means:

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

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

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

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



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

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

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

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



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99 the Omnibus Budget Reconciliation Act of 1993, which limitation
100 of \$150,000 shall be adjusted as required by federal law for
101 qualified government plans and ~~shall be~~ further adjusted for
102 changes in the cost of living in the manner provided by Internal
103 Revenue Code s. 401(a)(17)(B). For any person who first became a
104 member before the first plan year beginning on or after January
105 1, 1996, the limitation on compensation may not be less than the
106 maximum compensation amount that was allowed to be taken into
107 account under the plan in effect on July 1, 1993, which
108 limitation shall be adjusted for changes in the cost of living
109 since 1989 in the manner provided by Internal Revenue Code s.
110 401(a)(17)(1991).

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

117 (a) A ~~No~~ firefighter may not will receive credit for years
118 or fractional parts of years of service if he or she has
119 withdrawn his or her contributions to the fund for those years
120 or fractional parts of years of service, unless the firefighter
121 repays into the fund the amount he or she has withdrawn, plus
122 interest determined by the board. The member shall have at least
123 90 days after his or her reemployment to make repayment.

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



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128 the time he or she has participated actively as a firefighter.
129 If the firefighter is not reemployed as a firefighter, with the
130 same department, within 5 years, his or her contributions shall
131 be returned without interest.

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

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

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



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157 2. The firefighter is entitled to reemployment under the
158 provisions of the Uniformed Services Employment and Reemployment
159 Rights Act.

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

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

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



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186 actual accumulated earnings, net of expenses, earned on the
187 member's account.

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

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

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



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

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

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

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



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244 However, any such variance must ~~shall~~ provide a greater benefit
245 for firefighters. Actuarial valuations of local law plans shall
246 be conducted by an enrolled actuary as provided in s.
247 175.261(2).

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

251 (16) "Minimum benefits" means the benefits set forth in ss.
252 175.021-175.341 and ss. 175.361-175.401.

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

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

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

272 (20) ~~(15)~~ "Retirement" means a firefighter's separation from



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273 municipal city or fire district employment as a firefighter with
274 immediate eligibility for ~~receipt of~~ benefits under the plan.
275 For purposes of a plan that includes a Deferred Retirement
276 Option Plan (DROP), "retirement" means the date a firefighter
277 enters ~~the~~ DROP.

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

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

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

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



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302 2014, shall be deemed to be a defined contribution plan in
303 compliance with s. 175.351(6).

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

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

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

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

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

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

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

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

328 Section 16. Paragraph (d) of subsection (1) of section
329 175.091, Florida Statutes, is amended to read:

330 175.091 Creation and maintenance of fund.—For any



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

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

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

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

351 Section 17. Paragraph (a) of subsection (2) of section
352 175.162, Florida Statutes, is amended to read:

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



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

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

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



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389 3. Effective July 1, 2014, a plan that is in compliance
390 with this chapter except that the plan provides a benefit that
391 is less than 2.75 percent of the average final compensation of a
392 full-time firefighter for all years of credited service, as
393 provided in subparagraph 1., or provides an effective benefit
394 that is below 2.75 percent as a result of a maximum benefit
395 limitation, and which changes the percentage amount or maximum
396 benefit limitation to 2.75 percent, or greater, of the average
397 final compensation of a full-time firefighter for all years of
398 credited service, as provided in subparagraph 1., may not
399 thereafter decrease the percentage amount or maximum benefit
400 limitation to less than 2.75 percent of the average final
401 compensation of a full-time firefighter for all years of
402 credited service, as provided in subparagraph 1.

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

405 175.351 Municipalities and special fire control districts
406 that have ~~having~~ their own retirement ~~pension~~ plans for
407 firefighters. ~~For any municipality, special fire control~~
408 ~~district, local law municipality, local law special fire control~~
409 ~~district, or local law plan under this chapter,~~ In order for a
410 municipality or municipalities and special fire control district
411 that has its ~~districts with their own retirement plan pension~~
412 ~~plans~~ for firefighters, or for firefighters and police officers
413 if both are included, to participate in the distribution of the
414 tax fund established under ~~pursuant to~~ s. 175.101, a local law
415 plan ~~plans~~ must meet the minimum benefits and minimum standards
416 set forth in this chapter, except as provided in the mutual
417 consent provisions in paragraph (1)(g) with respect to the



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418 minimum benefits not met as of October 1, 2012.

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

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

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

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

445 (c) Additional premium tax revenues not described in
446 paragraph (b) must be used to fund benefits that are not



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

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

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

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

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



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476 revenues distributed to a supplemental plan for calendar year
477 2012, before the reduction must be used as provided in paragraph
478 (b). However, benefits in excess of the minimum benefits may not
479 be reduced if a plan does not meet the minimum percentage amount
480 of 2.75 percent, or greater, of the average final compensation
481 of a full-time firefighter, as provided in s. 175.162(2)(a)1.,
482 or provides an effective benefit that is below 2.75 percent as a
483 result of a maximum benefit limitation, as described in s.
484 175.162(2)(a)2.

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



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505 tax revenues contained within a special act plan or a plan
506 within a supplemental plan municipality is considered, as of
507 July 1, 2014, to be a deviation for which mutual consent has
508 been granted.

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

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

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

530 (3) A retirement plan or amendment to a retirement plan may
531 not be proposed for adoption unless the proposed plan or
532 amendment contains an actuarial estimate of the costs involved.
533 Such proposed plan or proposed plan change may not be adopted



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534 without the approval of the municipality, special fire control
535 district, or, where required ~~permitted~~, the Legislature. Copies
536 of the proposed plan or proposed plan change and the actuarial
537 impact statement of the proposed plan or proposed plan change
538 shall be furnished to the division before the last public
539 hearing on the proposal is held ~~thereon~~. Such statement must
540 also indicate whether the proposed plan or proposed plan change
541 is in compliance with s. 14, Art. X of the State Constitution
542 and those provisions of part VII of chapter 112 which are not
543 expressly provided in this chapter. Notwithstanding any other
544 provision, only those local law plans created by special act of
545 legislation before May 27, 1939, are deemed to meet the minimum
546 benefits and minimum standards only in this chapter.

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

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

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

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

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



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563 available to the participants and to the general public.

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

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

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



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592 185.01 Legislative declaration.—

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

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

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

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

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



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621 or death.

622 (3) "Base premium tax revenues" means:

623 (a) For a local law plan in effect on October 1, 1998, the
624 revenues received by a municipality pursuant to s. 185.10 for
625 the calendar year 1997.

626 (b) For a local law plan created between October 1, 1998,
627 and March 1, 2014, inclusive, the revenues received by a
628 municipality pursuant to s. 185.10 based upon the tax
629 collections during the second calendar year of participation.

630 (4)-(2) "Casualty insurance" means automobile public
631 liability and property damage insurance to be applied at the
632 place of residence of the owner, or if the subject is a
633 commercial vehicle, to be applied at the place of business of
634 the owner; automobile collision insurance; fidelity bonds;
635 burglary and theft insurance; and plate glass insurance. The
636 term "multiple peril" means a combination or package policy that
637 includes both property coverage and casualty coverage for a
638 single premium.

639 (5)-(3) "Chapter plan" means a separate defined benefit
640 pension plan for police officers which incorporates by reference
641 the provisions of this chapter and has been adopted by the
642 governing body of a municipality as provided in s. 185.08.
643 Except as ~~may be~~ specifically authorized in this chapter, the
644 provisions of a chapter plan may not differ from the plan
645 provisions set forth in ss. 185.01-185.341 and ss. 185.37-
646 185.39. Actuarial valuations of chapter plans shall be conducted
647 by the division as provided by s. 185.221(1)(b).

648 (6)-(4) "Compensation" or "salary" means, for
649 noncollectively bargained service earned before July 1, 2011, or



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

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

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



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679 treated as compensation for retirement purposes under this
680 chapter.

681 (c) For any person who first becomes a member in any plan
682 year beginning on or after January 1, 1996, compensation for
683 that plan year may not include any amounts in excess of the
684 Internal Revenue Code s. 401(a)(17) limitation, as amended by
685 the Omnibus Budget Reconciliation Act of 1993, which limitation
686 of \$150,000 shall be adjusted as required by federal law for
687 qualified government plans and ~~shall be~~ further adjusted for
688 changes in the cost of living in the manner provided by Internal
689 Revenue Code s. 401(a)(17)(B). For any person who first became a
690 member before the first plan year beginning on or after January
691 1, 1996, the limitation on compensation may not be less than the
692 maximum compensation amount that was allowed to be taken into
693 account under the plan ~~as~~ in effect on July 1, 1993, which
694 limitation shall be adjusted for changes in the cost of living
695 since 1989 in the manner provided by Internal Revenue Code s.
696 401(a)(17)(1991).

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

703 (a) A ~~No~~ police officer may not ~~will~~ receive credit for
704 years or fractional parts of years of service if he or she has
705 withdrawn his or her contributions to the fund for those years
706 or fractional parts of years of service, unless the police
707 officer repays into the fund the amount he or she has withdrawn,



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

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

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

736 (d) In determining the creditable service of a ~~any~~ police



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737 officer, credit for up to 5 years of the time spent in the
738 military service of the Armed Forces of the United States shall
739 be added to the years of actual service, if:

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

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

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

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

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



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

775 (10)~~(7)~~ "Division" means the Division of Retirement of the
776 Department of Management Services.

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

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

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



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795 actuary as provided in s. 185.221(2)(b).

796 (14) "Minimum benefits" means the benefits set forth in ss.
797 185.01-185.341 and ss. 185.37-185.50.

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

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

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



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824 (18)~~(13)~~ "Retiree" or "retired police officer" means a
825 police officer who has entered retirement status. For the
826 purposes of a plan that includes a Deferred Retirement Option
827 Plan (DROP), a police officer who enters ~~the~~ DROP is ~~shall be~~
828 considered a retiree for all purposes of the plan. However, a
829 police officer who enters ~~the~~ DROP and who is otherwise eligible
830 to participate may ~~shall~~ not ~~thereby~~ be precluded from
831 participating, or continuing to participate, in a supplemental
832 plan in existence on, or created after, March 12, 1999 ~~the~~
833 ~~effective date of this act.~~

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

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

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

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



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853 chapter. Any supplemental plan in existence on March 1, 2014,
854 shall be deemed to be a defined contribution plan in compliance
855 with s. 185.35(6).

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

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

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

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

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

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

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

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

879 Section 22. Paragraph (d) of subsection (1) of section
880 185.07, Florida Statutes, is amended to read:

881 185.07 Creation and maintenance of fund.—For any



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882 municipality, chapter plan, local law municipality, or local law
883 plan under this chapter:

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

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

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

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

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



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911 event, for chapter plans and local law plans, payment of
912 retirement income will be governed by the following provisions
913 of this section:

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

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

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



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

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

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

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



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969 ~~may:~~

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

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

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

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

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



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998 applied to fund any unfunded actuarial liabilities of the plan;
999 provided that any amount of accumulations in excess of the
1000 amount required to fund the unfunded actuarial liabilities must
1001 be used to fund special benefits ~~pay extra benefits to the~~
1002 ~~police officers included in that pension plan; or~~

1003 ~~(b) May place the income from the premium tax in s. 185.08~~
1004 ~~in a separate supplemental plan to pay extra benefits to the~~
1005 ~~police officers, or police officers and firefighters if~~
1006 ~~included, participating in such separate supplemental plan.~~

1007 (e) For a plan created after March 1, 2014, 50 percent of
1008 the insurance premium tax revenues shall be used to fund defined
1009 benefit plan component benefits, with the remainder used to fund
1010 defined contribution plan component benefits.

1011 (f) If a plan offers benefits in excess of the minimum
1012 benefits, such benefits, excluding supplemental plan benefits in
1013 effect as of September 30, 2013, may be reduced if the plan
1014 continues to meet the minimum benefits and the minimum standards
1015 set forth in this chapter. The amount of insurance premium tax
1016 revenues previously used to fund benefits in excess of the
1017 minimum benefits, excluding the amount of any additional premium
1018 tax revenues distributed to a supplemental plan for calendar
1019 year 2012, before the reduction must be used as provided in
1020 paragraph (b). However, benefits in excess of the minimum
1021 benefits may not be reduced if a plan does not meet the minimum
1022 percentage amount of 2.75 percent, or greater, of the average
1023 final compensation of a police officer, as provided in s.
1024 185.16(2) (a), or provides an effective benefit that is below
1025 2.75 percent as a result of a maximum benefit limitation, as
1026 described in s. 185.16(2) (b).



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1027 (g) Notwithstanding paragraphs (a)-(f), the use of premium
1028 tax revenues, including any accumulations of additional premium
1029 tax revenues which have not been allocated to fund benefits in
1030 excess of the minimum benefits, may deviate from the provisions
1031 of this subsection by mutual consent of the members' collective
1032 bargaining representative or, if none, by majority consent of
1033 the police officer members of the fund, and by consent of the
1034 municipality, provided that the plan continues to meet the
1035 minimum benefits and minimum standards of this chapter; however,
1036 a plan that operates pursuant to this paragraph which does not
1037 meet the minimum benefits as of October 1, 2012, may continue to
1038 provide the benefits that do not meet the minimum benefits at
1039 the same level as was provided as of October 1, 2012, and all
1040 other benefit levels must continue to meet the minimum benefits.
1041 Such mutually agreed deviation shall continue until modified or
1042 revoked by subsequent mutual consent of the members' collective
1043 bargaining representative or, if none, by a majority of the
1044 police officer members of the fund, and the municipality. An
1045 existing arrangement for the use of premium tax revenues
1046 contained within a special act plan or a plan within a
1047 supplemental plan municipality is considered, as of July 1,
1048 2014, to be a deviation for which mutual consent has been
1049 granted.

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



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1056 ~~premium tax revenues become available to incrementally fund the~~
1057 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~
1058 ~~is in compliance with such minimum benefit provisions, as~~
1059 ~~subsequent additional tax revenues become available, they shall~~
1060 ~~be used to provide extra benefits.~~ Local law plans created by
1061 special act before May 27, 1939, shall be deemed to comply with
1062 this chapter. ~~For the purpose of this chapter, the term:~~

1063 ~~(a) "Additional premium tax revenues" means revenues~~
1064 ~~received by a municipality pursuant to s. 185.10 which exceed~~
1065 ~~the amount received for calendar year 1997.~~

1066 ~~(b) "Extra benefits" means benefits in addition to or~~
1067 ~~greater than those provided to general employees of the~~
1068 ~~municipality and in addition to those in existence for police~~
1069 ~~officers on March 12, 1999.~~

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



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1085 deemed to meet the minimum benefits and minimum standards only
1086 in this chapter.

1087 (4) Notwithstanding any other provision, with respect to
1088 any supplemental plan municipality:

1089 (a) Section 185.02(6)(a) ~~185.02(4)(a)~~ does not apply, and a
1090 local law plan and a supplemental plan may continue to use their
1091 definition of compensation or salary in existence on March 12,
1092 1999.

1093 (b) A local law plan and a supplemental plan must continue
1094 to be administered by a board or boards of trustees numbered,
1095 constituted, and selected as the board or boards were numbered,
1096 constituted, and selected on December 1, 2000.

1097 ~~(c) The election set forth in paragraph (1)(b) is deemed to~~
1098 ~~have been made.~~

1099 (5) The retirement plan setting forth the benefits and the
1100 trust agreement, if any, covering the duties and
1101 responsibilities of the trustees and the regulations of the
1102 investment of funds must be in writing and copies made available
1103 to the participants and to the general public.

1104 (6) In addition to the defined benefit component of the
1105 local law plan, each plan sponsor must have a defined
1106 contribution plan component within the local law plan by October
1107 1, 2014, for noncollectively bargained service, upon entering
1108 into a collective bargaining agreement on or after July 1, 2014,
1109 or upon the creation date of a new participating plan. Depending
1110 upon the application of subsection (1), a defined contribution
1111 component may or may not receive any funding.

1112 (7) Notwithstanding any other provision of this chapter, a
1113 municipality that has implemented or proposed changes to a local



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1114 law plan based on the municipality's reliance on an
1115 interpretation of this chapter by the Department of Management
1116 Services on or after August 14, 2012, and before March 4, 2014,
1117 may continue the implemented changes or continue to implement
1118 proposed changes. Such reliance must be evidenced by a written
1119 collective bargaining proposal or agreement, or formal
1120 correspondence between the municipality and the Department of
1121 Management Services which describes the specific changes to the
1122 local law plan, with the initial proposal, agreement, or
1123 correspondence from the municipality dated before March 4, 2014.
1124 Changes to the local law plan which are otherwise contrary to
1125 the minimum benefits and minimum standards of this chapter may
1126 continue in effect until the earlier of October 1, 2017, or the
1127 effective date of a collective bargaining agreement that is
1128 contrary to the changes to the local law plan.

1129
1130 ===== T I T L E A M E N D M E N T =====

1131 And the title is amended as follows:

1132 Between lines 1595 and 1596

1133 insert:

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



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1143 pension trust fund; amending s. 175.162, F.S.;

1144 deleting a provision basing the availability of

1145 additional benefits in a firefighter pension plan upon

1146 state funding; revising the calculation of monthly

1147 retirement income for a full-time firefighter;

1148 providing that certain firefighter pension plans must

1149 maintain a certain minimum percentage of average final

1150 compensation by a specified date; amending s. 175.351,

1151 F.S., relating to municipalities and special fire

1152 control districts that have their own pension plans

1153 and want to participate in the distribution of a tax

1154 fund; redesignating the term "pension plan" as

1155 "retirement plan"; revising criteria governing the use

1156 of revenues from the premium tax; authorizing a

1157 retirement plan to reduce certain excess benefits if

1158 the plan continues to meet certain minimum benefits

1159 and standards; providing that the use of premium tax

1160 revenues may deviate from the requirements of ch. 175,

1161 F.S., under certain circumstances; requiring plan

1162 sponsors to have a defined contribution plan in place

1163 by a certain date; authorizing a municipality to

1164 implement certain changes to a local law plan which

1165 are contrary to ch. 175, F.S., for a limited time;

1166 amending s. 185.01, F.S.; revising the legislative

1167 declaration to require that all police officer pension

1168 plans meet the requirements of ch. 185, F.S., in order

1169 to receive insurance premium tax revenues; amending s.

1170 185.02, F.S.; revising definitions to conform to

1171 changes made by the act and adding new definitions;



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1172 revising applicability of the limitation on the amount
1173 of overtime payments that may be used for retirement
1174 benefit calculations; amending s. 185.06, F.S.;
1175 conforming a cross-reference; amending s. 185.07,
1176 F.S.; revising the method of creating and maintaining
1177 a police officers' retirement trust fund; amending s.
1178 185.16, F.S.; deleting a provision basing the
1179 availability of additional benefits in a police
1180 officer pension plan upon state funding; revising the
1181 calculation of monthly retirement income for a police
1182 officer; providing that certain police officer pension
1183 plans must maintain a certain minimum percentage of
1184 average final compensation after a specified date;
1185 amending s. 185.35, F.S., relating to municipalities
1186 that have their own pension plans for police officers
1187 and want to participate in the distribution of a tax
1188 fund; conforming a cross-reference; redesignating the
1189 term "pension plan" as "retirement plan"; revising
1190 criteria governing the use of revenues from the
1191 premium tax; authorizing a plan to reduce certain
1192 excess benefits if the plan continues to meet certain
1193 minimum benefits and minimum standards; providing that
1194 the use of premium tax revenues may deviate from the
1195 requirements of ch. 185, F.S., under specified
1196 circumstances; requiring plan sponsors to have a
1197 defined contribution plan in place by a certain date;
1198 authorizing a municipality to implement certain
1199 changes to a local law plan which are contrary to ch.
1200 185, F.S., for a limited time;