

By the Committee on Governmental Oversight and Accountability;  
and Senator Smith

585-03191-15

20151352c1

1 A bill to be entitled  
2 An act relating to deferred compensation; amending s.  
3 112.215, F.S.; prohibiting contracts with investment  
4 providers and recordkeepers for local deferred  
5 compensation programs from exceeding a 5-year term;  
6 requiring a public official or body to initiate a  
7 public bid for investment providers and recordkeepers  
8 for local deferred compensation programs; prohibiting  
9 specified persons from participating in the selection  
10 of an investment provider or recordkeeper under  
11 certain circumstances; requiring the administrator of  
12 a local deferred compensation program to comply with  
13 certain fiduciary standards; authorizing a public body  
14 or official that establishes a local deferred  
15 compensation program to organize an oversight  
16 committee; providing an effective date.

17  
18 Be It Enacted by the Legislature of the State of Florida:

19  
20 Section 1. Subsections (5) and (14) of section 112.215,  
21 Florida Statutes, are amended to read:

22 112.215 Government employees; deferred compensation  
23 program.—

24 (5) Any county, municipality, or other political  
25 subdivision ~~of the state~~ may by ordinance, and any  
26 constitutional county officer under s. 1(d), Art. VIII of the  
27 State Constitution ~~of 1968~~ may by contract agreement or other  
28 documentation constituting approval, adopt and establish for  
29 itself and its employees a deferred compensation program. The

585-03191-15

20151352c1

30 ordinance shall designate an appropriate official of the county,  
31 municipality, or political subdivision to approve and administer  
32 a deferred compensation plan or otherwise provide for such  
33 approval and administration. The ordinance shall also designate  
34 a public official or body to make the determinations provided  
35 for in paragraph (6) (b). If a constitutional county officer  
36 elects to adopt and establish for that office and its employees  
37 a deferred compensation program, the constitutional county  
38 officer shall be the appropriate official to make the  
39 determinations provided for in this subsection and in paragraph  
40 (6) (b).

41 (a) A county, municipality, political subdivision, or  
42 constitutional county officer may not enter into a contract with  
43 an investment provider or recordkeeper for purposes of offering  
44 investment vehicles or products to participants in the deferred  
45 compensation program or recordkeeping services for the program  
46 for a term to exceed 5 years. Before the end of each contract  
47 term, the public official or body shall initiate a public bid  
48 for the procurement of investment providers and recordkeepers.

49 (b) If the administrator of a deferred compensation program  
50 or any other person involved with the selection of an investment  
51 provider or recordkeeper has had any direct interest in any  
52 contract, privilege, or other benefit granted by the investment  
53 provider or recordkeeper in the preceding 2 years, he or she  
54 must abstain from participating in any decision regarding the  
55 selection of the investment provider or recordkeeper.  
56 Establishing a personal account with an investment provider or  
57 recordkeeper or taking a distribution from a personal account  
58 does not constitute a direct interest for purposes of this

585-03191-15

20151352c1

59 paragraph.

60 (c) The administrator of a deferred compensation program  
61 established pursuant to this subsection shall comply with the  
62 fiduciary standards set forth in the Employee Retirement Income  
63 Security Act of 1974, as amended, at 29 U.S.C. s. 1104(a) (1) (A)-  
64 (C).

65 (d) A county, municipality, or political subdivision or  
66 constitutional county officer that establishes a deferred  
67 compensation plan may evaluate the performance of the plan  
68 administrator through an oversight committee. An oversight  
69 committee shall provide assistance and recommendations with  
70 respect to the administration of the plan, including, but not  
71 limited to, investment options offered under the plan. A county,  
72 municipality, or political subdivision or constitutional county  
73 officer shall determine the authority, activities, and  
74 composition of the oversight committee.

75 (14) This section ~~subsection~~ may not impair an existing  
76 contract. In each county that has one or more constitutional  
77 county officers, the board of county commissioners and the  
78 constitutional county officers shall negotiate a joint deferred  
79 compensation program for all their respective employees under s.  
80 163.01. If all parties to the negotiation cannot agree upon a  
81 joint deferred compensation program, the provisions of  
82 subsection (5) apply.

83 Section 2. This act shall take effect July 1, 2015.