

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
 ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
 ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
 FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
 WITHDRAWN \_\_\_\_\_ (Y/N)  
 OTHER \_\_\_\_\_

1 Committee/Subcommittee hearing bill: State Affairs Committee  
 2 Representative Cummings offered the following:

**Amendment (with title amendment)**

5 Remove everything after the enacting clause and insert:

6 Section 1. 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,  
 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 conditions 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 set forth in this

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18 ~~chapter~~ may not be diminished by local charter, ordinance, or  
19 resolution or by special act of the Legislature and may not, ~~nor~~  
20 ~~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 2. 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  
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

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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, 2003, the  
50 revenues received by a municipality or special fire control  
51 district pursuant to s. 175.121 for the 2002 calendar year.

52 (b) For a local law plan created between October 1, 2003,  
53 and March 1, 2015, 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.

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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  
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  
112 the aggregate number of years of service<sub>7</sub> and fractional parts  
113 of years of service<sub>7</sub> of any firefighter, omitting intervening  
114 years and fractional parts of years when such firefighter may  
115 not have been employed by the municipality or special fire  
116 control 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

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121 repays into the fund the amount he or she has withdrawn, plus  
122 interest determined by the board. The member has ~~shall have~~ at  
123 least 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  
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

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147 her service is equivalent to the service required to meet the  
148 definition of a firefighter ~~under subsection (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 before ~~prior to~~ such service and leaves a position,  
155 other than a temporary position, for the purpose of voluntary or  
156 involuntary service in the Armed Forces of the United States.

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 after ~~from~~ the date of release from such active  
163 service.

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

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173 on, or created after, March 12, 1999 ~~the effective date of this~~  
174 ~~act.~~

175 (8) "Defined contribution plan" means the component of a  
176 local law plan, as provided in s. 175.351(1), to which deposits,  
177 if any, are made to provide benefits for firefighters, or for  
178 firefighters and police officers if both are included. Such  
179 component is an element of a local law plan and exists in  
180 conjunction with the defined benefit plan component that meets  
181 minimum benefits and minimum standards. The retirement benefits,  
182 if any, of the defined contribution plan component shall be  
183 provided through individual member accounts in accordance with  
184 the applicable provisions of the Internal Revenue Code and  
185 related regulations and are limited to the contributions, if  
186 any, made into each member's account and the actual accumulated  
187 earnings, net of expenses, earned on the 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  
191 enrolled under Subtitle C of Title III of the Employee  
192 Retirement Income Security Act of 1974 and who is a member of  
193 the Society of Actuaries or the American Academy of Actuaries.

194 (11) (a)-(8) (a) "Firefighter" means a person employed solely  
195 by 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



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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.

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

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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" means ~~is~~ any  
233 municipality in which ~~there exists~~ a local law plan exists.

234 ~~(14)-(11)~~ "Local law plan" means a retirement defined  
235 ~~benefit pension~~ plan which 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, ~~provided that required~~ minimum  
243 benefits and minimum standards are met. However, any such  
244 variance must ~~shall~~ provide a greater benefit for firefighters.  
245 Actuarial valuations of local law plans shall be conducted by an  
246 enrolled actuary as provided in s. 175.261(2).

247 ~~(15)-(12)~~ "Local law special fire control district" means  
248 ~~is~~ any special fire control district in which ~~there exists~~ a  
249 local law plan exists.

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250        (16) "Minimum benefits" means the benefits specified in  
251 ss. 175.021-175.341 and ss. 175.361-175.401.

252        (17) "Minimum standards" means the standards specified in  
253 ss. 175.021-175.401.

254        (18)~~(13)~~ "Property insurance" means property insurance as  
255 defined in s. 624.604 and covers real and personal property  
256 within the corporate limits of a ~~any~~ municipality, or within the  
257 boundaries of a ~~any~~ special fire control district, within the  
258 state. The term "multiple peril" means a combination or package  
259 policy that includes both property and casualty coverage for a  
260 single premium.

261        (19)~~(14)~~ "Retiree" or "retired firefighter" means a  
262 firefighter who has entered retirement status. For the purposes  
263 of a plan that includes a Deferred Retirement Option Plan  
264 (DROP), a firefighter who enters the DROP is ~~shall be~~ considered  
265 a retiree for all purposes of the plan. However, a firefighter  
266 who enters the DROP and who is otherwise eligible to participate  
267 may ~~shall~~ not ~~thereby~~ be precluded from participation or  
268 continued participation ~~participating, or continuing to~~  
269 ~~participate,~~ in a supplemental plan in existence on, or created  
270 after, March 12, 1999 ~~the effective date of this act.~~

271        (20)~~(15)~~ "Retirement" means a firefighter's separation  
272 from municipal ~~city~~ or fire district employment as a firefighter  
273 with immediate eligibility for ~~receipt of~~ benefits under the  
274 plan. For purposes of a plan that includes a Deferred Retirement

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275 Option Plan (DROP), "retirement" means the date a firefighter  
276 enters the DROP.

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

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

283 (23)-(16) "Special fire control district" means a special  
284 district, as defined in s. 189.012, established for the purposes  
285 of extinguishing fires, protecting life, and protecting property  
286 within the incorporated or unincorporated portions of a any  
287 county or combination of counties, or within any combination of  
288 incorporated and unincorporated portions of a any county or  
289 combination of counties. The term does not include any dependent  
290 or independent special district, as those terms are defined in  
291 s. 189.012, the employees of which are members of the Florida  
292 Retirement System pursuant to s. 121.051(1) or (2).

293 (24)-(17) "Supplemental plan" means a plan to which  
294 deposits are made to provide special ~~extra~~ benefits for  
295 firefighters, or for firefighters and police officers if both  
296 are ~~where~~ included ~~under this chapter~~. Such a plan is an element  
297 of a local law plan and exists in conjunction with a defined  
298 benefit plan component that meets ~~the~~ minimum benefits and  
299 minimum standards ~~of this chapter~~. Any supplemental plan in

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300 existence on March 1, 2015, shall be deemed to be a defined  
301 contribution plan in compliance with s. 175.351(6).

302 ~~(25)-(18)~~ "Supplemental plan municipality" means a any  
303 local law municipality in which any there existed a supplemental  
304 plan existed, of any type or nature, as of December 1, 2000.

305 Section 3. Subsection (8) is added to section 175.061,  
306 Florida Statutes, to read:

307 175.061 Board of trustees; members; terms of office;  
308 meetings; legal entity; costs; attorney's fees.—For any  
309 municipality, special fire control district, chapter plan, local  
310 law municipality, local law special fire control district, or  
311 local law plan under this chapter:

312 (8) (a) The board of trustees shall:

313 1. Provide a detailed accounting report of its expenses  
314 for each fiscal year to the plan sponsor and the Department of  
315 Management Services and make the report available to each member  
316 of the plan and post the report on the board's website, if the  
317 board has a website. The report must include all administrative  
318 expenses that, for purposes of this subsection, are expenses  
319 relating to any legal counsel, actuary, plan administrator, and  
320 all other consultants, and all travel and other expenses paid to  
321 or on behalf of the members of the board of trustees or anyone  
322 else on behalf of the plan.

323 2. Operate under an administrative expense budget for each  
324 fiscal year, provide a copy of the budget to the plan sponsor,  
325 and make available a copy of the budget to plan members before

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326 the beginning of the fiscal year. If the board of trustees  
327 amends the administrative expense budget, the board must provide  
328 a copy of the amended budget to the plan sponsor and make  
329 available a copy of the amended budget to plan members.

330 (b) Notwithstanding s. 175.351(2) and (3), a local law  
331 plan created by special act before May 27, 1939, must comply  
332 with the provisions of this subsection.

333 Section 4. Subsection (7) of section 175.071, Florida  
334 Statutes, is amended to read:

335 175.071 General powers and duties of board of trustees.—  
336 For any municipality, special fire control district, chapter  
337 plan, local law municipality, local law special fire control  
338 district, or local law plan under this chapter:

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

341 (a) Employ independent legal counsel at the pension fund's  
342 expense.

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

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

348

349 If the board chooses to use the municipality's or special  
350 district's legal counsel or actuary, or chooses to use any of  
351 the municipality's or special district's other professional,

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352 technical, or other advisers, it must do so only under terms and  
353 conditions acceptable to the board.

354 Section 5. Paragraph (d) of subsection (1) of section  
355 175.091, Florida Statutes, is amended to read:

356 175.091 Creation and maintenance of fund.—For any  
357 municipality, special fire control district, chapter plan, local  
358 law municipality, local law special fire control district, or  
359 local law plan under this chapter:

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

363 (d) By mandatory payment by the municipality or special  
364 fire control district of a sum equal to the normal cost of and  
365 the amount required to fund any actuarial deficiency shown by an  
366 actuarial valuation conducted under ~~as provided in~~ part VII of  
367 chapter 112 after taking into account the amounts described in  
368 paragraphs (b), (c), (e), (f), and (g) and the tax proceeds  
369 described in paragraph (a) which are used to fund benefits in a  
370 defined benefit plan component.

371  
372 Nothing in this section shall be construed to require adjustment  
373 of member contribution rates in effect on the date this act  
374 becomes a law, including rates that exceed 5 percent of salary,  
375 provided that such rates are at least one-half of 1 percent of  
376 salary.

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377 Section 6. Paragraph (a) of subsection (2) of section  
378 175.162, Florida Statutes, is amended to read:

379 175.162 Requirements for retirement.—For any municipality,  
380 special fire control district, chapter plan, local law  
381 municipality, local law special fire control district, or local  
382 law plan under this chapter, any firefighter who completes 10 or  
383 more years of creditable service as a firefighter and attains  
384 age 55, or completes 25 years of creditable service as a  
385 firefighter and attains age 52, and who for such minimum period  
386 has been a member of the firefighters' pension trust fund  
387 operating under a chapter plan or local law plan, is eligible  
388 for normal retirement benefits. Normal retirement under the plan  
389 is retirement from the service of the municipality or special  
390 fire control district on or after the normal retirement date. In  
391 such event, payment of retirement income will be governed by the  
392 following provisions of this section:

393 (2) (a) 1. The amount of monthly retirement income payable  
394 to a full-time firefighter who retires on or after his or her  
395 normal retirement date shall be an amount equal to the number of  
396 his or her years of credited service multiplied by 2.75 ~~2~~  
397 percent of his or her average final compensation as a full-time  
398 firefighter. ~~However, if current state contributions pursuant to~~  
399 ~~this chapter are not adequate to fund the additional benefits to~~  
400 ~~meet the minimum requirements in this chapter, only such~~  
401 ~~incremental increases shall be required as state moneys are~~



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402 ~~adequate to provide. Such increments shall be provided as state~~  
403 ~~moneys become available.~~

404 2. Effective July 1, 2015, a plan that is in compliance  
405 with this chapter except that the plan provides a benefit that  
406 is less than 2.75 percent of the average final compensation of a  
407 full-time firefighter for all years of credited service or  
408 provides an effective benefit that is less than 2.75 percent as  
409 a result of a maximum benefit limitation:

410 a. Must maintain, at a minimum, the percentage amount or  
411 maximum benefit limitation in effect on July 1, 2015, and is not  
412 required to increase the benefit to 2.75 percent of the average  
413 final compensation of a full-time firefighter for all years of  
414 credited service; or

415 b. If the plan changes the percentage amount or maximum  
416 benefit limitation to 2.75 percent, or more, of the average  
417 final compensation of a full-time firefighter for all years of  
418 credited service, the plan may not thereafter decrease the  
419 percentage amount or maximum benefit limitation to less than  
420 2.75 percent of the average final compensation of a full-time  
421 firefighter for all years of credited service.

422 Section 7. Section 175.351, Florida Statutes, is amended  
423 to read:

424 175.351 Municipalities and special fire control districts  
425 that have ~~having~~ their own retirement ~~pension~~ plans for  
426 firefighters. ~~For any municipality, special fire control~~  
427 ~~district, local law municipality, local law special fire control~~

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428 ~~district, or local law plan under this chapter,~~ In order for a  
429 municipality or municipalities and special fire control district  
430 that has its districts with their own retirement plan pension  
431 plans for firefighters, or for firefighters and police officers  
432 if both are included, to participate in the distribution of the  
433 tax fund established under ~~pursuant to~~ s. 175.101, a local law  
434 plan plans must meet ~~the~~ minimum benefits and minimum standards,  
435 except as provided in the mutual consent provisions in paragraph  
436 (1)(g) with respect to the minimum benefits not met as of  
437 October 1, 2012 set forth in this chapter.

438 (1) If a municipality has a retirement pension plan for  
439 firefighters, or a ~~pension plan~~ for firefighters and police  
440 officers if both are included, which in the opinion of the  
441 division meets ~~the~~ minimum benefits and minimum standards ~~set~~  
442 ~~forth in this chapter,~~ the board of trustees of the retirement  
443 pension plan must, as approved by a majority of firefighters of  
444 ~~the municipality, may:~~

445 ~~(a)~~ place the income from the premium tax in s. 175.101 in  
446 such ~~pension~~ plan for the sole and exclusive use of its  
447 firefighters, or for firefighters and police officers if both  
448 are included, where it shall become an integral part of that  
449 ~~pension~~ plan and ~~shall~~ be used to fund benefits as provided  
450 herein. Effective October 1, 2015, for noncollectively bargained  
451 service or upon entering into a collective bargaining agreement  
452 on or after July 1, 2015:

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453 (a) The base premium tax revenues must be used to fund  
454 minimum benefits or other retirement benefits in excess of the  
455 minimum benefits as determined by the municipality or special  
456 fire control district.

457 (b) Of the additional premium tax revenues received that  
458 are in excess of the amount received for the 2012 calendar year,  
459 50 percent must be used to fund minimum benefits or other  
460 retirement benefits in excess of the minimum benefits as  
461 determined by the municipality or special fire control district,  
462 and 50 percent must be placed in a defined contribution plan to  
463 fund special benefits.

464 (c) Additional premium tax revenues not described in  
465 paragraph (b) must be used to fund benefits that are not  
466 included in the minimum benefits. If the additional premium tax  
467 revenues subject to this paragraph exceed the full annual cost  
468 of benefits provided through the plan which are in excess of the  
469 minimum benefits, any amount in excess of the full annual cost  
470 must be used as provided in paragraph (b).

471 (d) Of any accumulations of additional premium tax  
472 revenues which have not been allocated to fund benefits in  
473 excess of the minimum benefits, 50 percent of the amount of the  
474 accumulations must be used to fund special benefits, and 50  
475 percent must be applied to fund any unfunded actuarial  
476 liabilities of the plan; provided that any amount of  
477 accumulations in excess of the amount required to fund the  
478 unfunded actuarial liabilities must be used to fund special

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479 ~~benefits to pay extra benefits to the firefighters included in~~  
480 ~~that pension plan; or~~

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

485 (e) For a plan created after March 1, 2015, 50 percent of  
486 the insurance premium tax revenues must be used to fund defined  
487 benefit plan component benefits, with the remainder used to fund  
488 defined contribution plan component benefits.

489 (f) If a plan offers benefits in excess of the minimum  
490 benefits, such benefits, excluding supplemental plan benefits in  
491 effect as of September 30, 2014, may be reduced if the plan  
492 continues to meet minimum benefits and minimum standards. The  
493 amount of insurance premium tax revenues previously used to fund  
494 benefits in excess of minimum benefits before the reduction,  
495 excluding the amount of any additional premium tax revenues  
496 distributed to a supplemental plan for the 2012 calendar year,  
497 must be used as provided in paragraph (b). However, benefits in  
498 excess of minimum benefits may not be reduced if a plan does not  
499 meet the minimum percentage amount of 2.75 percent of the  
500 average final compensation of a full-time firefighter, as  
501 required by s. 175.162 (2) (a)1., or provides an effective benefit  
502 that is below 2.75 percent as a result of a maximum benefit  
503 limitation as described in s. 175.162 (2) (a)2.

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504 (g) Notwithstanding paragraphs (a)-(f), the use of premium  
505 tax revenues, including any accumulations of additional premium  
506 tax revenues which have not been allocated to fund benefits in  
507 excess of minimum benefits, may deviate from the provisions of  
508 this subsection by mutual consent of the members' collective  
509 bargaining representative or, if there is no representative, by  
510 a majority of the firefighter members of the fund, and by  
511 consent of the municipality or special fire control district,  
512 provided that the plan continues to meet minimum benefits and  
513 minimum standards; however, a plan that operates pursuant to  
514 this paragraph and does not meet minimum benefits as of October  
515 1, 2012, may continue to provide the benefits that do not meet  
516 the minimum benefits at the same level as was provided as of  
517 October 1, 2012, and all other benefit levels must continue to  
518 meet the minimum benefits. Such mutually agreed deviation must  
519 continue until modified or revoked by subsequent mutual consent  
520 of the members' collective bargaining representative or, if  
521 none, by a majority of the firefighter members of the fund, and  
522 the municipality or special fire control district. An existing  
523 arrangement for the use of premium tax revenues contained within  
524 a special act plan or a plan within a supplemental plan  
525 municipality is considered, as of July 1, 2015, to be a  
526 deviation for which mutual consent has been granted.

527 (2) The premium tax provided by this chapter must ~~shall in~~  
528 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~  
529 benefits to firefighters, or to firefighters and police officers

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530 if both are included. ~~However, local law plans in effect on~~  
531 ~~October 1, 1998, must comply with the minimum benefit provisions~~  
532 ~~of this chapter only to the extent that additional premium tax~~  
533 ~~revenues become available to incrementally fund the cost of such~~  
534 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~  
535 ~~compliance with such minimum benefit provisions, as subsequent~~  
536 ~~additional premium tax revenues become available, they must be~~  
537 ~~used to provide extra benefits.~~ Local law plans created by  
538 special act before May 27, 1939, are deemed to comply with this  
539 chapter. ~~For the purpose of this chapter, the term:~~

540 ~~(a) "Additional premium tax revenues" means revenues~~  
541 ~~received by a municipality or special fire control district~~  
542 ~~pursuant to s. 175.121 which exceed that amount received for~~  
543 ~~calendar year 1997.~~

544 ~~(b) "Extra benefits" means benefits in addition to or~~  
545 ~~greater than those provided to general employees of the~~  
546 ~~municipality and in addition to those in existence for~~  
547 ~~firefighters on March 12, 1999.~~

548 (3) A retirement plan or amendment to a retirement plan  
549 may not be proposed for adoption unless the proposed plan or  
550 amendment contains an actuarial estimate of the costs involved.  
551 Such proposed plan or proposed plan change may not be adopted  
552 without the approval of the municipality, special fire control  
553 district, or, where required ~~permitted~~, the Legislature. Copies  
554 of the proposed plan or proposed plan change and the actuarial  
555 impact statement of the proposed plan or proposed plan change

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556 shall be furnished to the division before the last public  
557 hearing on the proposal is held thereon. Such statement must  
558 also indicate whether the proposed plan or proposed plan change  
559 is in compliance with s. 14, Art. X of the State Constitution  
560 and those provisions of part VII of chapter 112 which are not  
561 expressly provided in this chapter. Notwithstanding any other  
562 provision, only those local law plans created by special act of  
563 legislation before May 27, 1939, are deemed to meet ~~the~~ minimum  
564 benefits and minimum standards ~~only in this chapter~~.

565 (4) Notwithstanding any other provision, with respect to  
566 any supplemental plan municipality:

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

570 (b) Section 175.061(1)(b) does not apply, and a local law  
571 plan and a supplemental plan shall continue to be administered  
572 by a board or boards of trustees numbered, constituted, and  
573 selected as the board or boards were numbered, constituted, and  
574 selected on December 1, 2000.

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

577 (5) The retirement plan setting forth the benefits and the  
578 trust agreement, if any, covering the duties and  
579 responsibilities of the trustees and the regulations of the  
580 investment of funds must be in writing, and copies made  
581 available to the participants and to the general public.

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582 (6) In addition to the defined benefit plan component of  
583 the local law plan, each plan sponsor must have a defined  
584 contribution plan component within the local law plan by October  
585 1, 2015, for noncollectively bargained service, upon entering  
586 into a collective bargaining agreement on or after July 1, 2015,  
587 or upon the creation date of a new participating plan. Depending  
588 upon the application of subsection (1), a defined contribution  
589 plan component may or may not receive any funding.

590 (7) Notwithstanding any other provision of this chapter, a  
591 municipality or special fire control district that has  
592 implemented or proposed changes to a local law plan based on the  
593 municipality's or district's reliance on an interpretation of  
594 this chapter by the Department of Management Services on or  
595 after August 14, 2012, and before March 3, 2015, may continue  
596 the implemented changes or continue to implement proposed  
597 changes. Such reliance must be evidenced by a written collective  
598 bargaining proposal or agreement, or formal correspondence  
599 between the municipality or district and the Department of  
600 Management Services which describes the specific changes to the  
601 local law plan, with the initial proposal, agreement, or  
602 correspondence from the municipality or district dated before  
603 March 3, 2015. Changes to the local law plan which are otherwise  
604 contrary to minimum benefits and minimum standards may continue  
605 in effect until the earlier of October 1, 2018, or the effective  
606 date of a collective bargaining agreement that is contrary to  
607 the changes to the local law plan.



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608 Section 8. Subsection (2) of section 185.01, Florida  
609 Statutes, is amended to read:

610 185.01 Legislative declaration.—

611 (2) This chapter hereby establishes, for all municipal  
612 pension plans ~~now or hereinafter~~ provided for under this  
613 chapter, including chapter plans and local law plans, minimum  
614 benefits and minimum standards for the operation and funding of  
615 such plans, hereinafter referred to as municipal police  
616 officers' retirement trust funds, which must be met as  
617 conditions precedent to the plan or plan sponsor receiving a  
618 distribution of insurance premium tax revenues under s. 185.10.

619 ~~The~~ Minimum benefits and minimum standards for each plan ~~set~~  
620 ~~forth in this chapter~~ may not be diminished by local ordinance  
621 or by special act of the Legislature and may not, ~~nor may the~~  
622 ~~minimum benefits or minimum standards~~ be reduced or offset by  
623 any other local, state, or federal plan that includes ~~may~~  
624 ~~include~~ police officers in its operation, except as provided  
625 under s. 112.65.

626 Section 9. Section 185.02, Florida Statutes, is amended to  
627 read:

628 185.02 Definitions.—For any municipality, chapter plan,  
629 local law municipality, or local law plan under this chapter,  
630 the term ~~following words and phrases as used in this chapter~~  
631 ~~shall have the following meanings, unless a different meaning is~~  
632 ~~plainly required by the context:~~

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633        (1) "Additional premium tax revenues" means revenues  
634 received by a municipality pursuant to s. 185.10 which exceed  
635 base premium tax revenues.

636        ~~(2)~~~~(1)~~ "Average final compensation" means one-twelfth of  
637 the average annual compensation of the 5 best years of the last  
638 10 years of creditable service before ~~prior to~~ retirement,  
639 termination, or death.

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

641        (a) For a local law plan in effect on October 1, 2003, the  
642 revenues received by a municipality pursuant to s. 185.10 for  
643 the 2002 calendar year.

644        (b) For a local law plan created between October 1, 2003,  
645 and March 1, 2015, inclusive, the revenues received by a  
646 municipality pursuant to s. 185.10 based upon the tax  
647 collections during the second calendar year of participation.

648        ~~(4)~~~~(2)~~ "Casualty insurance" means automobile public  
649 liability and property damage insurance to be applied at the  
650 place of residence of the owner, or if the subject is a  
651 commercial vehicle, to be applied at the place of business of  
652 the owner; automobile collision insurance; fidelity bonds;  
653 burglary and theft insurance; and plate glass insurance. The  
654 term "multiple peril" means a combination or package policy that  
655 includes both property coverage and casualty coverage for a  
656 single premium.

657        ~~(5)~~~~(3)~~ "Chapter plan" means a separate defined benefit  
658 pension plan for police officers which incorporates by reference

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659 the provisions of this chapter and has been adopted by the  
660 governing body of a municipality as provided in s. 185.08.  
661 Except as ~~may be~~ specifically authorized in this chapter, the  
662 provisions of a chapter plan may not differ from the plan  
663 provisions set forth in ss. 185.01-185.341 and ss. 185.37-  
664 185.39. Actuarial valuations of chapter plans shall be conducted  
665 by the division as provided by s. 185.221(1)(b).

666 (6)(4) "Compensation" or "salary" means, for  
667 noncollectively bargained service earned before July 1, 2011, or  
668 for service earned under collective bargaining agreements in  
669 place before July 1, 2011, the total cash remuneration including  
670 "overtime" paid by the primary employer to a police officer for  
671 services rendered, but not including any payments for extra duty  
672 or special detail work performed on behalf of a second party  
673 employer. Overtime may be limited before July 1, 2011, in a  
674 local law plan by the plan provisions ~~A local law plan may limit~~  
675 ~~the amount of overtime payments which can be used for retirement~~  
676 ~~benefit calculation purposes; however, such overtime limit may~~  
677 ~~not be less than 300 hours per officer per calendar year. For~~  
678 noncollectively bargained service earned on or after July 1,  
679 2011, or for service earned under collective bargaining  
680 agreements entered into on or after July 1, 2011, the term has  
681 the same meaning except that when calculating retirement  
682 benefits, up to 300 hours per year in overtime compensation may  
683 be included as specified in the plan or collective bargaining

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684 agreement, but payments for accrued unused sick or annual leave  
685 may not be included.

686 (a) Any retirement trust fund or plan that meets the  
687 requirements of this chapter does not, solely by virtue of this  
688 subsection, reduce or diminish the monthly retirement income  
689 otherwise payable to each police officer covered by the  
690 retirement trust fund or plan.

691 (b) The member's compensation or salary contributed as  
692 employee-elective salary reductions or deferrals to any salary  
693 reduction, deferred compensation, or tax-sheltered annuity  
694 program authorized under the Internal Revenue Code shall be  
695 deemed to be the compensation or salary the member would receive  
696 if he or she were not participating in such program and shall be  
697 treated as compensation for retirement purposes under this  
698 chapter.

699 (c) For any person who first becomes a member in any plan  
700 year beginning on or after January 1, 1996, compensation for  
701 that plan year may not include any amounts in excess of the  
702 Internal Revenue Code s. 401(a)(17) limitation, as amended by  
703 the Omnibus Budget Reconciliation Act of 1993, which limitation  
704 of \$150,000 shall be adjusted as required by federal law for  
705 qualified government plans and ~~shall be~~ further adjusted for  
706 changes in the cost of living in the manner provided by Internal  
707 Revenue Code s. 401(a)(17)(B). For any person who first became a  
708 member before the first plan year beginning on or after January  
709 1, 1996, the limitation on compensation may not be less than the

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710 maximum compensation amount that was allowed to be taken into  
711 account under the plan ~~as~~ in effect on July 1, 1993, which  
712 limitation shall be adjusted for changes in the cost of living  
713 since 1989 in the manner provided by Internal Revenue Code s.  
714 401(a)(17)(1991).

715 ~~(7)(5)~~ "Creditable service" or "credited service" means  
716 the aggregate number of years of service and fractional parts of  
717 years of service of any police officer, omitting intervening  
718 years and fractional parts of years when such police officer may  
719 not have been employed by the municipality subject to the  
720 following conditions:

721 (a) A ~~No~~ police officer may not ~~will~~ receive credit for  
722 years or fractional parts of years of service if he or she has  
723 withdrawn his or her contributions to the fund for those years  
724 or fractional parts of years of service, unless the police  
725 officer repays into the fund the amount he or she has withdrawn,  
726 plus interest as determined by the board. The member has ~~shall~~  
727 ~~have~~ at least 90 days after his or her reemployment to make  
728 repayment.

729 (b) A police officer may voluntarily leave his or her  
730 contributions in the fund for ~~a period of~~ 5 years after leaving  
731 the employ of the police department, pending the possibility of  
732 his or her being rehired by the same department, without losing  
733 credit for the time he or she has participated actively as a  
734 police officer. If he or she is not reemployed as a police

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735 officer with the same department within 5 years, his or her  
736 contributions shall be returned ~~to him or her~~ without interest.

737 (c) Credited service under this chapter shall be provided  
738 only for service as a police officer, ~~as defined in subsection~~  
739 ~~(11)~~, or for military service and may not include credit for any  
740 other type of service. A municipality ~~may~~, by local ordinance,  
741 may provide for the purchase of credit for military service  
742 occurring before employment as well as prior service as a police  
743 officer for some other employer as long as the police officer is  
744 not entitled to receive a benefit for such ~~other~~ prior service  
745 ~~as a police officer~~. For purposes of determining credit for  
746 prior service, in addition to service as a police officer in  
747 this state, credit may be given for federal, other state, or  
748 county service as long as such service is recognized by the  
749 Criminal Justice Standards and Training Commission within the  
750 Department of Law Enforcement as provided in ~~under~~ chapter 943  
751 or the police officer provides proof to the board of trustees  
752 that such service is equivalent to the service required to meet  
753 the definition of a police officer ~~under subsection (11)~~.

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

758 1. The police officer is in the active employ of the  
759 municipality before ~~prior to~~ such service and leaves a position,

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760 other than a temporary position, for the purpose of voluntary or  
761 involuntary service in the Armed Forces of the United States.

762 2. The police officer is entitled to reemployment under  
763 ~~the provisions of~~ the Uniformed Services Employment and  
764 Reemployment Rights Act.

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

768 ~~(8)(6)~~ "Deferred Retirement Option Plan" or "DROP" means a  
769 local law plan retirement option in which a police officer may  
770 elect to participate. A police officer may retire for all  
771 purposes of the plan and defer receipt of retirement benefits  
772 into a DROP account while continuing employment with his or her  
773 employer. However, a police officer who enters the DROP and who  
774 is otherwise eligible to participate may ~~shall~~ not ~~thereby~~ be  
775 precluded from participation or continued participation  
776 ~~participating, or continuing to participate,~~ in a supplemental  
777 plan in existence on, or created after, March 12, 1999 ~~the~~  
778 ~~effective date of this act.~~

779 (9) "Defined contribution plan" means the component of a  
780 local law plan, as provided in s. 185.35(1), to which deposits,  
781 if any, are made to provide benefits for police officers, or for  
782 police officers and firefighters if both are included. Such  
783 component is an element of a local law plan and exists in  
784 conjunction with the defined benefit component that meets  
785 minimum benefits and minimum standards. The retirement benefits,

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786 if any, of the defined contribution plan shall be provided  
787 through individual member accounts in accordance with the  
788 applicable provisions of the Internal Revenue Code and related  
789 regulations and are limited to the contributions, if any, made  
790 into each member's account and the actual accumulated earnings,  
791 net of expenses, earned on the member's account.

792 (10)-(7) "Division" means the Division of Retirement of the  
793 Department of Management Services.

794 (11)-(8) "Enrolled actuary" means an actuary who is  
795 enrolled under Subtitle C of Title III of the Employee  
796 Retirement Income Security Act of 1974 and who is a member of  
797 the Society of Actuaries or the American Academy of Actuaries.

798 (12)-(9) "Local law municipality" means ~~is~~ any municipality  
799 in which ~~there exists~~ a local law plan exists.

800 (13)-(10) "Local law plan" means a retirement defined  
801 benefit pension plan that includes both a defined benefit plan  
802 component and a defined contribution plan component for police  
803 officers, or for police officers and firefighters if both are  
804 ~~where~~ included, as described in s. 185.35, established by  
805 municipal ordinance or special act of the Legislature, which  
806 ~~enactment~~ sets forth all plan provisions. Local law plan  
807 provisions may vary from the provisions of this chapter if  
808 ~~provided that required~~ minimum benefits and minimum standards  
809 are met. However, any such variance must ~~shall~~ provide a greater  
810 benefit for police officers. Actuarial valuations of local law



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811 plans shall be conducted by an enrolled actuary as provided in  
812 s. 185.221(2)(b).

813 (14) "Minimum benefits" means the benefits specified in  
814 ss. 185.01-185.341 and ss. 185.37-185.50.

815 (15) "Minimum standards" means the standards specified in  
816 ss. 185.01-185.50.

817 (16)~~(11)~~ "Police officer" means any person who is elected,  
818 appointed, or employed full time by a ~~any~~ municipality, who is  
819 certified or required to be certified as a law enforcement  
820 officer in compliance with s. 943.1395, who is vested with  
821 authority to bear arms and make arrests, and whose primary  
822 responsibility is the prevention and detection of crime or the  
823 enforcement of the penal, criminal, traffic, or highway laws of  
824 the state. The term ~~This definition~~ includes all certified  
825 supervisory and command personnel whose duties include, in whole  
826 or in part, the supervision, training, guidance, and management  
827 responsibilities of full-time law enforcement officers, part-  
828 time law enforcement officers, or auxiliary law enforcement  
829 officers, but does not include part-time law enforcement  
830 officers or auxiliary law enforcement officers as those terms  
831 ~~the same~~ are defined in s. 943.10~~(6) and (8)~~, respectively. For  
832 the purposes of this chapter only, the term also includes  
833 ~~"police officer" also shall include~~ a public safety officer who  
834 is responsible for performing both police and fire services. Any  
835 plan may provide that the police chief shall have an option to  
836 participate, ~~or not,~~ in that plan.

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837 ~~(17)-(12)~~ "Police Officers' Retirement Trust Fund" means a  
838 trust fund, by whatever name known, as provided under s. 185.03  
839 for the purpose of assisting municipalities in establishing and  
840 maintaining a retirement plan for police officers.

841 ~~(18)-(13)~~ "Retiree" or "retired police officer" means a  
842 police officer who has entered retirement status. For the  
843 purposes of a plan that includes a Deferred Retirement Option  
844 Plan (DROP), a police officer who enters the DROP is ~~shall be~~  
845 considered a retiree for all purposes of the plan. However, a  
846 police officer who enters the DROP and who is otherwise eligible  
847 to participate may ~~shall~~ not ~~thereby~~ be precluded from  
848 participation or continued participation ~~participating, or~~  
849 ~~continuing to participate,~~ in a supplemental plan in existence  
850 on, or created after, March 12, 1999 ~~the effective date of this~~  
851 ~~act.~~

852 ~~(19)-(14)~~ "Retirement" means a police officer's separation  
853 from municipal ~~city~~ employment as a police officer with  
854 immediate eligibility for ~~receipt of~~ benefits under the plan.  
855 For purposes of a plan that includes a Deferred Retirement  
856 Option Plan (DROP), "retirement" means the date a police officer  
857 enters the DROP.

858 ~~(20)~~ "Special act plan" means a plan subject to the  
859 provisions of this chapter which was created by an act of the  
860 Legislature and continues to require an act of the Legislature  
861 to alter plan benefits.

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862 (21) "Special benefits" means benefits provided in a  
863 defined contribution plan component for police officers.

864 ~~(22)-(15)~~ "Supplemental plan" means a plan to which  
865 deposits of the premium tax moneys as provided in s. 185.08 are  
866 made to provide special ~~extra~~ benefits to police officers, or  
867 police officers and firefighters if both are ~~where~~ included,  
868 ~~under this chapter~~. Such a plan is an element of a local law  
869 plan and exists in conjunction with a defined benefit plan  
870 component that meets the minimum benefits and minimum standards  
871 of this chapter. Any supplemental plan in existence on March 1,  
872 2015, shall be deemed to be a defined contribution plan in  
873 compliance with s. 185.35(6).

874 ~~(23)-(16)~~ "Supplemental plan municipality" means a any  
875 local law municipality in which any ~~there existed a~~ supplemental  
876 plan existed as of December 1, 2000.

877 Section 10. Subsection (8) is added to section 185.05,  
878 Florida Statutes, to read:

879 185.05 Board of trustees; members; terms of office;  
880 meetings; legal entity; costs; attorney's fees.—For any  
881 municipality, chapter plan, local law municipality, or local law  
882 plan under this chapter:

883 (8) (a) The board of trustees shall:

884 1. Provide a detailed accounting report of its expenses  
885 for each fiscal year to the plan sponsor and the Department of  
886 Management Services and make the report available to each member  
887 of the plan and post the report on the board's website, if the

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888 board has a website. The report must include all administrative  
889 expenses that, for purposes of this subsection, are expenses  
890 relating to any legal counsel, actuary, plan administrator, and  
891 all other consultants, and all travel and other expenses paid to  
892 or on behalf of the members of the board of trustees or anyone  
893 else on behalf of the plan.

894 2. Operate under an administrative expense budget for each  
895 fiscal year, provide a copy of the budget to the plan sponsor,  
896 and make available a copy of the budget to plan members before  
897 the beginning of the fiscal year. If the board of trustees  
898 amends the administrative expense budget, the board must provide  
899 a copy of the amended budget to the plan sponsor and make  
900 available a copy of the amended budget to plan members.

901 (b) Notwithstanding s. 185.35(2) and (3), a local law plan  
902 created by special act before May 27, 1939, must comply with the  
903 provisions of this subsection.

904 Section 11. Subsection (6) of section 185.06, Florida  
905 Statutes, is amended to read:

906 185.06 General powers and duties of board of trustees.—For  
907 any municipality, chapter plan, local law municipality, or local  
908 law plan under this chapter:

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

911 (a) Employ independent legal counsel at the pension fund's  
912 expense.

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

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

918  
919 If the board chooses to use the municipality's or special  
920 district's legal counsel or actuary, or chooses to use any of  
921 the municipality's other professional, technical, or other  
922 advisers, it must do so only under terms and conditions  
923 acceptable to the board.

924 Section 12. Paragraph (d) of subsection (1) of section  
925 185.07, Florida Statutes, is amended to read:

926 185.07 Creation and maintenance of fund.—For any  
927 municipality, chapter plan, local law municipality, or local law  
928 plan under this chapter:

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

932 (d) By payment by the municipality or other sources of a  
933 sum equal to the normal cost and the amount required to fund any  
934 actuarial deficiency shown by an actuarial valuation conducted  
935 under as provided in part VII of chapter 112 after taking into  
936 account the amounts described in paragraphs (b), (c), (e), (f),  
937 and (g) and the tax proceeds described in paragraph (a) which

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938 are used to fund benefits provided in a defined benefit plan  
939 component.

940

941 Nothing in this section shall be construed to require adjustment  
942 of member contribution rates in effect on the date this act  
943 becomes a law, including rates that exceed 5 percent of salary,  
944 provided that such rates are at least one-half of 1 percent of  
945 salary.

946 Section 13. Subsection (2) of section 185.16, Florida  
947 Statutes, is amended to read:

948 185.16 Requirements for retirement.—For any municipality,  
949 chapter plan, local law municipality, or local law plan under  
950 this chapter, any police officer who completes 10 or more years  
951 of creditable service as a police officer and attains age 55, or  
952 completes 25 years of creditable service as a police officer and  
953 attains age 52, and for such period has been a member of the  
954 retirement fund is eligible for normal retirement benefits.

955 Normal retirement under the plan is retirement from the service  
956 of the city on or after the normal retirement date. In such  
957 event, for chapter plans and local law plans, payment of  
958 retirement income will be governed by the following provisions  
959 of this section:

960 (2) (a) The amount of the monthly retirement income payable  
961 to a police officer who retires on or after his or her normal  
962 retirement date shall be an amount equal to the number of the  
963 police officer's years of credited service multiplied by 2.75 ~~2~~

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964 percent of his or her average final compensation. ~~However, if~~  
965 ~~current state contributions pursuant to this chapter are not~~  
966 ~~adequate to fund the additional benefits to meet the minimum~~  
967 ~~requirements in this chapter, only increment increases shall be~~  
968 ~~required as state moneys are adequate to provide. Such~~  
969 ~~increments shall be provided as state moneys become available.~~

970 (b) Effective July 1, 2015, a plan that is in compliance  
971 with this chapter except that the plan provides a benefit that  
972 is less than 2.75 percent of the average final compensation of a  
973 police officer for all years of credited service or provides an  
974 effective benefit that is less than 2.75 percent as a result of  
975 a maximum benefit limitation:

976 1. Must maintain, at a minimum, the percentage amount or  
977 maximum benefit limitation in effect on July 1, 2015, and is not  
978 required to increase the benefit to 2.75 percent of the average  
979 final compensation of a police officer for all years of credited  
980 service; or

981 2. If the plan changes the percentage amount or maximum  
982 benefit limitation to 2.75 percent, or more, of the average  
983 final compensation of a police officer for all years of credited  
984 service, the plan may not thereafter decrease the percentage  
985 amount or the maximum benefit limitation to less than 2.75  
986 percent of the average final compensation of a police officer  
987 for all years of credited service.

988 Section 14. Section 185.35, Florida Statutes, is amended  
989 to read:

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990           185.35 Municipalities that have ~~having~~ their own  
991 retirement pension plans for police officers. ~~For any~~  
992 ~~municipality, chapter plan, local law municipality, or local law~~  
993 ~~plan under this chapter,~~ In order for a municipality that has  
994 its municipalities with their own retirement plan pension plans  
995 for police officers, or for police officers and firefighters if  
996 both are included, to participate in the distribution of the tax  
997 fund established under ~~pursuant to~~ s. 185.08, a local law plan  
998 ~~plans~~ must meet ~~the~~ minimum benefits and minimum standards,  
999 except as provided in the mutual consent provisions in paragraph  
1000 (1) (g) with respect to the minimum benefits not met as of  
1001 October 1, 2012. set forth in this chapter:

1002           (1) If a municipality has a retirement pension plan for  
1003 police officers, or for police officers and firefighters if both  
1004 are included, which, in the opinion of the division, meets ~~the~~  
1005 minimum benefits and minimum standards ~~set forth in this~~  
1006 ~~chapter,~~ the board of trustees of the retirement pension plan  
1007 ~~must, as approved by a majority of police officers of the~~  
1008 ~~municipality, may:~~

1009           ~~(a)~~ place the income from the premium tax in s. 185.08 in  
1010 such pension plan for the sole and exclusive use of its police  
1011 officers, or its police officers and firefighters if both are  
1012 included, where it shall become an integral part of that pension  
1013 plan and ~~shall~~ be used to fund benefits as provided herein.  
1014 Effective October 1, 2015, for noncollectively bargained service



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1015 or upon entering into a collective bargaining agreement on or  
1016 after July 1, 2015:

1017 (a) The base premium tax revenues must be used to fund  
1018 minimum benefits or other retirement benefits in excess of the  
1019 minimum benefits as determined by the municipality.

1020 (b) Of the additional premium tax revenues received that  
1021 are in excess of the amount received for the 2012 calendar year,  
1022 50 percent must be used to fund minimum benefits or other  
1023 retirement benefits in excess of the minimum benefits as  
1024 determined by the municipality, and 50 percent must be placed in  
1025 a defined contribution plan component to fund special benefits.

1026 (c) Additional premium tax revenues not described in  
1027 paragraph (b) must be used to fund benefits that are not  
1028 included in the minimum benefits. If the additional premium tax  
1029 revenues subject to this paragraph exceed the full annual cost  
1030 of benefits provided through the plan which are in excess of the  
1031 minimum benefits, any amount in excess of the full annual cost  
1032 must be used as provided in paragraph (b).

1033 (d) Of any accumulations of additional premium tax  
1034 revenues which have not been allocated to fund benefits in  
1035 excess of the minimum benefits, 50 percent of the amount of the  
1036 accumulations must be used to fund special benefits and 50  
1037 percent must be applied to fund any unfunded actuarial  
1038 liabilities of the plan; provided that any amount of  
1039 accumulations in excess of the amount required to fund the  
1040 unfunded actuarial liabilities must be used to fund special

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1041 ~~benefits pay extra benefits to the police officers included in~~  
1042 ~~that pension plan; or~~

1043 ~~(b) May place the income from the premium tax in s. 185.08~~  
1044 ~~in a separate supplemental plan to pay extra benefits to the~~  
1045 ~~police officers, or police officers and firefighters if~~  
1046 ~~included, participating in such separate supplemental plan.~~

1047 (e) For a plan created after March 1, 2015, 50 percent of  
1048 the insurance premium tax revenues must be used to fund defined  
1049 benefit plan component benefits, with the remainder used to fund  
1050 defined contribution plan component benefits.

1051 (f) If a plan offers benefits in excess of the minimum  
1052 benefits, such benefits, excluding supplemental plan benefits in  
1053 effect as of September 30, 2014, may be reduced if the plan  
1054 continues to meet minimum benefits and the minimum standards.  
1055 The amount of insurance premium tax revenues previously used to  
1056 fund benefits in excess of the minimum benefits before the  
1057 reduction, excluding the amount of any additional premium tax  
1058 revenues distributed to a supplemental plan for the 2012  
1059 calendar year, must be used as provided in paragraph (b).  
1060 However, benefits in excess of the minimum benefits may not be  
1061 reduced if a plan does not meet the minimum percentage amount of  
1062 2.75 percent of the average final compensation of a police  
1063 officer or provides an effective benefit that is less than 2.75  
1064 percent as a result of a maximum benefit limitation, as  
1065 described in s. 185.16(2)(b).

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1066 (g) Notwithstanding paragraphs (a)-(f), the use of premium  
1067 tax revenues, including any accumulations of additional premium  
1068 tax revenues which have not been allocated to fund benefits in  
1069 excess of the minimum benefits, may deviate from the provisions  
1070 of this subsection by mutual consent of the members' collective  
1071 bargaining representative or, if none, by a majority of the  
1072 police officer members of the fund, and by consent of the  
1073 municipality, provided that the plan continues to meet minimum  
1074 benefits and minimum standards; however, a plan that operates  
1075 pursuant to this paragraph and does not meet the minimum  
1076 benefits as of October 1, 2012, may continue to provide the  
1077 benefits that do not meet the minimum benefits at the same level  
1078 as was provided as of October 1, 2012, and all other benefit  
1079 levels must continue to meet the minimum benefits. Such mutually  
1080 agreed deviation must continue until modified or revoked by  
1081 subsequent mutual consent of the members' collective bargaining  
1082 representative or, if none, by a majority of the police officer  
1083 members of the fund, and the municipality. An existing  
1084 arrangement for the use of premium tax revenues contained within  
1085 a special act plan or a plan within a supplemental plan  
1086 municipality is considered, as of July 1, 2015, to be a  
1087 deviation for which mutual consent has been granted.

1088 (2) The premium tax provided by this chapter ~~must~~ ~~shall in~~  
1089 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~  
1090 benefits to police officers, or to police officers and  
1091 firefighters if both are included. ~~However, local law plans in~~

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1092 ~~effect on October 1, 1998, must comply with the minimum benefit~~  
1093 ~~provisions of this chapter only to the extent that additional~~  
1094 ~~premium tax revenues become available to incrementally fund the~~  
1095 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~  
1096 ~~is in compliance with such minimum benefit provisions, as~~  
1097 ~~subsequent additional tax revenues become available, they shall~~  
1098 ~~be used to provide extra benefits.~~ Local law plans created by  
1099 special act before May 27, 1939, shall be deemed to comply with  
1100 this chapter. For the purpose of this chapter, the term:

1101 ~~(a) "Additional premium tax revenues" means revenues~~  
1102 ~~received by a municipality pursuant to s. 185.10 which exceed~~  
1103 ~~the amount received for calendar year 1997.~~

1104 ~~(b) "Extra benefits" means benefits in addition to or~~  
1105 ~~greater than those provided to general employees of the~~  
1106 ~~municipality and in addition to those in existence for police~~  
1107 ~~officers on March 12, 1999.~~

1108 (3) A retirement plan or amendment to a retirement plan  
1109 may not be proposed for adoption unless the proposed plan or  
1110 amendment contains an actuarial estimate of the costs involved.  
1111 Such proposed plan or proposed plan change may not be adopted  
1112 without the approval of the municipality or, where required  
1113 ~~permitted~~, the Legislature. Copies of the proposed plan or  
1114 proposed plan change and the actuarial impact statement of the  
1115 proposed plan or proposed plan change shall be furnished to the  
1116 division before the last public hearing on the proposal is held  
1117 ~~thereon~~. Such statement must also indicate whether the proposed

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1118 plan or proposed plan change is in compliance with s. 14, Art. X  
1119 of the State Constitution and those provisions of part VII of  
1120 chapter 112 which are not expressly provided in this chapter.  
1121 Notwithstanding any other provision, only those local law plans  
1122 created by special act of legislation before May 27, 1939, are  
1123 deemed to meet the minimum benefits and minimum standards only  
1124 in this chapter.

1125 (4) Notwithstanding any other provision, with respect to  
1126 any supplemental plan municipality:

1127 (a) Section 185.02(6)(a) ~~185.02(4)(a)~~ does not apply, and  
1128 a local law plan and a supplemental plan may continue to use  
1129 their definition of compensation or salary in existence on March  
1130 12, 1999.

1131 (b) A local law plan and a supplemental plan must continue  
1132 to be administered by a board or boards of trustees numbered,  
1133 constituted, and selected as the board or boards were numbered,  
1134 constituted, and selected on December 1, 2000.

1135 ~~(c) The election set forth in paragraph (1)(b) is deemed~~  
1136 ~~to have been made.~~

1137 (5) The retirement plan setting forth the benefits and the  
1138 trust agreement, if any, covering the duties and  
1139 responsibilities of the trustees and the regulations of the  
1140 investment of funds must be in writing and copies made available  
1141 to the participants and to the general public.

1142 (6) In addition to the defined benefit component of the  
1143 local law plan, each plan sponsor must have a defined

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1144 contribution plan component within the local law plan by October  
1145 1, 2015, for noncollectively bargained service, upon entering  
1146 into a collective bargaining agreement on or after July 1, 2015,  
1147 or upon the creation date of a new participating plan. Depending  
1148 upon the application of subsection (1), a defined contribution  
1149 component may or may not receive any funding.

1150 (7) Notwithstanding any other provision of this chapter, a  
1151 municipality that has implemented or proposed changes to a local  
1152 law plan based on the municipality's reliance on an  
1153 interpretation of this chapter by the Department of Management  
1154 Services on or after August 14, 2012, and before March 3, 2015,  
1155 may continue the implemented changes or continue to implement  
1156 proposed changes. Such reliance must be evidenced by a written  
1157 collective bargaining proposal or agreement, or formal  
1158 correspondence between the municipality and the Department of  
1159 Management Services which describes the specific changes to the  
1160 local law plan, with the initial proposal, agreement, or  
1161 correspondence from the municipality dated before March 3, 2015.  
1162 Changes to the local law plan which are otherwise contrary to  
1163 minimum benefits and minimum standards may continue in effect  
1164 until the earlier of October 1, 2018, or the effective date of a  
1165 collective bargaining agreement that is contrary to the changes  
1166 to the local law plan.

1167 Section 15. The Legislature finds that a proper and  
1168 legitimate state purpose is served when employees and retirees  
1169 of this state and its political subdivisions, and the

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1170 dependents, survivors, and beneficiaries of such employees and  
1171 retirees, are extended the basic protections afforded by  
1172 governmental retirement systems that provide fair and adequate  
1173 benefits and that are managed, administered, and funded in an  
1174 actuarially sound manner as required under s. 14, Article X of  
1175 the State Constitution and part VII of chapter 112, Florida  
1176 Statutes. Therefore, the Legislature determines and declares  
1177 that this act fulfills an important state interest.

1178 Section 16. This act shall take effect July 1, 2015.

1179  
1180 -----

1181 **T I T L E A M E N D M E N T**

1182 Remove everything before the enacting clause and insert:

1183 An act relating to local government pension reform;  
1184 amending s. 175.021, F.S.; requiring that firefighter  
1185 pension plans meet the requirements of ch. 175, F.S.,  
1186 in order to receive certain insurance premium tax  
1187 revenues; amending s. 175.032, F.S.; revising  
1188 definitions to conform to changes made by the act and  
1189 providing new definitions; amending s. 175.061, F.S.;  
1190 requiring the board of trustees of the firefighters'  
1191 pension trust fund to provide a detailed accounting  
1192 report of its expenses and to make the report  
1193 available; requiring the board to operate under an  
1194 administrative expense budget; providing  
1195 applicability; amending s. 175.071, F.S.; conforming a

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 341 (2015)

Amendment No.

1196 cross-reference; amending s. 175.091, F.S.; revising  
1197 the method of creating and maintaining a firefighters'  
1198 pension trust fund; amending s. 175.162, F.S.;  
1199 deleting a provision basing the availability of  
1200 additional benefits in a firefighter pension plan upon  
1201 state funding; revising the calculation of monthly  
1202 retirement income for a full-time firefighter;  
1203 specifying the minimum benefits that must be  
1204 maintained by certain firefighter pension plans after  
1205 a specified date; amending s. 175.351, F.S.; exempting  
1206 certain firefighter pension plans of a municipality or  
1207 special fire control district from meeting certain  
1208 minimum benefits in order to participate in the  
1209 distribution of a premium tax; redesignating the term  
1210 "pension plan" as "retirement plan"; revising criteria  
1211 governing the use of revenues of the premium tax;  
1212 authorizing a pension plan to reduce certain excess  
1213 benefits if the plan continues to meet certain minimum  
1214 benefits and standards; providing that the use of  
1215 premium tax revenues may deviate from the requirements  
1216 of ch. 175, F.S., under certain circumstances;  
1217 revising the conditions for proposing the adoption of  
1218 a pension plan or an amendment to a pension plan;  
1219 requiring plan sponsors to have a defined contribution  
1220 plan component in place by a certain date; authorizing  
1221 a municipality or special fire control district to

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Bill No. CS/HB 341 (2015)

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1222 implement certain changes to a local law plan which  
1223 are contrary to ch. 175, F.S., for a limited time,  
1224 under certain circumstances; amending s. 185.01, F.S.;  
1225 requiring that police officer pension plans meet the  
1226 requirements of ch. 185, F.S., in order to receive  
1227 certain insurance premium tax revenues; amending s.  
1228 185.02, F.S.; revising definitions to conform to  
1229 changes made by the act and providing new definitions;  
1230 revising applicability of the limitation on the amount  
1231 of overtime payments which may be used for pension  
1232 benefit calculations; amending s. 185.05, F.S.;  
1233 requiring the board of trustees of the municipal  
1234 police officers' retirement trust fund to provide a  
1235 detailed accounting report of its expenses and to make  
1236 the report available; requiring the board to operate  
1237 under an administrative expense budget; providing  
1238 applicability; amending s. 185.06, F.S.; conforming a  
1239 cross-reference; amending s. 185.07, F.S.; revising  
1240 the method of creating and maintaining a police  
1241 officers' retirement trust fund; amending s. 185.16,  
1242 F.S.; deleting a provision basing the availability of  
1243 additional benefits in a police officer pension plan  
1244 upon state funding; revising the calculation of  
1245 monthly retirement income for a police officer;  
1246 specifying the minimum benefits that must be  
1247 maintained by certain police officer pension plans

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 341 (2015)

Amendment No.

1248 after a specified date; amending s. 185.35, F.S.;

1249 exempting certain municipal police officer pension

1250 plans from meeting certain minimum benefits in order

1251 to participate in the distribution of a premium tax;

1252 redesignating the term "pension plan" as "retirement

1253 plan"; revising criteria governing the use of revenues

1254 from the premium tax; authorizing a plan to reduce

1255 certain excess benefits if the plan continues to meet

1256 certain minimum benefits and minimum standards;

1257 providing that the use of premium tax revenues may

1258 deviate from the requirements of ch. 185, F.S., under

1259 specified circumstances; revising the conditions for

1260 proposing the adoption of a pension plan or amendment

1261 to a pension plan; conforming a cross-reference;

1262 requiring plan sponsors to have a defined contribution

1263 plan component in place by a certain date; authorizing

1264 a municipality to implement certain changes to a local

1265 law plan which are contrary to ch. 185, F.S., for a

1266 limited time; providing a declaration of important

1267 state interest; providing an effective date.