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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/03/2017	.	
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The Committee on Governmental Oversight and Accountability
(Mayfield) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Paragraph (b) of subsection (13) of section
121.091, Florida Statutes, is amended to read:

121.091 Benefits payable under the system.—Benefits may not
be paid under this section unless the member has terminated
employment as provided in s. 121.021(39) (a) or begun
participation in the Deferred Retirement Option Program as



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11 provided in subsection (13), and a proper application has been
12 filed in the manner prescribed by the department. The department
13 may cancel an application for retirement benefits when the
14 member or beneficiary fails to timely provide the information
15 and documents required by this chapter and the department's
16 rules. The department shall adopt rules establishing procedures
17 for application for retirement benefits and for the cancellation
18 of such application when the required information or documents
19 are not received.

20 (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and
21 subject to this section, the Deferred Retirement Option Program,
22 hereinafter referred to as DROP, is a program under which an
23 eligible member of the Florida Retirement System may elect to
24 participate, deferring receipt of retirement benefits while
25 continuing employment with his or her Florida Retirement System
26 employer. The deferred monthly benefits shall accrue in the
27 Florida Retirement System on behalf of the member, plus interest
28 compounded monthly, for the specified period of the DROP
29 participation, as provided in paragraph (c). Upon termination of
30 employment, the member shall receive the total DROP benefits and
31 begin to receive the previously determined normal retirement
32 benefits. Participation in the DROP does not guarantee
33 employment for the specified period of DROP. Participation in
34 DROP by an eligible member beyond the initial 60-month period as
35 authorized in this subsection shall be on an annual contractual
36 basis for all participants.

37 (b) *Participation in DROP.*—

38 1.a. An eligible member may elect to participate in DROP
39 for a period not to exceed a maximum of 60 calendar months.



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40 However, members who are instructional personnel employed by the
41 Florida School for the Deaf and the Blind and authorized by the
42 Board of Trustees of the Florida School for the Deaf and the
43 Blind, who are instructional personnel as defined in s.
44 1012.01(2)(a)-(d) in grades K-12 and authorized by the district
45 school superintendent, or who are instructional personnel as
46 defined in s. 1012.01(2)(a) employed by a developmental research
47 school and authorized by the school's director, or if the school
48 has no director, by the school's principal, may participate in
49 DROP for up to 36 calendar months beyond the 60-month period.

50 b. For instructional personnel and administrative personnel
51 in grades K-12, as defined in s. 1012.01(2)(a)-(d) and (3),
52 respectively, who enter DROP before July 1, 2017, the member may
53 continue to participate in DROP until the last day of the last
54 calendar month of the school year in which his or her
55 termination date occurs, notwithstanding the limitations on the
56 length of participation established in this subsection and the
57 termination date designated pursuant to sub-subparagraph 2.b.,
58 if a date other than the last day of the last calendar month of
59 the school year is designated. The employer shall notify the
60 division of the change in termination date and the additional
61 period of DROP participation for each affected member. For
62 instructional personnel and administrative personnel in grades
63 K-12, as defined in s. 1012.01(2)(a)-(d) and (3), respectively,
64 who enter DROP on or after July 1, 2017, the member's
65 termination date shall be the last day of the last calendar
66 month of the school year in which his or her termination date
67 would otherwise occur in accordance with the limitations on the
68 length of participation established in this subsection.



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69 2. Upon deciding to participate in DROP, the member shall
70 submit, on forms required by the division:
71 a. A written election to participate in DROP;
72 b. Selection of DROP participation and termination dates
73 that satisfy the limitations stated in paragraph (a) and
74 subparagraph 1. The termination date must be in a binding letter
75 of resignation to the employer establishing a deferred
76 termination date. The member may change the termination date
77 within the limitations of subparagraph 1., but only with the
78 written approval of the employer;
79 c. A properly completed DROP application for service
80 retirement as provided in this section; and
81 d. Any other information required by the division.
82 3. The DROP participant is a retiree under the Florida
83 Retirement System for all purposes, except for paragraph (5)(f)
84 and subsection (9) and ss. 112.3173, 112.363, 121.053, and
85 121.122. DROP participation is final and may not be canceled by
86 the participant after the first payment is credited during the
87 DROP participation period. However, participation in DROP does
88 not alter the participant's employment status, and the member is
89 not deemed retired from employment until his or her deferred
90 resignation is effective and termination occurs as defined in s.
91 121.021.
92 4. Elected officers are eligible to participate in DROP
93 subject to the following:
94 a. An elected officer who reaches normal retirement date
95 during a term of office may defer the election to participate
96 until the next succeeding term in that office. An elected
97 officer who exercises this option may participate in DROP for up



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98 to 60 calendar months or no longer than the succeeding term of
99 office, whichever is less.

100 b. An elected or a nonelected participant may run for a
101 term of office while participating in DROP and, if elected,
102 extend the DROP termination date accordingly; however, if such
103 additional term of office exceeds the 60-month limitation
104 established in subparagraph 1., and the officer does not resign
105 from office within such 60-month limitation, the retirement and
106 the participant's DROP is null and void as provided in sub-
107 subparagraph (c)5.d.

108 c. An elected officer who is dually employed and elects to
109 participate in DROP must terminate all employment relationships
110 as provided in s. 121.021(39) for the nonelected position within
111 the original 60-month period or maximum participation period as
112 provided in subparagraph 1. For DROP participation ending:

113 (I) Before July 1, 2010, the officer may continue
114 employment as an elected officer as provided in s. 121.053. The
115 elected officer shall be enrolled as a renewed member in the
116 Elected Officers' Class or the Regular Class, as provided in ss.
117 121.053 and 121.122, on the first day of the month after
118 termination of employment in the nonelected position and
119 termination of DROP. Distribution of the DROP benefits shall be
120 made as provided in paragraph (c).

121 (II) On or after July 1, 2010, the officer may continue
122 employment as an elected officer but must defer termination as
123 provided in s. 121.053.

124 Section 2. The Legislature finds that a proper and
125 legitimate state purpose is served when employees and retirees
126 of the state and its political subdivisions, and the dependents,



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127 survivors, and beneficiaries of such employees and retirees, are
128 extended the basic protections afforded by governmental
129 retirement systems. These persons must be provided benefits that
130 are fair and adequate and that are managed, administered, and
131 funded in an actuarially sound manner, as required by s. 14,
132 Article X of the State Constitution and part VII of chapter 112,
133 Florida Statutes. Therefore, the Legislature determines and
134 declares that this act fulfills an important state interest.

135 Section 3. This act shall take effect July 1, 2017.

136

137 ===== T I T L E A M E N D M E N T =====

138 And the title is amended as follows:

139 Delete everything before the enacting clause
140 and insert:

141 A bill to be entitled
142 An act relating to retirement of instructional
143 personnel and administrative personnel; amending s.
144 121.091, F.S.; revising limitations on the maximum
145 length of participation in the Deferred Retirement
146 Option Program for certain instructional personnel and
147 administrative personnel; requiring an employer to
148 notify the Division of Retirement of the Department of
149 Management Services regarding any change in
150 termination date and program participation for each
151 affected member; providing a statement of important
152 state interest; providing an effective date.