

1 A bill to be entitled
2 An act relating to retirement of instructional
3 personnel and administrative personnel; amending s.
4 121.091, F.S.; revising limitations on the maximum
5 length of participation in the Deferred Retirement
6 Option Program for certain instructional personnel and
7 administrative personnel; requiring an employer to
8 notify the Division of Retirement of the Department of
9 Management Services regarding any change in
10 termination date and program participation for each
11 affected member; providing a statement of important
12 state interest; providing an effective date.

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14 Be It Enacted by the Legislature of the State of Florida:

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16 Section 1. Paragraph (b) of subsection (13) of section
17 121.091, Florida Statutes, is amended to read:

18 121.091 Benefits payable under the system.—Benefits may
19 not be paid under this section unless the member has terminated
20 employment as provided in s. 121.021(39) (a) or begun
21 participation in the Deferred Retirement Option Program as
22 provided in subsection (13), and a proper application has been
23 filed in the manner prescribed by the department. The department
24 may cancel an application for retirement benefits when the
25 member or beneficiary fails to timely provide the information

26 | and documents required by this chapter and the department's
27 | rules. The department shall adopt rules establishing procedures
28 | for application for retirement benefits and for the cancellation
29 | of such application when the required information or documents
30 | are not received.

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

48 | (b) *Participation in DROP.*—Except as provided in this
49 | paragraph, an eligible member may elect to participate in DROP
50 | for a period not to exceed a maximum of 60 calendar months.

51 1.a. An eligible member may elect to participate in DROP
52 for a period not to exceed a maximum of 60 calendar months.
53 However, members who are instructional personnel employed by the
54 Florida School for the Deaf and the Blind and authorized by the
55 Board of Trustees of the Florida School for the Deaf and the
56 Blind, who are instructional personnel as defined in s.
57 1012.01(2)(a)-(d) in grades K-12 and authorized by the district
58 school superintendent, or who are instructional personnel as
59 defined in s. 1012.01(2)(a) employed by a developmental research
60 school and authorized by the school's director, or if the school
61 has no director, by the school's principal, may participate in
62 DROP for up to 36 calendar months beyond the 60-month period.
63 Effective July 1, 2018, instructional personnel who are
64 authorized to extend DROP participation beyond the 60-month
65 period must have a termination date that is the last day of the
66 last calendar month of the school year within the DROP extension
67 granted by the employer. If, on July 1, 2018, the member's DROP
68 participation has already been extended for the maximum 36
69 calendar months and the extension period concludes before the
70 end of the school year, the member's DROP participation may be
71 extended through the last day of the last calendar month of that
72 school year. The employer shall notify the division of the
73 change in termination date and the additional period of DROP
74 participation for the affected instructional personnel.
75 b. Administrative personnel in grades K-12, as defined in

76 s. 1012.01(3), who have a DROP termination date on or after July
77 1, 2018, may be authorized to extend DROP participation beyond
78 the initial 60 calendar month period if the administrative
79 personnel's termination date is before the end of the school
80 year. Such administrative personnel may have DROP participation
81 extended until the last day of the last calendar month of the
82 school year in which their original DROP termination date
83 occurred if a date other than the last day of the last calendar
84 month of the school year is designated. The employer shall
85 notify the division of the change in termination date and the
86 additional period of DROP participation for the affected
87 administrative personnel.

88 2. Upon deciding to participate in DROP, the member shall
89 submit, on forms required by the division:

90 a. A written election to participate in DROP;

91 b. Selection of DROP participation and termination dates
92 that satisfy the limitations stated in paragraph (a) and
93 subparagraph 1. The termination date must be in a binding letter
94 of resignation to the employer establishing a deferred
95 termination date. The member may change the termination date
96 within the limitations of subparagraph 1., but only with the
97 written approval of the employer;

98 c. A properly completed DROP application for service
99 retirement as provided in this section; and

100 d. Any other information required by the division.

101 3. The DROP participant is a retiree under the Florida
102 Retirement System for all purposes, except for paragraph (5)(f)
103 and subsection (9) and ss. 112.3173, 112.363, 121.053, and
104 121.122. DROP participation is final and may not be canceled by
105 the participant after the first payment is credited during the
106 DROP participation period. However, participation in DROP does
107 not alter the participant's employment status, and the member is
108 not deemed retired from employment until his or her deferred
109 resignation is effective and termination occurs as defined in s.
110 121.021.

111 4. Elected officers are eligible to participate in DROP
112 subject to the following:

113 a. An elected officer who reaches normal retirement date
114 during a term of office may defer the election to participate
115 until the next succeeding term in that office. An elected
116 officer who exercises this option may participate in DROP for up
117 to 60 calendar months or no longer than the succeeding term of
118 office, whichever is less.

119 b. An elected or a nonelected participant may run for a
120 term of office while participating in DROP and, if elected,
121 extend the DROP termination date accordingly; however, if such
122 additional term of office exceeds the 60-month limitation
123 established in subparagraph 1., and the officer does not resign
124 from office within such 60-month limitation, the retirement and
125 the participant's DROP is null and void as provided in sub-

126 subparagraph (c)5.d.

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

132 (I) Before July 1, 2010, the officer may continue
133 employment as an elected officer as provided in s. 121.053. The
134 elected officer shall be enrolled as a renewed member in the
135 Elected Officers' Class or the Regular Class, as provided in ss.
136 121.053 and 121.122, on the first day of the month after
137 termination of employment in the nonelected position and
138 termination of DROP. Distribution of the DROP benefits shall be
139 made as provided in paragraph (c).

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

143 Section 2. The Legislature finds that a proper and
144 legitimate state purpose is served when employees and retirees
145 of the state and its political subdivisions, and the dependents,
146 survivors, and beneficiaries of such employees and retirees, are
147 extended the basic protections afforded by governmental
148 retirement systems. These persons must be provided benefits that
149 are fair and adequate and that are managed, administered, and
150 funded in an actuarially sound manner, as required by s. 14,

151 Article X of the State Constitution and part VII of chapter 112,
152 Florida Statutes. Therefore, the Legislature determines and
153 declares that this act fulfills an important state interest.

154 Section 3. This act shall take effect July 1, 2018.