

1 A bill to be entitled
2 An act relating to fire control districts and
3 firefighter pensions; amending s. 175.041, F.S.;
4 revising applicability of the Firefighters' Pension
5 Trust Fund; authorizing a municipality that provides
6 fire protection services to a municipal services
7 taxing unit under an interlocal agreement to receive
8 property insurance premium taxes; authorizing a county
9 to enact an ordinance levying a tax on behalf of a
10 municipal services taxing unit receiving fire
11 protection services; amending s. 175.101, F.S.;
12 authorizing a municipal services taxing unit that
13 enters into an interlocal agreement for fire
14 protection services with a municipality to impose an
15 excise tax on property insurance premiums; amending s.
16 175.111, F.S.; requiring a municipal services taxing
17 unit to provide the Division of Retirement of the
18 Department of Management Services with a certified
19 copy of an ordinance assessing and imposing certain
20 taxes; amending ss. 175.121, 175.122, and 175.351,
21 F.S.; revising provisions relating to the disbursement
22 of moneys by the division and the Department of
23 Revenue and the limitation of disbursement to conform
24 to changes made by the act; amending s. 175.411, F.S.;
25 authorizing a municipal services taxing unit to revoke

26 | its participation and cease to receive property
 27 | insurance premium taxes under certain conditions;
 28 | amending s. 191.006, F.S.; requiring an independent
 29 | special fire control district to have, and authorizing
 30 | the board of such district to exercise by majority
 31 | vote, specified powers; amending ss. 175.032, 175.071,
 32 | 175.381, and 633.422, F.S.; conforming provisions to
 33 | changes made by the act; providing an effective date.
 34 |

35 | Be It Enacted by the Legislature of the State of Florida:
 36 |

37 | Section 1. Subsection (14) of section 175.032, Florida
 38 | Statutes, is amended to read:

39 | 175.032 Definitions.—For any municipality, special fire
 40 | control district, chapter plan, local law municipality, local
 41 | law special fire control district, or local law plan under this
 42 | chapter, the term:

43 | (14) "Local law plan" means a retirement plan that
 44 | includes both a defined benefit plan component and a defined
 45 | contribution plan component for firefighters, or for
 46 | firefighters and police officers if both are included, as
 47 | described in s. 175.351, established by ~~municipal~~ ordinance,
 48 | special district resolution, or special act of the Legislature,
 49 | which enactment sets forth all plan provisions. Local law plan
 50 | provisions may vary from the provisions of this chapter if

51 | minimum benefits and minimum standards are met. However, any
 52 | such variance must provide a greater benefit for firefighters,
 53 | or firefighters and police officers if both are included.

54 | Actuarial valuations of local law plans shall be conducted by an
 55 | enrolled actuary as provided in s. 175.261(2).

56 | Section 2. Section 175.041, Florida Statutes, is amended
 57 | to read:

58 | 175.041 Firefighters' Pension Trust Fund created;
 59 | applicability of provisions.—For any municipality, municipal
 60 | services taxing unit, special fire control district, chapter
 61 | plan, local law municipality, local law special fire control
 62 | district, or local law plan under this chapter:

63 | (1) There shall be established a special fund exclusively
 64 | for the purpose of this chapter, which ~~in the case of chapter~~
 65 | ~~plans~~ shall be known as the "Firefighters' Pension Trust Fund,"
 66 | in each municipality, municipal services taxing unit, and ~~each~~
 67 | special fire control district of this state ~~heretofore or~~
 68 | ~~hereafter created~~ which now has or which may hereafter have a
 69 | constituted fire department or an authorized volunteer fire
 70 | department, or any combination thereof.

71 | (2) To qualify as a fire department or volunteer fire
 72 | department or combination thereof under ~~the provisions of this~~
 73 | chapter, the department shall own and use apparatus for the
 74 | fighting of fires that was in compliance with National Fire
 75 | Protection Association Standards for Automotive Fire Apparatus

76 | at the time of purchase.

77 | (3) ~~The provisions of~~ This chapter applies ~~shall apply~~
 78 | only to municipalities organized and established under ~~pursuant~~
 79 | ~~to~~ the laws of the state and to special fire control districts.
 80 | This chapter does, ~~and said provisions shall~~ not apply to the
 81 | unincorporated areas of any county or counties except with
 82 | respect to municipal services taxing units established in
 83 | unincorporated areas for the purpose of receiving fire
 84 | protection services from a municipality and special fire control
 85 | districts that include unincorporated areas. This chapter also
 86 | does not, ~~nor shall the provisions hereof~~ apply to any
 87 | governmental entity whose firefighters are eligible to
 88 | participate in the Florida Retirement System.

89 | (a) Special fire control districts that include, or
 90 | consist exclusively of, unincorporated areas of one or more
 91 | counties may levy and impose the tax and participate in the
 92 | retirement programs created ~~enabled~~ by this chapter.

93 | (b) With respect to the distribution of premium taxes, a
 94 | single consolidated government consisting of a former county and
 95 | one or more municipalities, consolidated under ~~pursuant to~~ s. 3
 96 | or s. 6(e), Art. VIII of the State Constitution, is also
 97 | eligible to participate under this chapter. The consolidated
 98 | government shall notify the division when it has entered into an
 99 | interlocal agreement to provide fire services to a municipality
 100 | within its boundaries. The municipality may enact an ordinance

101 levying the tax as provided in s. 175.101. Upon being provided
102 copies of the interlocal agreement and the municipal ordinance
103 levying the tax, the division may distribute any premium taxes
104 reported for the municipality to the consolidated government as
105 long as the interlocal agreement is in effect.

106 (c) Any municipality that has entered into an interlocal
107 agreement to provide fire protection services to any other
108 incorporated municipality, in its entirety, or a municipal
109 services taxing unit in an unincorporated area, ~~in its entirety,~~
110 for a period of 12 months or more may be eligible to receive the
111 premium taxes reported for such other municipality or municipal
112 services taxing unit. In order to be eligible for such premium
113 taxes, the municipality providing the fire services must notify
114 the division that it has entered into an interlocal agreement
115 with another municipality or a county on behalf of a municipal
116 services taxing unit. The municipality receiving the fire
117 services, or a county on behalf of the municipal services taxing
118 unit receiving the fire services, may enact an ordinance levying
119 the tax as provided in s. 175.101. Upon being provided copies of
120 the interlocal agreement and the ~~municipal~~ ordinance levying the
121 tax, the division may distribute any premium taxes reported for
122 the municipality or municipal services taxing unit receiving the
123 fire services to the participating municipality providing the
124 fire services as long as the interlocal agreement is in effect.

125 (4) No municipality shall establish more than one

126 retirement plan for public safety officers which is supported in
 127 whole or in part by the distribution of premium tax funds as
 128 provided by this chapter or chapter 185, nor shall any
 129 municipality establish a retirement plan for public safety
 130 officers which receives premium tax funds from both this chapter
 131 and chapter 185.

132 Section 3. Section 175.071, Florida Statutes, is amended
 133 to read:

134 175.071 General powers and duties of board of trustees.—
 135 For any municipality, municipal services taxing unit, special
 136 fire control district, chapter plan, local law municipality,
 137 local law special fire control district, or local law plan under
 138 this chapter:

139 (1) The board of trustees, subject to the fiduciary
 140 standards in ss. 112.656, 112.661, and 518.11 and the Code of
 141 Ethics in ss. 112.311-112.3187, may:

142 (a) Invest and reinvest the assets of the firefighters'
 143 pension trust fund in annuity and life insurance contracts of
 144 life insurance companies in amounts sufficient to provide, in
 145 whole or in part, the benefits to which all of the participants
 146 in the firefighters' pension trust fund are entitled under this
 147 chapter and pay the initial and subsequent premiums thereon.

148 (b) Invest and reinvest the assets of the firefighters'
 149 pension trust fund in:

150 1. Time or savings accounts of a national bank, a state

151 bank insured by the Bank Insurance Fund, or a savings, building,
 152 and loan association insured by the Savings Association
 153 Insurance Fund administered by the Federal Deposit Insurance
 154 Corporation or a state or federal chartered credit union whose
 155 share accounts are insured by the National Credit Union Share
 156 Insurance Fund.

157 2. Obligations of the United States or obligations
 158 guaranteed as to principal and interest by the government of the
 159 United States.

160 3. Bonds issued by the State of Israel.

161 4. Bonds, stocks, or other evidences of indebtedness
 162 issued or guaranteed by a corporation organized under the laws
 163 of the United States, any state or organized territory of the
 164 United States, or the District of Columbia, if:

165 a. The corporation is listed on any one or more of the
 166 recognized national stock exchanges or on the National Market
 167 System of the NASDAQ Stock Market and, in the case of bonds
 168 only, holds a rating in one of the three highest classifications
 169 by a major rating service; and

170 b. The board of trustees may not invest more than 5
 171 percent of its assets in the common stock or capital stock of
 172 any one issuing company, nor may the aggregate investment in any
 173 one issuing company exceed 5 percent of the outstanding capital
 174 stock of that company or the aggregate of its investments under
 175 this subparagraph at cost exceed 50 percent of the assets of the

176 fund.

177

178 This paragraph applies to all boards of trustees and
179 participants. However, if a municipality, municipal services
180 taxing unit, or special fire control district has a duly enacted
181 pension plan under ~~pursuant to~~, and in compliance with, s.
182 175.351, and the trustees desire to vary the investment
183 procedures, the trustees of such plan must request a variance of
184 the investment procedures as outlined herein only through an a
185 ~~municipal~~ ordinance, special act of the Legislature, or
186 resolution by the governing body of the special fire control
187 district; if a special act, or a municipality by ordinance
188 adopted before July 1, 1998, permits a greater than 50-percent
189 equity investment, such municipality is not required to comply
190 with the aggregate equity investment provisions of this
191 paragraph. Notwithstanding any other provision of law, this
192 section may not be construed to take away any preexisting legal
193 authority to make equity investments that exceed the
194 requirements of this paragraph. Notwithstanding any other
195 provision of law, the board of trustees may invest up to 25
196 percent of plan assets in foreign securities on a market-value
197 basis. The investment cap on foreign securities may not be
198 revised, amended, increased, or repealed except as provided by
199 general law.

200 (c) Issue drafts upon the firefighters' pension trust fund

201 pursuant to this act and rules prescribed by the board of
202 trustees. All such drafts must be consecutively numbered, be
203 signed by the chair and secretary, or by two individuals
204 designated by the board who are subject to the same fiduciary
205 standards as the board of trustees under this subsection, and
206 state upon their faces the purpose for which the drafts are
207 drawn. The treasurer or depository of each municipality or
208 special fire control district shall retain such drafts when
209 paid, as permanent vouchers for disbursements made, and no money
210 may be otherwise drawn from the fund.

211 (d) Convert into cash any securities of the fund.

212 (e) Keep a complete record of all receipts and
213 disbursements and the board's acts and proceedings.

214 (2) Any and all acts and decisions shall be effectuated by
215 vote of a majority of the members of the board; however, no
216 trustee shall take part in any action in connection with the
217 trustee's own participation in the fund, and no unfair
218 discrimination shall be shown to any individual firefighter
219 participating in the fund.

220 (3) The board's action on all claims for retirement under
221 this act shall be final, provided, however, that the rules and
222 regulations of the board have been complied with.

223 (4) The secretary of the board of trustees shall keep a
224 record of all persons receiving retirement payments under ~~the~~
225 ~~provisions of~~ this chapter, in which shall be noted the time

226 when the pension is allowed and the time when the pension shall
227 cease to be paid. In this record, the secretary shall keep a
228 list of all firefighters employed by the municipality, municipal
229 services taxing unit, or special fire control district. The
230 record shall show the name, address, and time of employment of
231 such firefighters and when they cease to be employed by the
232 municipality, municipal services taxing unit, or special fire
233 control district.

234 (5) The sole and exclusive administration of, and the
235 responsibilities for, the proper operation of the firefighters'
236 pension trust fund and for making effective ~~the provisions of~~
237 this chapter are vested in the board of trustees; however,
238 nothing herein shall empower a board of trustees to amend ~~the~~
239 ~~provisions of~~ a retirement plan without the approval of the
240 municipality, municipal services taxing unit, or special fire
241 control district. The board of trustees shall keep in convenient
242 form such data as shall be necessary for an actuarial valuation
243 of the firefighters' pension trust fund and for checking the
244 actual experience of the fund.

245 (6) (a) At least once every 3 years, the board of trustees
246 shall retain a professionally qualified independent consultant
247 who shall evaluate the performance of any existing professional
248 money manager and shall make recommendations to the board of
249 trustees regarding the selection of money managers for the next
250 investment term. These recommendations shall be considered by

251 the board of trustees at its next regularly scheduled meeting.
 252 The date, time, place, and subject of this meeting shall be
 253 advertised in the same manner as for any meeting of the board.

254 (b) For purposes of this subsection, the term
 255 "professionally qualified independent consultant" means a
 256 consultant who, based on education and experience, is
 257 professionally qualified to evaluate the performance of
 258 professional money managers, and who, at a minimum:

- 259 1. Provides his or her services on a flat-fee basis.
- 260 2. Is not associated in any manner with the money manager
 261 for the pension fund.
- 262 3. Makes calculations according to the American Banking
 263 Institute method of calculating time-weighted rates of return.
 264 All calculations must be made net of fees.
- 265 4. Has 3 or more years of experience working in the public
 266 sector.

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

- 269 (a) Employ independent legal counsel at the pension fund's
 270 expense.
- 271 (b) Employ an independent enrolled actuary, as defined in
 272 s. 175.032, at the pension fund's expense.
- 273 (c) Employ such independent professional, technical, or
 274 other advisers as it deems necessary at the pension fund's
 275 expense.

276
277 If the board chooses to use the municipality's, municipal
278 services taxing unit's, or special district's legal counsel or
279 actuary, or chooses to use any of the municipality's, municipal
280 services taxing unit's, or special district's other
281 professional, technical, or other advisers, it must do so only
282 under terms and conditions acceptable to the board.

283 (8) Notwithstanding paragraph (1)(b) and as provided in s.
284 215.473, the board of trustees must identify and publicly report
285 any direct or indirect holdings it may have in any scrutinized
286 company, as defined in that section, and proceed to sell,
287 redeem, divest, or withdraw all publicly traded securities it
288 may have in that company beginning January 1, 2010. The
289 divestiture of any such security must be completed by September
290 30, 2010. The board and its named officers or investment
291 advisors may not be deemed to have breached their fiduciary duty
292 in any action taken to dispose of any such security, and the
293 board shall have satisfactorily discharged the fiduciary duties
294 of loyalty, prudence, and sole and exclusive benefit to the
295 participants of the pension fund and their beneficiaries if the
296 actions it takes are consistent with the duties imposed by s.
297 215.473, and the manner of the disposition, if any, is
298 reasonable as to the means chosen. For the purposes of effecting
299 compliance with that section, the pension fund shall designate
300 terror-free plans that allocate their funds among securities not

301 subject to divestiture. No person may bring any civil, criminal,
 302 or administrative action against the board of trustees or any
 303 employee, officer, director, or advisor of such pension fund
 304 based upon the divestiture of any security pursuant to this
 305 subsection.

306 Section 4. Section 175.101, Florida Statutes, is amended
 307 to read:

308 175.101 State excise tax on property insurance premiums
 309 authorized; procedure.—For any municipality, municipal services
 310 taxing unit, special fire control district, chapter plan, local
 311 law municipality, local law special fire control district, or
 312 local law plan under this chapter:

313 (1) Each municipality, municipal services taxing unit, or
 314 special fire control district in this state described and
 315 classified in s. 175.041, having a lawfully established
 316 ~~firefighters'~~ pension trust fund, ~~or~~ municipal fund, or special
 317 fire control district fund, by whatever name known, providing
 318 pension benefits to firefighters, or firefighters and police
 319 officers if both are included, as provided under this chapter,
 320 or receiving fire protection services from a municipality
 321 participating under this chapter, may assess and impose on every
 322 insurance company, corporation, or other insurer now engaged in
 323 or carrying on, or who shall hereinafter engage in or carry on,
 324 the business of property insurance as shown by the records of
 325 the Office of Insurance Regulation of the Financial Services

326 Commission, an excise tax in addition to any lawful license or
327 excise tax now levied by each of the municipalities, municipal
328 services taxing units, or special fire control districts,
329 respectively, amounting to 1.85 percent of the gross amount of
330 receipts of premiums from policyholders on all premiums
331 collected on property insurance policies covering property
332 within the corporate limits of such municipalities or within the
333 legally defined boundaries of municipal services taxing units or
334 special fire control districts, respectively. Whenever the
335 boundaries of a special fire control district that has lawfully
336 established a firefighters' pension trust fund encompass a
337 portion of the corporate territory of a municipality that has
338 also lawfully established a firefighters' pension trust fund, or
339 a municipal services taxing unit receiving fire protection
340 services from a municipality participating under this chapter,
341 that portion of the tax receipts attributable to insurance
342 policies covering property situated both within the municipality
343 or municipal services taxing unit and the special fire control
344 district shall be given to the fire service provider. For the
345 purpose of this section, the boundaries of a special fire
346 control district include an area that has been annexed until the
347 completion of the 4-year period provided for in s. 171.093(4),
348 or other agreed-upon extension, or if a special fire control
349 district is providing services under an interlocal agreement
350 executed in accordance with s. 171.093(3). The agent shall

351 identify the fire service provider on the property owner's
 352 application for insurance. Remaining revenues collected under
 353 ~~pursuant to~~ this chapter shall be distributed to the
 354 municipality or special fire control district according to the
 355 location of the insured property.

356 (2) In the case of multiple peril policies with a single
 357 premium for both the property and casualty coverages in such
 358 policies, 70 percent of such premium shall be used as the basis
 359 for the 1.85-percent tax.

360 (3) This excise tax is ~~shall be~~ payable annually on March
 361 1 of each year after the passage of an ordinance, in the case of
 362 a municipality or municipal services taxing unit, or resolution,
 363 in the case of a special fire control district, assessing and
 364 imposing the tax authorized by this section. Installments of
 365 taxes shall be paid according to ~~the provision of~~ s.
 366 624.5092(2)(a), (b), and (c).

367
 368 This section also applies to any municipality consisting of a
 369 single consolidated government which is made up of a former
 370 county and one or more municipalities, consolidated under
 371 ~~pursuant to~~ the authority in s. 3 or s. 6(e), Art. VIII of the
 372 State Constitution, and to property insurance policies covering
 373 property within the boundaries of the consolidated government,
 374 regardless of whether the properties are located within one or
 375 more separately incorporated areas within the consolidated

376 government, provided the properties are being provided fire
 377 protection services by the consolidated government. This section
 378 also applies to any municipality or municipal services taxing
 379 unit in an unincorporated area, as provided in s. 175.041(3)(c),
 380 which has entered into an interlocal agreement to receive fire
 381 protection services from another municipality participating
 382 under this chapter. The excise tax may be levied on all premiums
 383 collected on property insurance policies covering property
 384 located within the corporate limits of the municipality or
 385 municipality services taxing unit receiving the fire protection
 386 services, but will be available for distribution to the
 387 municipality providing the fire protection services.

388 Section 5. Section 175.111, Florida Statutes, is amended
 389 to read:

390 175.111 Certified copy of ordinance or resolution filed;
 391 insurance companies' annual report of premiums; duplicate files;
 392 book of accounts.—For any municipality, municipal services
 393 taxing unit, special fire control district, chapter plan, local
 394 law municipality, local law special fire control district, or
 395 local law plan under this chapter, whenever any municipality, or
 396 any county on behalf of a municipal services taxing unit, passes
 397 an ordinance or whenever any special fire control district
 398 passes a resolution establishing a chapter plan or local law
 399 plan assessing and imposing the taxes authorized in s. 175.101,
 400 a certified copy of such ordinance or resolution shall be

401 deposited with the division. Thereafter every insurance company,
402 association, corporation, or other insurer carrying on the
403 business of property insurance on real or personal property, on
404 or before the succeeding March 1 after the date of the passage
405 of the ordinance or resolution, shall report fully in writing
406 and under oath to the division and the Department of Revenue a
407 just and true account of all premiums by such insurer received
408 for property insurance policies covering or insuring any real or
409 personal property located within the corporate limits of each
410 such municipality, municipal services taxing unit, or special
411 fire control district during the period of time elapsing between
412 the date of the passage of the ordinance or resolution and the
413 end of the calendar year. The report shall include the code
414 designation as prescribed by the division for each piece of
415 insured property, real or personal, located within the corporate
416 limits of each municipality and within the legally defined
417 boundaries of each special fire control district and municipal
418 services taxing unit. The ~~aforsaid~~ insurer shall annually
419 thereafter, on March 1, file with the Department of Revenue a
420 similar report covering the preceding year's premium receipts,
421 and every such insurer at the same time of making such reports
422 shall pay to the Department of Revenue the amount of the imposed
423 ~~tax hereinbefore mentioned~~. Every insurer engaged in carrying on
424 such insurance business in the state shall keep accurate books
425 of accounts of all such business done by it within the corporate

426 limits of each such municipality and within the legally defined
427 boundaries of each such special fire control district and
428 municipal services taxing unit, and in such manner as to be able
429 to comply with ~~the provisions of~~ this chapter. Based on the
430 insurers' reports of premium receipts, the division shall
431 prepare a consolidated premium report and shall furnish to any
432 municipality, municipal services taxing unit, or special fire
433 control district requesting the same a copy of the relevant
434 section of that report.

435 Section 6. Section 175.121, Florida Statutes, is amended
436 to read:

437 175.121 Department of Revenue and Division of Retirement
438 to keep accounts of deposits; disbursements.—For any
439 municipality, municipal services taxing unit, or special fire
440 control district having a chapter or local law plan established
441 under ~~pursuant to~~ this chapter:

442 (1) The Department of Revenue shall keep a separate
443 account of all moneys collected for each municipality, municipal
444 services taxing unit, and ~~each~~ special fire control district
445 under ~~the provisions of~~ this chapter. All moneys so collected
446 must be transferred to the Police and Firefighters' Premium Tax
447 Trust Fund and shall be separately accounted for by the
448 division. The moneys budgeted as necessary to pay the expenses
449 of the division for the daily oversight and monitoring of the
450 firefighters' pension plans under this chapter and for the

451 oversight and actuarial reviews conducted under part VII of
452 chapter 112 are annually appropriated from the interest and
453 investment income earned on the moneys collected for each
454 municipality, municipal services taxing unit, or special fire
455 control district and deposited in the Police and Firefighters'
456 Premium Tax Trust Fund. Interest and investment income remaining
457 thereafter in the trust fund which is unexpended and otherwise
458 unallocated by law shall revert to the General Revenue Fund on
459 June 30 of each year.

460 (2) The Chief Financial Officer shall, on or before July 1
461 of each year, and at such other times as authorized by the
462 division, draw his or her warrants on the full net amount of
463 money then on deposit in the Police and Firefighters' Premium
464 Tax Trust Fund under ~~pursuant to~~ this chapter, specifying the
465 municipalities, municipal services taxing units, and special
466 fire control districts to which the moneys must be paid and the
467 net amount collected for and to be paid to each municipality,
468 municipal services taxing unit, or special fire control
469 district, respectively, subject to the limitation on
470 disbursement under s. 175.122. The sum payable to each
471 municipality, municipal services taxing unit, or special fire
472 control district is appropriated annually out of the Police and
473 Firefighters' Premium Tax Trust Fund. The warrants of the Chief
474 Financial Officer shall be payable to the respective
475 municipalities, municipal services taxing units, and special

476 fire control districts entitled to receive them and shall be
477 remitted annually by the division to the respective
478 municipalities, municipal services taxing units, and special
479 fire control districts. In lieu thereof, the municipality,
480 municipal services taxing unit, or special fire control district
481 may provide authorization to the division for the direct payment
482 of the premium tax to the board of trustees. In order for a
483 municipality, municipal services taxing unit, or special fire
484 control district and its pension fund to participate in the
485 distribution of premium tax moneys under this chapter, all the
486 provisions shall be complied with annually, including state
487 acceptance under ~~pursuant to~~ part VII of chapter 112.

488 (3) (a) All moneys not distributed to municipalities,
489 municipal services taxing units, and special fire control
490 districts under this section as a result of the limitation on
491 disbursement contained in s. 175.122, or as a result of any
492 municipality, municipal services taxing unit, or special fire
493 control district not having qualified in any given year, or
494 portion thereof, shall be transferred to the Firefighters'
495 Supplemental Compensation Trust Fund administered by the
496 Department of Revenue, as provided in s. 633.422.

497 (b)1. Moneys transferred under paragraph (a) but not
498 needed to support the supplemental compensation program in a
499 given year shall be redistributed pro rata to those
500 participating municipalities, municipal services taxing units,

501 and special fire control districts that transfer any portion of
502 their funds to support the supplemental compensation program in
503 that year. Such additional moneys shall be used to cover or
504 offset costs of the retirement plan.

505 2. To assist the Department of Revenue, the division shall
506 identify those municipalities, municipal services taxing units,
507 and special fire control districts that are eligible for
508 redistribution as provided in s. 633.422(3)(c)2., by listing the
509 municipalities, municipal services taxing units, and special
510 fire control districts from which funds were transferred under
511 paragraph (a) and specifying the amount transferred by each.

512 Section 7. Section 175.122, Florida Statutes, is amended
513 to read:

514 175.122 Limitation of disbursement.—For any municipality,
515 municipal services taxing unit, special fire control district,
516 chapter plan, local law municipality, local law special fire
517 control district, or local law plan under this chapter, any
518 municipality, municipal services taxing unit, or special fire
519 control district participating in the firefighters' pension
520 trust fund under ~~pursuant to the provisions of~~ this chapter,
521 whether under a chapter plan or local law plan, is ~~shall be~~
522 limited to receiving any moneys from such fund in excess of that
523 produced by one-half of the excise tax, as provided for in s.
524 175.101; however, any such municipality, municipal services
525 taxing unit, or special fire control district receiving less

526 than 6 percent of its fire department payroll from such fund is
527 ~~shall be~~ entitled to receive from such fund the amount
528 determined under s. 175.121, in excess of one-half of the excise
529 tax, not to exceed 6 percent of its fire department payroll.
530 Payroll amounts of members included in the Florida Retirement
531 System are ~~shall~~ not be included.

532 Section 8. Section 175.351, Florida Statutes, is amended
533 to read:

534 175.351 Municipalities, municipal services taxing units,
535 and special fire control districts that have their own
536 retirement plans for firefighters.—In order for a municipality,
537 municipal services taxing unit, or special fire control district
538 that has its own retirement plan for firefighters, or for
539 firefighters and police officers if both are included, to
540 participate in the distribution of the tax fund established
541 under s. 175.101, a local law plan must meet minimum benefits
542 and minimum standards, except as provided in the mutual consent
543 provisions in paragraph (1)(g) with respect to the minimum
544 benefits not met as of October 1, 2012.

545 (1) If a municipality, municipal services taxing unit, or
546 special fire control district has a retirement plan for
547 firefighters, or for firefighters and police officers if both
548 are included, which in the opinion of the division meets minimum
549 benefits and minimum standards, the board of trustees of the
550 retirement plan must place the income from the premium tax in s.

551 175.101 in such plan for the sole and exclusive use of its
552 firefighters, or for firefighters and police officers if both
553 are included, where it shall become an integral part of that
554 plan and be used to fund benefits as provided herein. Effective
555 October 1, 2015, for noncollectively bargained service or upon
556 entering into a collective bargaining agreement on or after July
557 1, 2015:

558 (a) The base premium tax revenues must be used to fund
559 minimum benefits or other retirement benefits in excess of the
560 minimum benefits as determined by the municipality, municipal
561 services taxing unit, or special fire control district.

562 (b) Of the additional premium tax revenues received that
563 are in excess of the amount received for the 2012 calendar year,
564 50 percent must be used to fund minimum benefits or other
565 retirement benefits in excess of the minimum benefits as
566 determined by the municipality, municipal services taxing unit,
567 or special fire control district, and 50 percent must be placed
568 in a defined contribution plan to fund special benefits.

569 (c) Additional premium tax revenues not described in
570 paragraph (b) must be used to fund benefits that are not
571 included in the minimum benefits. If the additional premium tax
572 revenues subject to this paragraph exceed the full annual cost
573 of benefits provided through the plan which are in excess of the
574 minimum benefits, any amount in excess of the full annual cost
575 must be used as provided in paragraph (b).

576 (d) Of any accumulations of additional premium tax
577 revenues which have not been allocated to fund benefits in
578 excess of the minimum benefits, 50 percent of the amount of the
579 accumulations must be used to fund special benefits, and 50
580 percent must be applied to fund any unfunded actuarial
581 liabilities of the plan; provided that any amount of
582 accumulations in excess of the amount required to fund the
583 unfunded actuarial liabilities must be used to fund special
584 benefits.

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

589 (f) If a plan offers benefits in excess of the minimum
590 benefits, such benefits, excluding supplemental plan benefits in
591 effect as of September 30, 2014, may be reduced if the plan
592 continues to meet minimum benefits and minimum standards. The
593 amount of insurance premium tax revenues previously used to fund
594 benefits in excess of minimum benefits before the reduction,
595 excluding the amount of any additional premium tax revenues
596 distributed to a supplemental plan for the 2012 calendar year,
597 must be used as provided in paragraph (b). However, benefits in
598 excess of minimum benefits may not be reduced if a plan does not
599 meet the minimum percentage amount of 2.75 percent of the
600 average final compensation of a full-time firefighter, as

601 required by s. 175.162(2)(a)1., or provides an effective benefit
602 that is below 2.75 percent as a result of a maximum benefit
603 limitation as described in s. 175.162(2)(a)2.

604 (g) Notwithstanding paragraphs (a)-(f), the use of premium
605 tax revenues, including any accumulations of additional premium
606 tax revenues which have not been allocated to fund benefits in
607 excess of minimum benefits, may deviate from the provisions of
608 this subsection by mutual consent of the members' collective
609 bargaining representative or, if there is no representative, by
610 a majority of the firefighter members, or firefighter and police
611 officer members if both are included, of the fund, and by
612 consent of the municipality, municipal services taxing unit, or
613 special fire control district, provided that the plan continues
614 to meet minimum benefits and minimum standards; however, a plan
615 that operates under ~~pursuant to~~ this paragraph and does not meet
616 minimum benefits as of October 1, 2012, may continue to provide
617 the benefits that do not meet the minimum benefits at the same
618 level as was provided as of October 1, 2012, and all other
619 benefit levels must continue to meet the minimum benefits. Such
620 mutually agreed deviation must continue until modified or
621 revoked by subsequent mutual consent of the members' collective
622 bargaining representative or, if none, by a majority of the
623 firefighter members, or firefighter and police officer members
624 if both are included, of the fund, and the municipality,
625 municipal services taxing unit, or special fire control

626 district. An existing arrangement for the use of premium tax
627 revenues contained within a special act plan or a plan within a
628 supplemental plan municipality is considered, as of July 1,
629 2015, to be a deviation for which mutual consent has been
630 granted.

631 (2) The premium tax provided by this chapter must be used
632 in its entirety to provide retirement benefits to firefighters,
633 or to firefighters and police officers if both are included.
634 Local law plans created by special act before May 27, 1939, are
635 deemed to comply with this chapter.

636 (3) A retirement plan or amendment to a retirement plan
637 may not be proposed for adoption unless the proposed plan or
638 amendment contains an actuarial estimate of the costs involved.
639 Such proposed plan or proposed plan change may not be adopted
640 without the approval of the municipality, municipal services
641 taxing unit, special fire control district, or, if where
642 required, the Legislature. Copies of the proposed plan or
643 proposed plan change and the actuarial impact statement of the
644 proposed plan or proposed plan change shall be furnished to the
645 division before the last public hearing on the proposal is held.
646 Such statement must also indicate whether the proposed plan or
647 proposed plan change is in compliance with s. 14, Art. X of the
648 State Constitution and those provisions of part VII of chapter
649 112 which are not expressly provided in this chapter.
650 Notwithstanding any other provision, only those local law plans

651 created by special act of legislation before May 27, 1939, are
652 deemed to meet minimum benefits and minimum standards.

653 (4) Notwithstanding any other provision, with respect to
654 any supplemental plan municipality:

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

658 (b) Section 175.061(1)(b) does not apply, and a local law
659 plan and a supplemental plan shall continue to be administered
660 by a board or boards of trustees numbered, constituted, and
661 selected as the board or boards were numbered, constituted, and
662 selected on December 1, 2000.

663 (5) The retirement plan setting forth the benefits and the
664 trust agreement, if any, covering the duties and
665 responsibilities of the trustees and the regulations of the
666 investment of funds must be in writing, and copies made
667 available to the participants and to the general public.

668 (6) In addition to the defined benefit plan component of
669 the local law plan, each plan sponsor must have a defined
670 contribution plan component within the local law plan by October
671 1, 2015, for noncollectively bargained service, upon entering
672 into a collective bargaining agreement on or after July 1, 2015,
673 or upon the creation date of a new participating plan. Depending
674 upon the application of subsection (1), a defined contribution
675 plan component may or may not receive any funding.

676 (7) Notwithstanding any other provision of this chapter, a
677 municipality, municipal services taxing unit, or special fire
678 control district that has implemented or proposed changes to a
679 local law plan based on the municipality's, municipal services
680 taxing unit's, or district's reliance on an interpretation of
681 this chapter by the Department of Management Services on or
682 after August 14, 2012, and before March 3, 2015, may continue
683 the implemented changes or continue to implement proposed
684 changes. Such reliance must be evidenced by a written collective
685 bargaining proposal or agreement, or formal correspondence
686 between the municipality, municipal services taxing unit, or
687 district and the Department of Management Services which
688 describes the specific changes to the local law plan, with the
689 initial proposal, agreement, or correspondence from the
690 municipality, municipal services taxing unit, or district dated
691 before March 3, 2015. Changes to the local law plan which are
692 otherwise contrary to minimum benefits and minimum standards may
693 continue in effect until the earlier of October 1, 2018, or the
694 effective date of a collective bargaining agreement that is
695 contrary to the changes to the local law plan.

696 Section 9. Section 175.381, Florida Statutes, is amended
697 to read:

698 175.381 Applicability.—This act shall apply to all
699 municipalities, municipal services taxing units, special fire
700 control districts, chapter plans, local law municipalities,

701 local law special fire control districts, or local law plans
 702 presently existing or to be created under ~~pursuant to~~ this
 703 chapter. Those plans presently existing under ~~pursuant to~~ s.
 704 175.351 and not in compliance with ~~the provisions of~~ this act
 705 must comply no later than December 31, 1999. However, the plan
 706 sponsor of any plan established by special act of the
 707 Legislature shall have until July 1, 2000, to comply with ~~the~~
 708 ~~provisions of~~ this act, except as otherwise provided in this act
 709 with regard to establishment and election of board members. ~~The~~
 710 ~~provisions of~~ This act shall be construed to establish minimum
 711 standards and minimum benefit levels, and nothing contained in
 712 this act or in chapter 175 operates ~~shall operate~~ to reduce
 713 presently existing rights or benefits of any firefighter,
 714 directly, indirectly, or otherwise.

715 Section 10. Section 175.411, Florida Statutes, is amended
 716 to read:

717 175.411 Optional participation.—A municipality, municipal
 718 services taxing unit, or special fire control district may
 719 revoke its participation under this chapter by rescinding the
 720 legislative act, ordinance, or resolution which assesses and
 721 imposes the taxes authorized in s. 175.101, and by furnishing a
 722 certified copy of such legislative act, ordinance, or resolution
 723 to the division. Thereafter, the municipality, municipal
 724 services taxing unit, or special fire control district ~~is shall~~
 725 ~~be~~ prohibited from participating under this chapter, and is

726 ~~shall not be~~ eligible for future premium tax moneys. Premium tax
 727 moneys previously received shall continue to be used for the
 728 sole and exclusive benefit of firefighters, or firefighters and
 729 police officers if both are ~~where~~ included, and no amendment,
 730 legislative act, ordinance, or resolution shall be adopted which
 731 has ~~shall have~~ the effect of reducing the then-vested accrued
 732 benefits of the firefighters, or firefighters and police
 733 officers if both are included, retirees, or their beneficiaries.
 734 The municipality, municipal services taxing unit, or special
 735 fire control district shall continue to furnish an annual report
 736 to the division as provided in s. 175.261. If the municipality,
 737 municipal services taxing unit, or special fire control district
 738 subsequently terminates the defined benefit plan, they shall do
 739 so in compliance with ~~the provisions of~~ s. 175.361.

740 Section 11. Subsection (13) of section 191.006, Florida
 741 Statutes, is amended to read:

742 191.006 General powers.—The district shall have, and the
 743 board may exercise by majority vote, the following powers:

744 (13) To cooperate or contract with other persons or
 745 entities, including other governmental agencies, as necessary,
 746 convenient, incidental, or proper in connection with providing
 747 effective mutual aid and furthering any power, duty, or purpose
 748 authorized by this act. The district shall have, and the board
 749 may exercise, all powers and duties provided in s. 163.01,
 750 chapter 189, and this chapter, including such powers within or

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751 without the district's boundary in cooperation with another
752 governmental agency when such agency shares such powers in
753 common with the district.

754 Section 12. Paragraph (c) of subsection (3) of section
755 633.422, Florida Statutes, is amended to read:

756 633.422 Firefighters; supplemental compensation.—

757 (3) FUNDING.—

758 (c) There is appropriated from the Police and
759 Firefighter's Premium Tax Trust Fund to the Firefighters'
760 Supplemental Compensation Trust Fund, which is created under the
761 Department of Revenue, all moneys which have not been
762 distributed to municipalities, municipal services taxing units,
763 and special fire control districts in accordance with s. 175.121
764 as a result of the limitation contained in s. 175.122 on the
765 disbursement of revenues collected under ~~pursuant to~~ chapter 175
766 or as a result of any municipality, municipal services taxing
767 unit, or special fire control district not having qualified in
768 any given year, or portion thereof, for participation in the
769 distribution of the revenues collected under ~~pursuant to~~ chapter
770 175. The total required annual distribution from the
771 Firefighters' Supplemental Compensation Trust Fund shall equal
772 the amount necessary to pay supplemental compensation as
773 provided in this section, provided that:

774 1. Any deficit in the total required annual distribution
775 shall be made up from accrued surplus funds existing in the

776 Firefighters' Supplemental Compensation Trust Fund on June 30,
777 1990, for as long as such funds last. If the accrued surplus is
778 insufficient to cure the deficit in any given year, the
779 proration of the appropriation among the counties,
780 municipalities, municipal services taxing units, and special
781 fire service taxing districts shall equal the ratio of
782 compensation paid in the prior year to county, municipal,
783 municipal services taxing unit, and special fire service taxing
784 district firefighters under ~~pursuant to~~ this section. This ratio
785 shall be provided annually to the Department of Revenue by the
786 division. Surplus funds that have accrued or accrue on or after
787 July 1, 1990, shall be redistributed to municipalities,
788 municipal services taxing units, and special fire control
789 districts as provided in subparagraph 2.

790 2. By October 1 of each year, any funds that have accrued
791 or accrue on or after July 1, 1990, and remain in the
792 Firefighters' Supplemental Compensation Trust Fund following the
793 required annual distribution shall be redistributed by the
794 Department of Revenue pro rata to those municipalities,
795 municipal services taxing units, and special fire control
796 districts identified by the Department of Management Services as
797 being eligible for additional funds under ~~pursuant to~~ s.
798 175.121(3)(b).

799 Section 13. This act shall take effect July 1, 2020.