

By Senator Broxson

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1                   A bill to be entitled  
2       An act relating to the Deferred Retirement Option  
3       Program; amending s. 121.091, F.S.; increasing the  
4       period of time for which specified instructional and  
5       administrative personnel may extend their  
6       participation in the Deferred Retirement Option  
7       Program, if such personnel enter the program before a  
8       specified date; providing a statement of important  
9       state interest; providing an effective date.

10  
11 Be It Enacted by the Legislature of the State of Florida:

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13       Section 1. Paragraph (b) of subsection (13) of section  
14       121.091, Florida Statutes, is amended to read:

15       121.091 Benefits payable under the system.—Benefits may not  
16       be paid under this section unless the member has terminated  
17       employment as provided in s. 121.021(39) (a) or begun  
18       participation in the Deferred Retirement Option Program as  
19       provided in subsection (13), and a proper application has been  
20       filed in the manner prescribed by the department. The department  
21       may cancel an application for retirement benefits when the  
22       member or beneficiary fails to timely provide the information  
23       and documents required by this chapter and the department's  
24       rules. The department shall adopt rules establishing procedures  
25       for application for retirement benefits and for the cancellation  
26       of such application when the required information or documents  
27       are not received.

28       (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and  
29       subject to this section, the Deferred Retirement Option Program,

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

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

48 1.a. Members who are instructional personnel employed by  
49 the Florida School for the Deaf and the Blind and authorized by  
50 the Board of Trustees of the Florida School for the Deaf and the  
51 Blind, who are instructional personnel as defined in s.

52 1012.01(2)(a)-(d) in grades K-12 and authorized by the district  
53 school superintendent, or who are instructional personnel as  
54 defined in s. 1012.01(2)(a) employed by a developmental research  
55 school and authorized by the school's director, or if the school  
56 has no director, by the school's principal, may participate in  
57 DROP for:

58 (I) Up to 36 calendar months beyond the initial 60-month

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59 period; or

60 (II) Effective July 1, 2023, up to 60 calendar months  
61 beyond the initial 60-month period if he or she enters DROP on  
62 or before June 30, 2029.

63  
64 ~~Effective July 1, 2018,~~ Instructional personnel who are  
65 authorized to extend DROP participation beyond the initial 60-  
66 month period must have a termination date that is the last day  
67 of the last calendar month of the school year within the DROP  
68 extension granted by the employer. ~~If, on July 1, 2018,~~ the  
69 member's DROP participation has already been extended for the  
70 maximum period of time ~~36 calendar months~~ and the extension  
71 period concludes before the end of the school year, the member's  
72 DROP participation may be extended through the last day of the  
73 last calendar month of that school year. The employer shall  
74 notify the division of the change in termination date and the  
75 additional period of DROP participation for the affected  
76 instructional personnel.

77 b. Effective July 1, 2023, if authorized by the district  
78 school superintendent, members who are K-12 administrative  
79 personnel as described in s. 1012.01(3) may participate in DROP  
80 for up to 60 calendar months beyond the initial 60-month period  
81 if he or she enters DROP on or before June 30, 2029.  
82 Administrative personnel who are authorized to extend DROP  
83 participation beyond the initial 60-month period must have a  
84 termination date that is the last day of the last calendar month  
85 of the school year within the DROP extension granted by the  
86 employer. If the member's DROP participation has already been  
87 extended for the maximum period of time and the extension period

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88 concludes before the end of the school year, the member's DROP  
89 participation may be extended through the last day of the last  
90 calendar month of that school year ~~Administrative personnel in~~  
91 ~~grades K-12, as defined in s. 1012.01(3), who have a DROP~~  
92 ~~termination date on or after July 1, 2018, may be authorized to~~  
93 ~~extend DROP participation beyond the initial 60 calendar month~~  
94 ~~period if the administrative personnel's termination date is~~  
95 ~~before the end of the school year. Such administrative personnel~~  
96 ~~may have DROP participation extended until the last day of the~~  
97 ~~last calendar month of the school year in which their original~~  
98 ~~DROP termination date occurred if a date other than the last day~~  
99 ~~of the last calendar month of the school year is designated. The~~  
100 employer shall notify the division of the change in termination  
101 date and the additional period of DROP participation for the  
102 affected administrative personnel.

103 c. Effective July 1, 2022, a member of the Special Risk  
104 Class who is a law enforcement officer who meets the criteria in  
105 s. 121.0515(3)(a) and who is a DROP participant on or after July  
106 1, 2022, may participate in DROP for up to 36 calendar months  
107 beyond the 60-month period if he or she enters DROP on or before  
108 June 30, 2028.

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

111 a. A written election to participate in DROP;

112 b. Selection of DROP participation and termination dates  
113 that satisfy the limitations stated in paragraph (a) and  
114 subparagraph 1. The termination date must be in a binding letter  
115 of resignation to the employer establishing a deferred  
116 termination date. The member may change the termination date

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117 within the limitations of subparagraph 1., but only with the  
118 written approval of the employer;

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

121 d. Any other information required by the division.

122 3. The DROP participant is a retiree under the Florida  
123 Retirement System for all purposes, except for paragraph (5) (f)  
124 and subsection (9) and ss. 112.3173, 112.363, 121.053, and  
125 121.122. DROP participation is final and may not be canceled by  
126 the participant after the first payment is credited during the  
127 DROP participation period. However, participation in DROP does  
128 not alter the participant's employment status, and the member is  
129 not deemed retired from employment until his or her deferred  
130 resignation is effective and termination occurs as defined in s.  
131 121.021.

132 4. Elected officers are eligible to participate in DROP  
133 subject to the following:

134 a. An elected officer who reaches normal retirement date  
135 during a term of office may defer the election to participate  
136 until the next succeeding term in that office. An elected  
137 officer who exercises this option may participate in DROP for up  
138 to 60 calendar months or no longer than the succeeding term of  
139 office, whichever is less.

140 b. An elected or a nonelected participant may run for a  
141 term of office while participating in DROP and, if elected,  
142 extend the DROP termination date accordingly; however, if such  
143 additional term of office exceeds the 60-month limitation  
144 established in subparagraph 1., and the officer does not resign  
145 from office within such 60-month limitation, the retirement and

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146 the participant's DROP is null and void as provided in sub-  
147 subparagraph (c)5.d.

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

153 (I) Before July 1, 2010, the officer may continue  
154 employment as an elected officer as provided in s. 121.053. The  
155 elected officer shall be enrolled as a renewed member in the  
156 Elected Officers' Class or the Regular Class, as provided in ss.  
157 121.053 and 121.122, on the first day of the month after  
158 termination of employment in the nonelected position and  
159 termination of DROP. Distribution of the DROP benefits shall be  
160 made as provided in paragraph (c).

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

164 Section 2. The Legislature finds that a proper and  
165 legitimate state purpose is served when employees and retirees  
166 of the state and its political subdivisions, and the dependents,  
167 survivors, and beneficiaries of such employees and retirees, are  
168 extended the basic protections afforded by governmental  
169 retirement systems. These persons must be provided benefits that  
170 are fair and adequate and that are managed, administered, and  
171 funded in an actuarially sound manner, as required by s. 14,  
172 Article X of the State Constitution and part VII of chapter 112,  
173 Florida Statutes. Therefore, the Legislature determines and  
174 declares that this act fulfills an important state interest.

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Section 3. This act shall take effect July 1, 2023.