

1                                   A bill to be entitled  
 2           An act relating to the Florida Retirement System;  
 3           amending s. 121.091, F.S.; authorizing certain  
 4           retirees to be reemployed after terminating  
 5           employment; prohibiting such retirees from receiving  
 6           both a salary from the employer and retirement  
 7           benefits for a specified period after his or her  
 8           retirement; removing provisions authorizing the  
 9           reemployment of certain law enforcement officers as  
 10          school resource officers; amending s. 121.1001, F.S.;  
 11          prohibiting new participation in a specified plan  
 12          beginning on a specified date; amending s. 121.71,  
 13          F.S.; revising employer contribution rates to the  
 14          Florida Retirement System; amending s. 121.591, F.S.;  
 15          conforming a cross-reference; providing a declaration  
 16          of important state interest; providing an effective  
 17          date.

18  
 19   Be It Enacted by the Legislature of the State of Florida:

20  
 21           Section 1. Subsection (9) of section 121.091, Florida  
 22           Statutes, is amended to read:

23           121.091 Benefits payable under the system.—Benefits may  
 24           not be paid under this section unless the member has terminated  
 25           employment as provided in s. 121.021(39) (a) or begun

26 participation in the Deferred Retirement Option Program as  
27 provided in subsection (13), and a proper application has been  
28 filed in the manner prescribed by the department. The department  
29 may cancel an application for retirement benefits when the  
30 member or beneficiary fails to timely provide the information  
31 and documents required by this chapter and the department's  
32 rules. The department shall adopt rules establishing procedures  
33 for application for retirement benefits and for the cancellation  
34 of such application when the required information or documents  
35 are not received.

36 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

37 (a) Any person who is retired under this chapter, except  
38 under the disability retirement provisions of subsection (4),  
39 may be employed by an employer that does not participate in a  
40 state-administered retirement system and receive compensation  
41 from that employment without limiting or restricting in any way  
42 the retirement benefits payable to that person.

43 (b) Any person whose retirement is effective before July  
44 1, 2010, or whose participation in the Deferred Retirement  
45 Option Program terminates before July 1, 2010, except under the  
46 disability retirement provisions of subsection (4) or as  
47 provided in s. 121.053, may be reemployed by an employer that  
48 participates in a state-administered retirement system and  
49 receive retirement benefits and compensation from that employer,  
50 except that the person may not be reemployed by an employer

51 participating in the Florida Retirement System before meeting  
52 the definition of termination in s. 121.021 and may not receive  
53 both a salary from the employer and retirement benefits for 12  
54 calendar months immediately subsequent to the date of  
55 retirement. However, a DROP participant shall continue  
56 employment and receive a salary during the period of  
57 participation in the Deferred Retirement Option Program, as  
58 provided in subsection (13).

59 1. A retiree who violates such reemployment limitation  
60 before completion of the 12-month limitation period must give  
61 timely notice of this fact in writing to the employer and to the  
62 Division of Retirement or the state board and shall have his or  
63 her retirement benefits suspended for the months employed or the  
64 balance of the 12-month limitation period as required in sub-  
65 subparagraphs b. and c. A retiree employed in violation of this  
66 paragraph and an employer who employs or appoints such person  
67 are jointly and severally liable for reimbursement to the  
68 retirement trust fund, including the Florida Retirement System  
69 Trust Fund and the Florida Retirement System Investment Plan  
70 Trust Fund, from which the benefits were paid. The employer must  
71 have a written statement from the retiree that he or she is not  
72 retired from a state-administered retirement system. Retirement  
73 benefits shall remain suspended until repayment has been made.  
74 Benefits suspended beyond the reemployment limitation shall  
75 apply toward repayment of benefits received in violation of the

76 | reemployment limitation.

77 |       a. A district school board may reemploy a retiree as a  
 78 | substitute or hourly teacher, education paraprofessional,  
 79 | transportation assistant, bus driver, or food service worker on  
 80 | a noncontractual basis after he or she has been retired for 1  
 81 | calendar month. A district school board may reemploy a retiree  
 82 | as instructional personnel, as defined in s. 1012.01(2) (a), on  
 83 | an annual contractual basis after he or she has been retired for  
 84 | 1 calendar month. Any member who is reemployed within 1 calendar  
 85 | month after retirement shall void his or her application for  
 86 | retirement benefits. District school boards reemploying such  
 87 | teachers, education paraprofessionals, transportation  
 88 | assistants, bus drivers, or food service workers are subject to  
 89 | the retirement contribution required by subparagraph 2.

90 |       b. A Florida College System institution board of trustees  
 91 | may reemploy a retiree as an adjunct instructor or as a  
 92 | participant in a phased retirement program within the Florida  
 93 | College System, after he or she has been retired for 1 calendar  
 94 | month. A member who is reemployed within 1 calendar month after  
 95 | retirement shall void his or her application for retirement  
 96 | benefits. Boards of trustees reemploying such instructors are  
 97 | subject to the retirement contribution required in subparagraph  
 98 | 2. A retiree may be reemployed as an adjunct instructor for no  
 99 | more than 780 hours during the first 12 months of retirement. A  
 100 | retiree reemployed for more than 780 hours during the first 12

101 months of retirement must give timely notice in writing to the  
102 employer and to the Division of Retirement or the state board of  
103 the date he or she will exceed the limitation. The division  
104 shall suspend his or her retirement benefits for the remainder  
105 of the 12 months of retirement. Any retiree employed in  
106 violation of this sub-subparagraph and any employer who employs  
107 or appoints such person without notifying the division to  
108 suspend retirement benefits are jointly and severally liable for  
109 any benefits paid during the reemployment limitation period. The  
110 employer must have a written statement from the retiree that he  
111 or she is not retired from a state-administered retirement  
112 system. Any retirement benefits received by the retiree while  
113 reemployed in excess of 780 hours during the first 12 months of  
114 retirement must be repaid to the Florida Retirement System Trust  
115 Fund, and retirement benefits shall remain suspended until  
116 repayment is made. Benefits suspended beyond the end of the  
117 retiree's first 12 months of retirement shall apply toward  
118 repayment of benefits received in violation of the 780-hour  
119 reemployment limitation.

120 c. The State University System may reemploy a retiree as  
121 an adjunct faculty member or as a participant in a phased  
122 retirement program within the State University System after the  
123 retiree has been retired for 1 calendar month. A member who is  
124 reemployed within 1 calendar month after retirement shall void  
125 his or her application for retirement benefits. The State

126 University System is subject to the retired contribution  
127 required in subparagraph 2., as appropriate. A retiree may be  
128 reemployed as an adjunct faculty member or a participant in a  
129 phased retirement program for no more than 780 hours during the  
130 first 12 months of his or her retirement. A retiree reemployed  
131 for more than 780 hours during the first 12 months of retirement  
132 must give timely notice in writing to the employer and to the  
133 Division of Retirement or the state board of the date he or she  
134 will exceed the limitation. The division shall suspend his or  
135 her retirement benefits for the remainder of the 12 months. Any  
136 retiree employed in violation of this sub-subparagraph and any  
137 employer who employs or appoints such person without notifying  
138 the division to suspend retirement benefits are jointly and  
139 severally liable for any benefits paid during the reemployment  
140 limitation period. The employer must have a written statement  
141 from the retiree that he or she is not retired from a state-  
142 administered retirement system. Any retirement benefits received  
143 by the retiree while reemployed in excess of 780 hours during  
144 the first 12 months of retirement must be repaid to the Florida  
145 Retirement System Trust Fund, and retirement benefits shall  
146 remain suspended until repayment is made. Benefits suspended  
147 beyond the end of the retiree's first 12 months of retirement  
148 shall apply toward repayment of benefits received in violation  
149 of the 780-hour reemployment limitation.

150 d. The Board of Trustees of the Florida School for the

151 Deaf and the Blind may reemploy a retiree as a substitute  
152 teacher, substitute residential instructor, or substitute nurse  
153 on a noncontractual basis after he or she has been retired for 1  
154 calendar month. Any member who is reemployed within 1 calendar  
155 month after retirement shall void his or her application for  
156 retirement benefits. The Board of Trustees of the Florida School  
157 for the Deaf and the Blind reemploying such teachers,  
158 residential instructors, or nurses is subject to the retirement  
159 contribution required by subparagraph 2.

160 e. A developmental research school may reemploy a retiree  
161 as a substitute or hourly teacher or an education  
162 paraprofessional as defined in s. 1012.01(2) on a noncontractual  
163 basis after he or she has been retired for 1 calendar month. A  
164 developmental research school may reemploy a retiree as  
165 instructional personnel, as defined in s. 1012.01(2)(a), on an  
166 annual contractual basis after he or she has been retired for 1  
167 calendar month after retirement. Any member who is reemployed  
168 within 1 calendar month voids his or her application for  
169 retirement benefits. A developmental research school that  
170 reemploys retired teachers and education paraprofessionals is  
171 subject to the retirement contribution required by subparagraph  
172 2.

173 f. A charter school may reemploy a retiree as a substitute  
174 or hourly teacher on a noncontractual basis after he or she has  
175 been retired for 1 calendar month. A charter school may reemploy

176 a retired member as instructional personnel, as defined in s.  
177 1012.01(2)(a), on an annual contractual basis after he or she  
178 has been retired for 1 calendar month after retirement. Any  
179 member who is reemployed within 1 calendar month voids his or  
180 her application for retirement benefits. A charter school that  
181 reemploys such teachers is subject to the retirement  
182 contribution required by subparagraph 2.

183 2. The employment of a retiree or DROP participant of a  
184 state-administered retirement system does not affect the average  
185 final compensation or years of creditable service of the retiree  
186 or DROP participant. Before July 1, 1991, upon employment of any  
187 person, other than an elected officer as provided in s. 121.053,  
188 who is retired under a state-administered retirement program,  
189 the employer shall pay retirement contributions in an amount  
190 equal to the unfunded actuarial liability portion of the  
191 employer contribution which would be required for regular  
192 members of the Florida Retirement System. Effective July 1,  
193 1991, contributions shall be made as provided in s. 121.122 for  
194 retirees who have renewed membership or, as provided in  
195 subsection (13), for DROP participants.

196 3. Any person who is holding an elective public office  
197 which is covered by the Florida Retirement System and who is  
198 concurrently employed in nonelected covered employment may elect  
199 to retire while continuing employment in the elective public  
200 office if he or she terminates his or her nonelected covered



201 employment. Such person shall receive his or her retirement  
202 benefits in addition to the compensation of the elective office  
203 without regard to the time limitations otherwise provided in  
204 this subsection. A person who seeks to exercise the provisions  
205 of this subparagraph as they existed before May 3, 1984, may not  
206 be deemed to be retired under those provisions, unless such  
207 person is eligible to retire under this subparagraph, as amended  
208 by chapter 84-11, Laws of Florida.

209 (c) Any person whose retirement is effective on or after  
210 July 1, 2010, or whose participation in the Deferred Retirement  
211 Option Program terminates on or after July 1, 2010, who is  
212 retired under this chapter, except under the disability  
213 retirement provisions of subsection (4) or as provided in s.  
214 121.053, may be reemployed by an employer that participates in a  
215 state-administered retirement system and receive retirement  
216 benefits and compensation from that employer. However, a person  
217 may not be reemployed by an employer participating in the  
218 Florida Retirement System before meeting the definition of  
219 termination in s. 121.021 and may not receive both a salary from  
220 the employer and retirement benefits for 6 calendar months after  
221 meeting the definition of termination, except as provided in  
222 paragraph (d) ~~(f)~~. However, a DROP participant shall continue  
223 employment and receive a salary during the period of  
224 participation in the Deferred Retirement Option Program, as  
225 provided in subsection (13).

226 1. The reemployed retiree may not renew membership in the  
227 Florida Retirement System, except as provided in s. 121.122.

228 2. The employer shall pay retirement contributions in an  
229 amount equal to the unfunded actuarial liability portion of the  
230 employer contribution that would be required for active members  
231 of the Florida Retirement System in addition to the  
232 contributions required by s. 121.76.

233 3. A retiree initially reemployed in violation of this  
234 paragraph and an employer that employs or appoints such person  
235 are jointly and severally liable for reimbursement of any  
236 retirement benefits paid to the retirement trust fund from which  
237 the benefits were paid, including the Florida Retirement System  
238 Trust Fund and the Florida Retirement System Investment Plan  
239 Trust Fund, as appropriate. The employer must have a written  
240 statement from the employee that he or she is not retired from a  
241 state-administered retirement system. Retirement benefits shall  
242 remain suspended until repayment is made. Benefits suspended  
243 beyond the end of the retiree's 6-month reemployment limitation  
244 period shall apply toward the repayment of benefits received in  
245 violation of this paragraph.

246 (d) Beginning July 1, 2024, a retiree who has met the  
247 definition of termination in s. 121.021 may be reemployed by an  
248 employer that participates in a state-administered retirement  
249 system and receive retirement benefits and compensation from  
250 that employer but may not receive both a salary from the

251 employer and retirement benefits for 6 calendar months  
 252 immediately subsequent to the date of retirement.

253 (e)-(d) This subsection applies to retirees, as defined in  
 254 s. 121.4501(2), of the Florida Retirement System Investment  
 255 Plan, subject to the following conditions:

256 1. A retiree may not be reemployed with an employer  
 257 participating in the Florida Retirement System until such person  
 258 has been retired for 6 calendar months.

259 2. A retiree employed in violation of this subsection and  
 260 an employer that employs or appoints such person are jointly and  
 261 severally liable for reimbursement of any benefits paid to the  
 262 retirement trust fund from which the benefits were paid. The  
 263 employer must have a written statement from the retiree that he  
 264 or she is not retired from a state-administered retirement  
 265 system.

266 (f)-(e) The limitations of this subsection apply to  
 267 reemployment in any capacity irrespective of the category of  
 268 funds from which the person is compensated.

269 ~~(f) A retired law enforcement officer may be reemployed as~~  
 270 ~~a school resource officer by an employer that participates in~~  
 271 ~~the Florida Retirement System and receive compensation from that~~  
 272 ~~employer and retirement benefits after meeting the definition of~~  
 273 ~~termination in s. 121.021, but may not receive both a salary~~  
 274 ~~from the employer and retirement benefits for 6 calendar months~~  
 275 ~~immediately subsequent to the date of retirement. The reemployed~~

276 ~~retired law enforcement officer may not renew membership in the~~  
 277 ~~Florida Retirement System, except as provided in s. 121.122.~~

278 Section 2. Subsection (5) is added to section 121.1001,  
 279 Florida Statutes, to read:

280 121.1001 Florida Retirement System Preservation of  
 281 Benefits Plan.—Effective July 1, 1999, the Florida Retirement  
 282 System Preservation of Benefits Plan is established as a  
 283 qualified governmental excess benefit arrangement pursuant to s.  
 284 415(m) of the Internal Revenue Code. The Preservation of  
 285 Benefits Plan is created as a separate portion of the Florida  
 286 Retirement System, for the purpose of providing benefits to a  
 287 payee (retiree or beneficiary) of the Florida Retirement System  
 288 whose benefits would otherwise be limited by s. 415(b) of the  
 289 Internal Revenue Code.

290 (5) CLOSURE TO NEW MEMBERS.—Effective July 1, 2026, the  
 291 Florida Retirement System Preservation of Benefits Plan is  
 292 closed to new members.

293 Section 3. Subsections (4) and (5) of section 121.71,  
 294 Florida Statutes, are amended to read:

295 121.71 Uniform rates; process; calculations; levy.—

296 (4) Required employer retirement contribution rates for  
 297 each membership class and subclass of the Florida Retirement  
 298 System for both retirement plans are as follows:

299

Membership Class

Percentage of

	Gross Compensation, Effective July 1, <u>2024</u> <del>2023</del>
300	
301	
302	
303	
304	
305	
306	

  

Regular Class	6.73%
Special Risk Class	18.66%
Special Risk Administrative Support Class	11.54%
Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>10.70%</u> <del>10.45%</del>
Elected Officers' Class— Justices, Judges	14.90%

307	Elected Officers' Class— County Elected Officers	12.39%
308	Senior Management Service Class	8.56%
309	DROP	8.49%
310	(5) In order to address unfunded actuarial liabilities of	
311	the system, the required employer retirement contribution rates	
312	for each membership class and subclass of the Florida Retirement	
313	System for both retirement plans are as follows:	
314		
		Percentage of Gross Compensation, Effective July 1, <u>2024</u> <del>2023</del>
315	Membership Class	
316		
317	Regular Class	<u>4.84%</u> <del>4.78%</del>
318	Special Risk Class	<u>12.07%</u> <del>11.95%</del>
	Special Risk	26.22%

319	Administrative Support Class	
320	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	50.21%
321	Elected Officers' Class— Justices, Judges	<u>28.49%</u> <del>27.93%</del>
322	Elected Officers' Class— County Elected Officers	44.23%
323	Senior Management Service Class	23.90%
324	DROP	10.64%
325		
326	Section 4. Paragraph (a) of subsection (1) of section	
327	121.591, Florida Statutes, is amended to read:	
328	121.591 Payment of benefits.—Benefits may not be paid	
329	under the Florida Retirement System Investment Plan unless the	

330 member has terminated employment as provided in s.  
331 121.021(39)(a) or is deceased and a proper application has been  
332 filed as prescribed by the state board or the department.  
333 Benefits, including employee contributions, are not payable  
334 under the investment plan for employee hardships, unforeseeable  
335 emergencies, loans, medical expenses, educational expenses,  
336 purchase of a principal residence, payments necessary to prevent  
337 eviction or foreclosure on an employee's principal residence, or  
338 any other reason except a requested distribution for retirement,  
339 a mandatory de minimis distribution authorized by the  
340 administrator, or a required minimum distribution provided  
341 pursuant to the Internal Revenue Code. The state board or  
342 department, as appropriate, may cancel an application for  
343 retirement benefits if the member or beneficiary fails to timely  
344 provide the information and documents required by this chapter  
345 and the rules of the state board and department. In accordance  
346 with their respective responsibilities, the state board and the  
347 department shall adopt rules establishing procedures for  
348 application for retirement benefits and for the cancellation of  
349 such application if the required information or documents are  
350 not received. The state board and the department, as  
351 appropriate, are authorized to cash out a de minimis account of  
352 a member who has been terminated from Florida Retirement System  
353 covered employment for a minimum of 6 calendar months. A de  
354 minimis account is an account containing employer and employee



355 contributions and accumulated earnings of not more than \$5,000  
356 made under the provisions of this chapter. Such cash-out must be  
357 a complete lump-sum liquidation of the account balance, subject  
358 to the provisions of the Internal Revenue Code, or a lump-sum  
359 direct rollover distribution paid directly to the custodian of  
360 an eligible retirement plan, as defined by the Internal Revenue  
361 Code, on behalf of the member. Any nonvested accumulations and  
362 associated service credit, including amounts transferred to the  
363 suspense account of the Florida Retirement System Investment  
364 Plan Trust Fund authorized under s. 121.4501(6), shall be  
365 forfeited upon payment of any vested benefit to a member or  
366 beneficiary, except for de minimis distributions or minimum  
367 required distributions as provided under this section. If any  
368 financial instrument issued for the payment of retirement  
369 benefits under this section is not presented for payment within  
370 180 days after the last day of the month in which it was  
371 originally issued, the third-party administrator or other duly  
372 authorized agent of the state board shall cancel the instrument  
373 and credit the amount of the instrument to the suspense account  
374 of the Florida Retirement System Investment Plan Trust Fund  
375 authorized under s. 121.4501(6). Any amounts transferred to the  
376 suspense account are payable upon a proper application, not to  
377 include earnings thereon, as provided in this section, within 10  
378 years after the last day of the month in which the instrument  
379 was originally issued, after which time such amounts and any

380 earnings attributable to employer contributions shall be  
381 forfeited. Any forfeited amounts are assets of the trust fund  
382 and are not subject to chapter 717.

383 (1) NORMAL BENEFITS.—Under the investment plan:

384 (a) Benefits in the form of vested accumulations as  
385 described in s. 121.4501(6) are payable under this subsection in  
386 accordance with the following terms and conditions:

387 1. Benefits are payable only to a member, an alternate  
388 payee of a qualified domestic relations order, or a beneficiary.

389 2. Benefits shall be paid by the third-party administrator  
390 or designated approved providers in accordance with the law, the  
391 contracts, and any applicable board rule or policy.

392 3. The member must be terminated from all employment with  
393 all Florida Retirement System employers, as provided in s.  
394 121.021(39).

395 4. Benefit payments may not be made until the member has  
396 been terminated for 3 calendar months, except that the state  
397 board may authorize by rule for the distribution of up to 10  
398 percent of the member's account after being terminated for 1  
399 calendar month if the member has reached the normal retirement  
400 date as defined in s. 121.021.

401 5. If a member or former member of the Florida Retirement  
402 System receives an invalid distribution, such person must either  
403 repay the full amount within 90 days after receipt of final  
404 notification by the state board or the third-party administrator

405 that the distribution was invalid, or, in lieu of repayment, the  
406 member must terminate employment from all participating  
407 employers. If such person fails to repay the full invalid  
408 distribution within 90 days after receipt of final notification,  
409 the person may be deemed retired from the investment plan by the  
410 state board and is subject to s. 121.122. If such person is  
411 deemed retired, any joint and several liability set out in s.  
412 121.091(9)(e)2. ~~s. 121.091(9)(d)2.~~ is void, and the state board,  
413 the department, or the employing agency is not liable for gains  
414 on payroll contributions that have not been deposited to the  
415 person's account in the investment plan, pending resolution of  
416 the invalid distribution. The member or former member who has  
417 been deemed retired or who has been determined by the state  
418 board to have taken an invalid distribution may appeal the  
419 agency decision through the complaint process as provided under  
420 s. 121.4501(9)(g)3. As used in this subparagraph, the term  
421 "invalid distribution" means any distribution from an account in  
422 the investment plan which is taken in violation of this section,  
423 s. 121.091(9), or s. 121.4501.

424 Section 5. The Legislature finds that a proper and  
425 legitimate state purpose is served when employees and retirees  
426 of the state and its political subdivisions, and the dependents,  
427 survivors, and beneficiaries of such employees and retirees, are  
428 extended the basic protections afforded by governmental  
429 retirement systems that provide fair and adequate benefits and

430 that are managed, administered, and funded in an actuarially  
431 sound manner as required by s. 14, Art. X of the State  
432 Constitution and part VII of chapter 112, Florida Statutes.  
433 Therefore, the Legislature determines and declares that this act  
434 fulfills an important state interest.

435 Section 6. This act shall take effect July 1, 2024.