A bill to be entitled

An act relating to Deferred Retirement Option Program eligibility for school employees and personnel; amending s. 121.091, F.S.; removing the time limitation for DROP eligibility for certain instructional personnel administrative personnel and educational support employees; providing a declaration of important state interest; providing an effective date.

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

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

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

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of such application when the required information or documents are not received.

- subject to this section, the Deferred Retirement Option Program, hereinafter referred to as DROP, is a program under which an eligible member of the Florida Retirement System may elect to participate, deferring receipt of retirement benefits while continuing employment with his or her Florida Retirement System employer. The deferred monthly benefits shall accrue in the Florida Retirement System on behalf of the member, plus interest compounded monthly, for the specified period of the DROP participation, as provided in paragraph (c). Upon termination of employment, the member shall receive the total DROP benefits and begin to receive the previously determined normal retirement benefits. Participation in the DROP does not guarantee employment for the specified period of DROP.
- (b) Participation in DROP.—Except as provided in this paragraph, an eligible member may elect to participate in DROP for a period not to exceed a maximum of 96 calendar months.
- 1.a. Members who are instructional personnel employed by the Florida School for the Deaf and the Blind and authorized by the Board of Trustees of the Florida School for the Deaf and the Blind; who are instructional personnel, administrative personnel, or educational support employees as defined in s. 1012.01(2), (3), or (6), respectively, $\frac{1012.01(2)(a)-(d)}{a}$ in

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grades K-12 and authorized by the district school superintendent; τ or who are instructional personnel as defined in s. 1012.01(2)(a) employed by a developmental research school and authorized by the school's director, or if the school has no director, by the school's principal, may:

(I) extend DROP participation beyond the initial 96-calendar-month period if the instructional personnel's termination date is before the end of the school year. Such instructional personnel may have DROP participation extended until the last day of the last calendar month of the school year in which their original DROP termination date occurred if a date other than the last day of the last calendar month of the school year is designated.

(II) Participate in DROP for up to 24 calendar months beyond the 96-month period. Instructional personnel who are authorized to extend DROP participation beyond the 96-month period must have a termination date that is the last day of the last calendar month of the school year within the DROP extension granted by the employer. If the member's DROP participation has already been extended for the maximum 24 calendar months and the extension period concludes before the end of the school year, the member's DROP participation may be extended through the last day of the last calendar month of that school year. This subsub-subparagraph expires June 30, 2029.

The employer shall notify the division of the change in termination date and the additional period of DROP participation for the affected instructional personnel.

- b. Administrative personnel in grades K-12, as defined in s. 1012.01(3), may be authorized to extend DROP participation beyond the initial 96 calendar month period if the administrative personnel's termination date is before the end of the school year. Such administrative personnel may have DROP participation extended until the last day of the last calendar month of the school year in which their original DROP termination date occurred if a date other than the last day of the last calendar month of the school year is designated. The employer shall notify the division of the change in termination date and the additional period of DROP participation for the affected administrative personnel.
- 2. Upon deciding to participate in DROP, the member shall submit, on forms required by the division:
 - a. A written election to participate in DROP;
- b. Selection of DROP participation and termination dates that satisfy the limitations stated in paragraph (a) and this paragraph. The termination date must be in a binding letter of resignation to the employer establishing a deferred termination date. The member may change the termination date within the limitations of this paragraph, but only with the written approval of the employer;

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

- d. Any other information required by the division.
- 3. The DROP participant is a retiree under the Florida Retirement System for all purposes, except for paragraph (5)(f) and subsection (9) and ss. 112.3173, 112.363, 121.053, and 121.122. DROP participation is final and may not be canceled by the participant after the first payment is credited during the DROP participation period. However, participation in DROP does not alter the participant's employment status, and the member is not deemed retired from employment until his or her deferred resignation is effective and termination occurs as defined in s. 121.021.
- 4. Elected officers are eligible to participate in DROP subject to the following:
- a. An elected officer who reaches normal retirement date during a term of office may defer the election to participate until the next succeeding term in that office. An elected officer who exercises this option may participate in DROP for up to 96 calendar months or no longer than the succeeding term of office, whichever is less.
- b. An elected or a nonelected participant may run for a term of office while participating in DROP and, if elected, extend the DROP termination date accordingly; however, if such additional term of office exceeds the 96-month limitation

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established in this paragraph, and the officer does not resign from office within such limitation, the retirement and the participant's DROP is null and void as provided in subsubparagraph (c) 5.d.

- c. An elected officer who is dually employed and elects to participate in DROP must terminate all employment relationships as provided in s. 121.021(39) for the nonelected position within the original period or maximum participation period as provided in this paragraph. For DROP participation ending:
- (I) Before July 1, 2010, the officer may continue employment as an elected officer as provided in s. 121.053. The elected officer shall be enrolled as a renewed member in the Elected Officers' Class or the Regular Class, as provided in ss. 121.053 and 121.122, on the first day of the month after termination of employment in the nonelected position and termination of DROP. Distribution of the DROP benefits shall be made as provided in paragraph (c).
- (II) On or after July 1, 2010, the officer may continue employment as an elected officer but must defer termination as provided in s. 121.053.
- d. An elected officer who has deferred termination as provided in s. 121.053 before June 30, 2023, is ineligible to extend DROP participation beyond 60 months.
- Section 2. The Legislature finds that a proper and legitimate state purpose is served when employees and retirees

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

Section 3. This act shall take effect July 1, 2025.

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