

By the Committee on Governmental Oversight and Accountability

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1                   A bill to be entitled  
2       An act relating to retirement; amending s. 121.053,  
3       F.S.; authorizing an officer, except while serving as  
4       a legislator, to remain in elective office and receive  
5       accumulated DROP proceeds after the officer attains a  
6       certain age; providing that, upon termination, the  
7       officer receives accumulated DROP proceeds including  
8       interest earned in accordance with a specified  
9       provision; amending s. 121.091, F.S.; requiring the  
10      Division of Retirement or the State Board of  
11      Administration, as appropriate, to take steps to  
12      recoup from the elected officer any DROP proceeds  
13      distributed in accordance with a specified provision,  
14      under specified circumstances; amending s. 121.71,  
15      F.S.; revising required employer retirement  
16      contribution rates for each membership class and  
17      subclass of the Florida Retirement System; providing a  
18      declaration of important state interest; providing an  
19      effective date.

20  
21 Be It Enacted by the Legislature of the State of Florida:

22  
23       Section 1. Subsection (7) of section 121.053, Florida  
24       Statutes, is amended to read:

25       121.053 Participation in the Elected Officers' Class for  
26       retired members.—

27       (7) A member who is elected or appointed to an elective  
28       office and who is participating in the Deferred Retirement  
29       Option Program is not subject to termination as defined in s.

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30 121.021, or reemployment limitations as provided in s.  
31 121.091(9), until the end of his or her current term of office  
32 or, if the officer is consecutively elected or reelected to an  
33 elective office eligible for coverage under the Florida  
34 Retirement System, until he or she no longer holds an elective  
35 office, as follows:

36 (a) At the end of the member's DROP period:

37 1. The officer's DROP account may not accrue additional  
38 monthly benefits, but does continue to earn interest as provided  
39 in s. 121.091(13). However, an officer whose DROP participation  
40 begins on or after July 1, 2010, may not continue to earn such  
41 interest.

42 2. Retirement contributions, except for unfunded actuarial  
43 liability and health insurance subsidy contributions required in  
44 ss. 121.71(5) and 121.76, are not required of the employer of  
45 the elected officer, and additional retirement credit may not be  
46 earned under the Florida Retirement System.

47 3. The officer, except while serving as a legislator, may  
48 remain in elective office and receive his or her accumulated  
49 DROP proceeds, including interest earned in accordance with  
50 subparagraph 1., after attaining the age of 59 1/2 years.

51 (b) An elected officer may voluntarily terminate his or her  
52 elective office at any time and receive his or her DROP  
53 proceeds. However, until termination occurs, an elected officer  
54 whose termination limitations are extended by this section is  
55 ineligible for renewed membership in the system and may not  
56 receive pension payments, ~~DROP lump sum payments,~~ or any other  
57 state payment other than the statutorily determined salary,  
58 travel, and per diem for the elective office.

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59 (c) Upon termination, the officer shall receive his or her  
60 accumulated DROP account, including plus interest earned in  
61 accordance with subparagraph (a)1., and shall accrue and  
62 commence receiving monthly retirement benefits, which must be  
63 paid on a prospective basis only.

64 Section 2. Subsection (5) of section 121.091, Florida  
65 Statutes, is amended to read:

66 121.091 Benefits payable under the system.—Benefits may not  
67 be paid under this section unless the member has terminated  
68 employment as provided in s. 121.021(39)(a) or begun  
69 participation in the Deferred Retirement Option Program as  
70 provided in subsection (13), and a proper application has been  
71 filed in the manner prescribed by the department. The department  
72 may cancel an application for retirement benefits when the  
73 member or beneficiary fails to timely provide the information  
74 and documents required by this chapter and the department's  
75 rules. The department shall adopt rules establishing procedures  
76 for application for retirement benefits and for the cancellation  
77 of such application when the required information or documents  
78 are not received.

79 (5) TERMINATION BENEFITS.—A member whose employment is  
80 terminated prior to retirement retains membership rights to  
81 previously earned member-noncontributory service credit, and to  
82 member-contributory service credit, if the member leaves the  
83 member contributions on deposit in his or her retirement  
84 account. If a terminated member receives a refund of member  
85 contributions, such member may reinstate membership rights to  
86 the previously earned service credit represented by the refund  
87 by completing 1 year of creditable service and repaying the

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88 refunded member contributions, plus interest.

89 (a) A member whose employment is terminated for any reason  
90 other than death or retirement before becoming vested is  
91 entitled to the return of his or her accumulated contributions  
92 as of the date of termination. Effective July 1, 2011, upon  
93 termination of employment from all participating employers for 3  
94 calendar months as defined in s. 121.021(39)(c) for any reason  
95 other than retirement, a member may receive a refund of all  
96 contributions he or she has made to the pension plan, subject to  
97 the restrictions otherwise provided in this chapter. The refund  
98 may be received as a lump-sum payment, a rollover to a qualified  
99 plan, or a combination of these methods. Partial refunds are not  
100 permitted. The refund may not include any interest earnings on  
101 the contributions for a member of the pension plan. Employer  
102 contributions made on behalf of the member are not refundable. A  
103 member may not receive a refund of employee contributions if a  
104 pending or an approved qualified domestic relations order is  
105 filed against his or her retirement account. By obtaining a  
106 refund of contributions, a member waives all rights under the  
107 Florida Retirement System and the health insurance subsidy to  
108 the service credit represented by the refunded contributions,  
109 except the right to purchase his or her prior service credit in  
110 accordance with s. 121.081(2).

111 (b) A member whose employment is terminated for any reason  
112 other than death or retirement after becoming vested may elect  
113 to receive a deferred monthly benefit which shall begin to  
114 accrue on the first day of the month of normal or early  
115 retirement and shall be payable on the last day of that month  
116 and each month thereafter during his or her lifetime. The amount

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117 of monthly benefit shall be computed in the same manner as for a  
118 normal retirement benefit in accordance with subsection (1) or  
119 early retirement benefit in accordance with s. 121.021(30), but  
120 based on average monthly compensation and creditable service as  
121 of the date of termination.

122 (c) In lieu of the deferred monthly benefit provided in  
123 paragraph (b), the terminated member may elect to receive a  
124 lump-sum amount equal to his or her accumulated contributions as  
125 of the date of termination. Effective July 1, 2011, upon  
126 termination of employment from all participating employers for 3  
127 calendar months as defined in s. 121.021(39)(c) for any reason  
128 other than retirement, a member may receive a refund of all  
129 contributions he or she has made to the pension plan, subject to  
130 the restrictions otherwise provided in this chapter. Partial  
131 refunds are not permitted. The refund may not include any  
132 interest earnings on the contributions for a member of the  
133 pension plan. Employer contributions made on behalf of the  
134 member are not refundable. A member may not receive a refund of  
135 employee contributions if a pending or an approved qualified  
136 domestic relations order is filed against his or her retirement  
137 account. By obtaining a refund of contributions, a member waives  
138 all rights under the Florida Retirement System and the health  
139 insurance subsidy to the service credit represented by the  
140 refunded contributions, except the right to purchase his or her  
141 prior service credit in accordance with s. 121.081(2).

142 (d) If any retired member dies without having received in  
143 benefit payments an amount equal to his or her accumulated  
144 contributions, there shall be payable to his or her designated  
145 beneficiary an amount equal to the excess, if any, of the

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146 member's accumulated contributions over the total monthly  
147 payments made to the member prior to the date of death.

148 (e) A member shall be deemed a terminated member when  
149 termination of employment has occurred as provided in s.  
150 121.021(39).

151 (f) Any member who has been found guilty by a verdict of a  
152 jury, or by the court trying the case without a jury, of  
153 committing, aiding, or abetting any embezzlement or theft from  
154 his or her employer, bribery in connection with the employment,  
155 or other felony specified in chapter 838, except ss. 838.15 and  
156 838.16, committed prior to retirement, or who has entered a plea  
157 of guilty or of nolo contendere to such crime, or any member  
158 whose employment is terminated by reason of the member's  
159 admitted commitment, aiding, or abetting of an embezzlement or  
160 theft from his or her employer, bribery, or other felony  
161 specified in chapter 838, except ss. 838.15 and 838.16, shall  
162 forfeit all rights and benefits under this chapter, except the  
163 return of his or her accumulated contributions as of the date of  
164 termination.

165 (g) Any elected official who is convicted by the Senate of  
166 an impeachable offense shall forfeit all rights and benefits  
167 under this chapter, except the return of his or her accumulated  
168 contributions as of the date of the conviction.

169 (h) Any member who, prior to retirement, is adjudged by a  
170 court of competent jurisdiction to have violated any state law  
171 against strikes by public employees, or who has been found  
172 guilty by such court of violating any state law prohibiting  
173 strikes by public employees, shall forfeit all rights and  
174 benefits under this chapter, except the return of his or her

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175 accumulated contributions as of the date of the conviction.

176 (i) The division or the state board may not pay benefits to  
177 any member convicted of a felony committed on or after October  
178 1, 2008, defined in s. 800.04 against a victim younger than 16  
179 years of age, or defined in chapter 794 against a victim younger  
180 than 18 years of age, through the use or attempted use of power,  
181 rights, privileges, duties, or position of the member's public  
182 office or employment position. However, the division or the  
183 state board shall return the member's accumulated contributions,  
184 if any, that the member accumulated as of the date of  
185 conviction.

186 (j) Any beneficiary who by a verdict of a jury or by the  
187 court trying the case without a jury is found guilty, or who has  
188 entered a plea of guilty or nolo contendere, of unlawfully and  
189 intentionally killing or procuring the death of the member  
190 forfeits all rights to the deceased member's benefits under this  
191 chapter, and the benefits will be paid as if such beneficiary  
192 had predeceased the decedent.

193 (k) Benefits may not be paid by the division or the state  
194 board pending final resolution of such charges against a member  
195 or beneficiary if the resolution of such charges could require  
196 the forfeiture of benefits as provided in paragraph (f),  
197 paragraph (g), paragraph (h), paragraph (i), paragraph (j), or  
198 chapter 112.

199 (l) The division and the state board, as appropriate, must  
200 take steps to recoup from the elected officer any DROP proceeds  
201 distributed pursuant to s. 121.053(7)(a)3. if:

202 1. Such DROP proceeds were distributed before the elected  
203 officer's termination; and

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204        2. The division or state board would be prohibited pursuant  
 205 to paragraph (k) from making a distribution to the elected  
 206 officer, absent the distribution to the elected officer pursuant  
 207 to s. 121.053(7)(a)3.

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

210        121.71 Uniform rates; process; calculations; levy.—

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

214

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2025</u> <del>2024</del>
215 216 217        Regular Class	<u>7.10%</u> <del>6.73%</del>
218 219        Special Risk Class	<u>20.10%</u> <del>18.66%</del>
Special Risk Administrative Support Class	<u>10.88%</u> <del>11.54%</del>
Elected Officers' Class— Legislators, Governor,	<u>10.04%</u> <del>10.70%</del>



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Lt. Governor,  
 Cabinet Officers,  
 State Attorneys,  
 Public Defenders

220

Elected Officers' Class-  
 Justices, Judges

15.62% ~~14.90%~~

221

Elected Officers' Class-  
 County Elected Officers

11.79% ~~12.39%~~

222

Senior Management Service  
 Class

8.73% ~~8.56%~~

223

DROP

9.37% ~~8.49%~~

224

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226

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228

229

(5) In order to address unfunded actuarial liabilities of the system, the required employer retirement contribution rates for each membership class and subclass of the Florida Retirement System for both retirement plans are as follows:

Percentage of  
 Gross  
 Compensation,  
 Effective

Membership Class

July 1, 2025 ~~2024~~

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232	Regular Class	<u>4.87%</u> <del>4.84%</del>
233	Special Risk Class	<u>13.03%</u> <del>12.07%</del>
234	Special Risk Administrative Support Class	<u>26.54%</u> <del>26.22%</del>
235	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>50.56%</u> <del>50.21%</del>
236	Elected Officers' Class— Justices, Judges	<u>28.46%</u> <del>28.49%</del>
237	Elected Officers' Class— County Elected Officers	<u>40.72%</u> <del>44.23%</del>
238	Senior Management Service Class	<u>22.45%</u> <del>23.90%</del>
239	DROP	<u>10.65%</u> <del>10.64%</del>

240           Section 4. The Legislature finds that a proper and  
 241 legitimate state purpose is served when employees, officers, and  
 242 retirees of the state and its political subdivisions, and the

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

252       Section 5. This act shall take effect July 1, 2025.