

By the Committees on Appropriations; and Governmental Oversight and Accountability

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1 A bill to be entitled
2 An act relating to benefits and salaries for public
3 employees; creating s. 112.1816, F.S.; defining the
4 term "firefighter"; establishing a presumption as to a
5 firefighter's condition or impairment of health caused
6 by certain types of cancer that he or she contracts in
7 the line of duty; specifying criteria a firefighter
8 must meet to be entitled to the presumption; requiring
9 an employing agency to provide a physical examination
10 for a firefighter; specifying circumstances under
11 which the presumption does not apply; providing for
12 applicability; amending s. 121.053, F.S.; authorizing
13 renewed membership in the Florida Retirement System
14 for retirees who are reemployed in a position eligible
15 for the Elected Officers' Class under certain
16 circumstances; amending s. 121.055, F.S.; providing
17 for renewed membership in the retirement system for
18 retirees of the Senior Management Service Optional
19 Annuity Program who are reemployed on or after a
20 specified date; closing the Senior Management Service
21 Optional Annuity Program to new members after a
22 specified date; amending s. 121.091, F.S.; revising
23 criteria for eligibility of payment of death benefits
24 to the surviving children of a Special Risk Class
25 member killed in the line of duty under specified
26 circumstances; conforming a provision to changes made
27 by the act; amending s. 121.122, F.S.; requiring that
28 certain retirees who are reemployed on or after a
29 specified date be renewed members in the investment

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30 plan; providing exceptions; specifying that creditable
31 service does not accrue for employment during a
32 specified period; prohibiting certain funds from being
33 paid into a renewed member's investment plan account
34 for a specified period of employment; requiring the
35 renewed member to satisfy vesting requirements;
36 prohibiting a renewed member from receiving specified
37 disability benefits; specifying limitations and
38 requirements; requiring the employer and the retiree
39 to make applicable contributions to the renewed
40 member's investment plan account; providing for the
41 transfer of contributions; authorizing a renewed
42 member to receive additional credit toward the health
43 insurance subsidy under certain circumstances;
44 prohibiting participation in the pension plan;
45 providing that a retiree reemployed on or after a
46 specified date in a regularly established position
47 eligible for the State University System Optional
48 Retirement Program or State Community College System
49 Optional Retirement Program is a renewed member of
50 that program; specifying limitations and requirements;
51 requiring the employer and the retiree to make
52 applicable contributions; amending s. 121.4501, F.S.;
53 revising definitions; revising a provision relating to
54 acknowledgement of an employee's election to
55 participate in the investment plan; enrolling certain
56 employees in the pension plan from their date of hire
57 until they are automatically enrolled in the
58 investment plan or timely elect enrollment in the

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59 pension plan; providing an exception for employees who
60 are in positions in the Special Risk Class; providing
61 certain members with a specified timeframe within
62 which they may choose participation in the pension
63 plan or the investment plan; conforming provisions to
64 changes made by the act; amending s. 121.591, F.S.;
65 authorizing payment of death benefits to the surviving
66 spouse or surviving children of a member in the
67 investment plan; establishing qualifications and
68 eligibility requirements for receipt of such benefits;
69 prescribing the method of calculating the benefit;
70 specifying circumstances under which benefit payments
71 are terminated; amending s. 121.5912, F.S.; revising a
72 provision regarding program qualification under the
73 Internal Revenue Code and rulemaking authority, to
74 conform to changes made by the act; amending s.
75 121.735, F.S.; revising allocations to fund line-of-
76 duty death benefits for investment plan members, to
77 conform to changes made by the act; requiring the
78 Legislature to review specified cancer research
79 programs by a certain date; revising employer
80 contribution rates to fund changes made by the act;
81 providing a directive to the Division of Law Revision
82 and Information; providing a declaration of important
83 state interest; amending s. 110.123, F.S.; revising
84 applicability of certain definitions; defining the
85 term "plan year"; authorizing the state group
86 insurance program to include additional benefits;
87 authorizing an employee to use a specified portion of

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88 the state's contribution to purchase additional
89 program benefits and supplemental benefits under
90 certain circumstances; providing for the program to
91 offer health plans in specified benefit levels;
92 defining the term "actuarial value"; requiring the
93 Department of Management Services to develop a plan
94 for implementation of the benefit levels; providing
95 reporting requirements; providing for expiration of
96 the implementation plan; creating s. 110.12303, F.S.;
97 authorizing additional benefits to be included in the
98 state group insurance program; requiring the
99 department to contract with at least one entity that
100 provides comprehensive pricing and inclusive services
101 for surgery and other medical procedures; providing
102 contract and reporting requirements; requiring the
103 department to contract with an entity to provide
104 enrollees with online information on health care
105 services and providers; providing contract and
106 reporting requirements; specifying applicability;
107 creating s. 110.12304, F.S.; directing the department
108 to competitively procure an independent benefits
109 consultant; providing qualifications and duties of the
110 independent benefits consultant; providing reporting
111 requirements; providing an appropriation and
112 authorizing positions; providing a purpose and
113 legislative intent with respect to provisions
114 governing salary and benefit adjustments for specified
115 state employees; providing for compensation
116 adjustments for specified law enforcement personnel,

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117 the Department of Corrections, Assistant Public
118 Defenders, certain judicial officers and designated
119 employees, and other state employees and officers;
120 authorizing the use of specified pay additives and
121 other incentive programs for the 2017-2018 fiscal
122 year; providing appropriations to fund the salary and
123 benefit adjustments; requiring the Office of Policy
124 and Budget in the Executive Office of the Governor, in
125 consultation with the Legislature, to distribute funds
126 and budget authority; providing effective dates.

127
128 Be It Enacted by the Legislature of the State of Florida:

129
130 Section 1. Section 112.1816, Florida Statutes, is created
131 to read:

132 112.1816 Firefighter disability or death from cancer
133 presumed contracted in the line of duty.-

134 (1) DEFINITION.-As used in this section, the term
135 "firefighter" has the same meaning as in s. 112.81.

136 (2) PRESUMPTION; ELIGIBILITY CONDITIONS.-

137 (a) Any condition or impairment of the health of a
138 firefighter employed full time by the state or any municipality,
139 county, port authority, special tax district, or fire control
140 district which is caused by multiple myeloma, non-Hodgkin's
141 lymphoma, prostate cancer, or testicular cancer and results in
142 total or partial disability or death is presumed to have been
143 accidental and to have been contracted in the line of duty
144 unless the contrary is shown by competent evidence. In order to
145 be entitled to this presumption, the firefighter:

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146 1. Must have successfully passed a physical examination
147 administered before the individual began service as a
148 firefighter and which failed to reveal any evidence of such a
149 health condition;

150 2. Must have been employed as a firefighter with his or her
151 current employer for at least 5 continuous years before becoming
152 totally or partially disabled or before his or her death;

153 3. Must not have used tobacco products for at least 5 years
154 before becoming totally or partially disabled or before his or
155 her death; and

156 4. Must not have been employed during the preceding 5 years
157 in any other position that is proven to create a higher risk for
158 multiple myeloma, non-Hodgkin's lymphoma, prostate cancer, or
159 testicular cancer. This includes any other employment as a
160 firefighter at another employing agency within the preceding 5
161 years.

162 (b) An employing agency must provide a physical examination
163 for a firefighter before he or she begins service or immediately
164 thereafter. Notwithstanding subparagraph (a)1., if the employing
165 agency fails to provide a physical examination before the
166 firefighter begins service, or immediately thereafter, the
167 firefighter is entitled to the presumption, provided that he or
168 she meets the criteria specified in subparagraphs (a)2., (a)3.,
169 and (a)4.

170 (c) The presumption does not apply to benefits payable
171 under or granted in a life insurance or disability insurance
172 policy unless the insurer and insured have negotiated for the
173 additional benefits to be included in the policy contract.

174 (3) APPLICABILITY.—A firefighter employed on July 1, 2017,

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175 is not required to meet the physical examination requirement in
176 subsection (2) in order to be entitled to the presumption set
177 forth in this section.

178 Section 2. Paragraph (a) of subsection (3) and subsection
179 (5) of section 121.053, Florida Statutes, are amended to read:

180 121.053 Participation in the Elected Officers' Class for
181 retired members.—

182 (3) On or after July 1, 2010:

183 (a) A retiree of a state-administered retirement system who
184 is initially reemployed in ~~elected or appointed for the first~~
185 ~~time to~~ an elective office in a regularly established position
186 with a covered employer may not reenroll in the Florida
187 Retirement System, except as provided in s. 121.122.

188 (5) Any renewed member, as described in s. 121.122(1), (3),
189 (4), or (5) ~~subsection (1) or subsection (2)~~, who is not
190 receiving the maximum health insurance subsidy provided in s.
191 112.363 is entitled to earn additional credit toward the maximum
192 health insurance subsidy. Any additional subsidy due because of
193 such additional credit may be received only at the time of
194 payment of the second career retirement benefit. The total
195 health insurance subsidy received from initial and renewed
196 membership may not exceed the maximum allowed in s. 112.363.

197 Section 3. Paragraph (f) of subsection (1) and paragraph
198 (c) of subsection (6) of section 121.055, Florida Statutes, are
199 amended to read:

200 121.055 Senior Management Service Class.—There is hereby
201 established a separate class of membership within the Florida
202 Retirement System to be known as the "Senior Management Service
203 Class," which shall become effective February 1, 1987.

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204 (1)

205 (f) Effective July 1, 1997:

206 1. Except as provided in subparagraph 3., an elected state

207 officer eligible for membership in the Elected Officers' Class

208 under s. 121.052(2)(a), (b), or (c) who elects membership in the

209 Senior Management Service Class under s. 121.052(3)(c) may,

210 within 6 months after assuming office or within 6 months after

211 this act becomes a law for serving elected state officers, elect

212 to participate in the Senior Management Service Optional Annuity

213 Program, as provided in subsection (6), in lieu of membership in

214 the Senior Management Service Class.

215 2. Except as provided in subparagraph 3., an elected

216 officer of a local agency employer eligible for membership in

217 the Elected Officers' Class under s. 121.052(2)(d) who elects

218 membership in the Senior Management Service Class under s.

219 121.052(3)(c) may, within 6 months after assuming office, or

220 within 6 months after this act becomes a law for serving elected

221 officers of a local agency employer, elect to withdraw from the

222 Florida Retirement System, as provided in subparagraph (b)2., in

223 lieu of membership in the Senior Management Service Class.

224 3. A retiree of a state-administered retirement system who

225 is initially reemployed in a regularly established position on

226 or after July 1, 2010, through June 30, 2017, as an elected

227 official eligible for the Elected Officers' Class may not be

228 enrolled in renewed membership in the Senior Management Service

229 Class or in the Senior Management Service Optional Annuity

230 Program as provided in subsection (6), and may not withdraw from

231 the Florida Retirement System as a renewed member as provided in

232 subparagraph (b)2., as applicable, in lieu of membership in the

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233 Senior Management Service Class. Effective July 1, 2017, a
234 retiree of the Senior Management Service Optional Annuity
235 Program who is reemployed in a regularly established position
236 with a covered employer shall be enrolled as a renewed member as
237 provided in s. 121.122.

238 (6)

239 (c) *Participation.*—

240 1. An eligible employee who is employed on or before
241 February 1, 1987, may elect to participate in the optional
242 annuity program in lieu of participating in the Senior
243 Management Service Class. Such election shall ~~must~~ be made in
244 writing and filed with the department and the personnel officer
245 of the employer on or before May 1, 1987. An eligible employee
246 who is employed on or before February 1, 1987, and who fails to
247 make an election to participate in the optional annuity program
248 by May 1, 1987, is ~~shall~~ be deemed to have elected membership in
249 the Senior Management Service Class.

250 2. Except as provided in subparagraph 6., an employee who
251 becomes eligible to participate in the optional annuity program
252 by reason of initial employment commencing after February 1,
253 1987, may, within 90 days after the date of commencing
254 employment, elect to participate in the optional annuity
255 program. Such election shall ~~must~~ be made in writing and filed
256 with the personnel officer of the employer. An eligible employee
257 who does not within 90 days after commencing employment elect to
258 participate in the optional annuity program is ~~shall~~ be deemed
259 to have elected membership in the Senior Management Service
260 Class.

261 3. A person who is appointed to a position in the Senior

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262 Management Service Class and who is a member of an existing
263 retirement system or the Special Risk or Special Risk
264 Administrative Support Classes of the Florida Retirement System
265 may elect to remain in such system or class in lieu of
266 participating in the Senior Management Service Class or optional
267 annuity program. Such election shall ~~must~~ be made in writing and
268 filed with the department and the personnel officer of the
269 employer within 90 days after such appointment. An eligible
270 employee who fails to make an election to participate in the
271 existing system, the Special Risk Class of the Florida
272 Retirement System, the Special Risk Administrative Support Class
273 of the Florida Retirement System, or the optional annuity
274 program is ~~shall be~~ deemed to have elected membership in the
275 Senior Management Service Class.

276 4. Except as provided in subparagraph 5., an employee's
277 election to participate in the optional annuity program is
278 irrevocable if the employee continues to be employed in an
279 eligible position and continues to meet the eligibility
280 requirements set forth in this paragraph.

281 5. Effective from July 1, 2002, through September 30, 2002,
282 an active employee in a regularly established position who has
283 elected to participate in the Senior Management Service Optional
284 Annuity Program has one opportunity to choose to move from the
285 Senior Management Service Optional Annuity Program to the
286 Florida Retirement System Pension Plan.

287 a. The election shall ~~must~~ be made in writing and ~~must be~~
288 filed with the department and the personnel officer of the
289 employer before October 1, 2002, or, in the case of an active
290 employee who is on a leave of absence on July 1, 2002, within 90

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291 days after the conclusion of the leave of absence. This election
292 is irrevocable.

293 b. The employee shall receive service credit under the
294 pension plan equal to his or her years of service under the
295 Senior Management Service Optional Annuity Program. The cost for
296 such credit is the amount representing the present value of that
297 employee's accumulated benefit obligation for the affected
298 period of service.

299 c. The employee shall ~~must~~ transfer the total accumulated
300 employer contributions and earnings on deposit in his or her
301 Senior Management Service Optional Annuity Program account. If
302 the transferred amount is not sufficient to pay the amount due,
303 the employee shall ~~must~~ pay a sum representing the remainder of
304 the amount due. The employee may not retain any employer
305 contributions or earnings from the Senior Management Service
306 Optional Annuity Program account.

307 6. A retiree of a state-administered retirement system who
308 is initially reemployed on or after July 1, 2010, through June
309 30, 2017, may not renew membership in the Senior Management
310 Service Optional Annuity Program. Effective July 1, 2017, a
311 retiree of the Senior Management Service Optional Annuity
312 Program who is reemployed in a regularly established position
313 with a covered employer shall be enrolled as a renewed member as
314 provided in s. 121.122.

315 7. Effective July 1, 2017, the Senior Management Service
316 Optional Annuity Program is closed to new members. A member
317 enrolled in the Senior Management Service Optional Annuity
318 Program before July 1, 2017, may retain his or her membership in
319 the annuity program.

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320 Section 4. Paragraphs (d) and (i) of subsection (7) and
321 paragraph (c) of subsection (9) of section 121.091, Florida
322 Statutes, are amended to read:

323 121.091 Benefits payable under the system.—Benefits may not
324 be paid under this section unless the member has terminated
325 employment as provided in s. 121.021(39) (a) or begun
326 participation in the Deferred Retirement Option Program as
327 provided in subsection (13), and a proper application has been
328 filed in the manner prescribed by the department. The department
329 may cancel an application for retirement benefits when the
330 member or beneficiary fails to timely provide the information
331 and documents required by this chapter and the department's
332 rules. The department shall adopt rules establishing procedures
333 for application for retirement benefits and for the cancellation
334 of such application when the required information or documents
335 are not received.

336 (7) DEATH BENEFITS.—

337 (d) Notwithstanding any other provision in this chapter to
338 the contrary, with the exception of the Deferred Retirement
339 Option Program, as provided in subsection (13):

340 1. The surviving spouse of any member killed in the line of
341 duty may receive a monthly pension equal to one-half of the
342 monthly salary being received by the member at the time of death
343 for the rest of the surviving spouse's lifetime or, if the
344 member was vested, such surviving spouse may elect to receive a
345 benefit as provided in paragraph (b). Benefits provided by this
346 paragraph shall supersede any other distribution that may have
347 been provided by the member's designation of beneficiary.

348 2. If the surviving spouse of a member killed in the line

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349 of duty dies, the monthly payments that would have been payable
350 to such surviving spouse had such surviving spouse lived shall
351 be paid for the use and benefit of such member's child or
352 children under 18 years of age and unmarried until the 18th
353 birthday of the member's youngest child. Beginning July 1, 2016,
354 such payments may be extended, for the surviving child of a
355 member in the Special Risk Class at the time he or she was
356 killed in the line of duty on or after July 1, 2013, until the
357 25th birthday of any child of the member if the child is
358 unmarried and enrolled as a full-time student. Beginning July 1,
359 2017, such payments may be extended, for the surviving child of
360 a member in the Special Risk Class at the time he or she was
361 killed in the line of duty on or after July 1, 2002, until the
362 25th birthday of any child of the member if the child is
363 unmarried and enrolled as a full-time student.

364 3. If a member killed in the line of duty leaves no
365 surviving spouse but is survived by a child or children under 18
366 years of age, the benefits provided by subparagraph 1., normally
367 payable to a surviving spouse, shall be paid for the use and
368 benefit of such member's child or children under 18 years of age
369 and unmarried until the 18th birthday of the member's youngest
370 child. Beginning July 1, 2016, such monthly payments may be
371 extended, for the surviving child of a member in the Special
372 Risk Class at the time he or she was killed in the line of duty
373 on or after July 1, 2013, until the 25th birthday of any child
374 of the member if the child is unmarried and enrolled as a full-
375 time student. Beginning July 1, 2017, such monthly payments may
376 be extended, for the surviving child of a member in the Special
377 Risk Class at the time he or she was killed in the line of duty

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378 on or after July 1, 2002, until the 25th birthday of any child
379 of the member if the child is unmarried and enrolled as a full-
380 time student.

381 4. The surviving spouse of a member whose benefit
382 terminated because of remarriage shall have the benefit
383 reinstated beginning July 1, 1993, at an amount that would have
384 been payable had the benefit not been terminated.

385 (i) ~~Effective July 1, 2016,~~ and Notwithstanding any
386 provision in this chapter to the contrary, if a member in the
387 Special Risk Class, other than a participant in the Deferred
388 Retirement Option Program under subsection (13), is killed in
389 the line of duty on or after July 1, 2002 ~~2013~~, the following
390 benefits are payable in addition to the benefits provided in
391 paragraph (d):

392 1. The surviving spouse may receive a monthly pension equal
393 to one-half of the monthly salary being received by the member
394 at the time of the member's death for the rest of the surviving
395 spouse's lifetime or, if the member was vested, such surviving
396 spouse may elect to receive a benefit as provided in paragraph
397 (b). Benefits provided by this paragraph supersede any other
398 distribution that may have been provided by the member's
399 designation of beneficiary.

400 2. If the surviving spouse dies, the monthly payments that
401 otherwise would have been payable to such surviving spouse shall
402 be paid for the use and benefit of the member's child or
403 children under 18 years of age and unmarried until the 18th
404 birthday of the member's youngest child. Such monthly payments
405 may be extended until the 25th birthday of the member's child if
406 the child is unmarried and enrolled as a full-time student.

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407 3. If the member leaves no surviving spouse but is survived
408 by a child or children under 18 years of age, the benefits
409 provided by subparagraph 1., normally payable to a surviving
410 spouse, shall be paid for the use and benefit of such member's
411 child or children under 18 years of age and unmarried until the
412 18th birthday of the member's youngest child. Such monthly
413 payments may be extended until the 25th birthday of any of the
414 member's children if the child is unmarried and enrolled as a
415 full-time student.

416 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

417 (c) Any person whose retirement is effective on or after
418 July 1, 2010, or whose participation in the Deferred Retirement
419 Option Program terminates on or after July 1, 2010, who is
420 retired under this chapter, except under the disability
421 retirement provisions of subsection (4) or as provided in s.
422 121.053, may be reemployed by an employer that participates in a
423 state-administered retirement system and receive retirement
424 benefits and compensation from that employer. However, a person
425 may not be reemployed by an employer participating in the
426 Florida Retirement System before meeting the definition of
427 termination in s. 121.021 and may not receive both a salary from
428 the employer and retirement benefits for 6 calendar months after
429 meeting the definition of termination. However, a DROP
430 participant shall continue employment and receive a salary
431 during the period of participation in the Deferred Retirement
432 Option Program, as provided in subsection (13).

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

435 2. The employer shall pay retirement contributions in an

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436 amount equal to the unfunded actuarial liability portion of the
437 employer contribution that would be required for active members
438 of the Florida Retirement System in addition to the
439 contributions required by s. 121.76.

440 3. A retiree initially reemployed in violation of this
441 paragraph and an employer that employs or appoints such person
442 are jointly and severally liable for reimbursement of any
443 retirement benefits paid to the retirement trust fund from which
444 the benefits were paid, including the Florida Retirement System
445 Trust Fund and the Public Employee Optional Retirement Program
446 Trust Fund, as appropriate. The employer must have a written
447 statement from the employee that he or she is not retired from a
448 state-administered retirement system. Retirement benefits shall
449 remain suspended until repayment is made. Benefits suspended
450 beyond the end of the retiree's 6-month reemployment limitation
451 period shall apply toward the repayment of benefits received in
452 violation of this paragraph.

453 Section 5. Subsection (2) of section 121.122, Florida
454 Statutes, is amended, and subsections (3), (4), and (5) are
455 added to that section, to read:

456 121.122 Renewed membership in system.—

457 (2) Except as otherwise provided in subsections (3), (4),
458 and (5), a retiree of a state-administered retirement system who
459 is initially reemployed in a regularly established position on
460 or after July 1, 2010, may not be enrolled as a renewed member.

461 (3) A retiree of the investment plan, the State University
462 System Optional Retirement Program, the Senior Management
463 Service Optional Annuity Program, or the State Community College
464 System Optional Retirement Program who is reemployed with a

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465 covered employer in a regularly established position on or after
466 July 1, 2017, shall be enrolled as a renewed member of the
467 investment plan unless employed in a position eligible for
468 participation in the State University System Optional Retirement
469 Program as provided in subsection (4) or the State Community
470 College System Optional Retirement Program as provided in
471 subsection (5). The renewed member must satisfy the vesting
472 requirements and other provisions of this chapter.

473 (a) A renewed member of the investment plan shall be
474 enrolled in one of the following membership classes:

475 1. In the Regular Class, if the position does not meet the
476 requirements for membership under s. 121.0515, s. 121.053, or s.
477 121.055.

478 2. In the Special Risk Class, if the position meets the
479 requirements of s. 121.0515.

480 3. In the Elected Officers' Class, if the position meets
481 the requirements of s. 121.053.

482 4. In the Senior Management Service Class, if the position
483 meets the requirements of s. 121.055.

484 (b) Creditable service, including credit toward the retiree
485 health insurance subsidy provided in s. 112.363, does not accrue
486 for a renewed member's employment in a regularly established
487 position with a covered employer from July 1, 2010, through June
488 30, 2017.

489 (c) Employer and employee contributions, interest,
490 earnings, or any other funds may not be paid into a renewed
491 member's investment plan account for any employment in a
492 regularly established position with a covered employer on or
493 after July 1, 2010, through June 30, 2017, by the renewed member

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494 or the employer on behalf of the renewed member.

495 (d) To be eligible to receive a retirement benefit, the
496 renewed member must satisfy the vesting requirements in s.
497 121.4501(6).

498 (e) The renewed member is ineligible to receive disability
499 benefits as provided in s. 121.091(4) or s. 121.591(2).

500 (f) The renewed member is subject to the limitations on
501 reemployment after retirement provided in s. 121.091(9), as
502 applicable.

503 (g) The renewed member must satisfy the requirements for
504 termination from employment provided in s. 121.021(39).

505 (h) Upon renewed membership or reemployment of a retiree,
506 the employer and the renewed member shall pay the applicable
507 employer and employee contributions required under ss. 112.363,
508 121.71, 121.74, and 121.76. The contributions are payable only
509 for employment and salary earned in a regularly established
510 position with a covered employer on or after July 1, 2017. The
511 employer and employee contributions shall be transferred to the
512 investment plan and placed in a default fund as designated by
513 the state board. The renewed member may move the contributions
514 once an account is activated in the investment plan.

515 (i) A renewed member who earns creditable service under the
516 investment plan and who is not receiving the maximum health
517 insurance subsidy provided in s. 112.363 is entitled to earn
518 additional credit toward the subsidy. Such credit may be earned
519 only for employment in a regularly established position with a
520 covered employer on or after July 1, 2017. Any additional
521 subsidy due because of additional credit may be received only at
522 the time of paying the second career retirement benefit. The

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523 total health insurance subsidy received by a retiree receiving
524 benefits from initial and renewed membership may not exceed the
525 maximum allowed under s. 112.363.

526 (j) Notwithstanding s. 121.4501(4)(f), the renewed member
527 is not eligible to elect membership in the pension plan.

528 (4) A retiree of the investment plan, the State University
529 System Optional Retirement Program, the Senior Management
530 Service Optional Annuity Program, or the State Community College
531 System Optional Retirement Program who is reemployed on or after
532 July 1, 2017, in a regularly established position eligible for
533 participation in the State University System Optional Retirement
534 Program shall become a renewed member of the optional retirement
535 program. The renewed member must satisfy the vesting
536 requirements and other provisions of this chapter. Once
537 enrolled, a renewed member remains enrolled in the optional
538 retirement program while employed in an eligible position for
539 the optional retirement program. If employment in a different
540 covered position results in the renewed member's enrollment in
541 the investment plan, the renewed member is no longer eligible to
542 participate in the optional retirement program unless employed
543 in a mandatory position under s. 121.35.

544 (a) The renewed member is subject to the limitations on
545 reemployment after retirement provided in s. 121.091(9), as
546 applicable.

547 (b) The renewed member must satisfy the requirements for
548 termination from employment provided in s. 121.021(39).

549 (c) Upon renewed membership or reemployment of a retiree,
550 the employer and the renewed member shall pay the applicable
551 employer and employee contributions required under s. 121.35.

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552 (d) Employer and employee contributions, interest,
553 earnings, or any other funds may not be paid into a renewed
554 member's optional retirement program account for any employment
555 in a regularly stablished position with a covered employer on or
556 after July 1, 2010, through June 30, 2017, by the renewed member
557 or the employer on behalf of the renewed member.

558 (e) Notwithstanding s. 121.4501(4) (f), the renewed member
559 is not eligible to elect membership in the pension plan.

560 (5) A retiree of the investment plan, the State University
561 System Optional Retirement Program, the Senior Management
562 Service Optional Annuity Program, or the State Community College
563 System Optional Retirement Program who is reemployed on or after
564 July 1, 2017, in a regularly established position eligible for
565 participation in the State Community College System Optional
566 Retirement Program shall become a renewed member of the optional
567 retirement program. The renewed member must satisfy the
568 eligibility requirements of this chapter and s. 1012.875 for the
569 optional retirement program. Once enrolled, a renewed member
570 remains enrolled in the optional retirement program while
571 employed in an eligible position for the optional retirement
572 program. If employment in a different covered position results
573 in the renewed member's enrollment in the investment plan, the
574 renewed member is no longer eligible to participate in the
575 optional retirement program.

576 (a) The renewed member is subject to the limitations on
577 reemployment after retirement provided in s. 121.091(9), as
578 applicable.

579 (b) The renewed member must satisfy the requirements for
580 termination from employment provided in s. 121.021(39).

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581 (c) Upon renewed membership or reemployment of a retiree,
582 the employer and the renewed member shall pay the applicable
583 employer and employee contributions required under ss.
584 121.051(2)(c) and 1012.875.

585 (d) Employer and employee contributions, interest,
586 earnings, or any other funds may not be paid into a renewed
587 member's optional retirement program account for any employment
588 in a regularly established position with a covered employer on
589 or after July 1, 2010, through June 30, 2017, by the renewed
590 member or the employer on behalf of the renewed member.

591 (e) Notwithstanding s. 121.4501(4)(f), the renewed member
592 is not eligible to elect membership in the pension plan.

593 Section 6. Paragraphs (e) and (i) of subsection (2),
594 paragraph (b) of subsection (3), subsection (4), paragraph (c)
595 of subsection (5), and paragraphs (a) and (h) of subsection (10)
596 of section 121.4501, Florida Statutes, are amended to read:

597 121.4501 Florida Retirement System Investment Plan.—

598 (2) DEFINITIONS.—As used in this part, the term:

599 (e) "Eligible employee" means an officer or employee, as
600 defined in s. 121.021, who:

601 1. Is a member of, or is eligible for membership in, the
602 Florida Retirement System, including any renewed member of the
603 Florida Retirement System initially enrolled before July 1,
604 2010; ~~or~~

605 2. Participates in, or is eligible to participate in, the
606 Senior Management Service Optional Annuity Program as
607 established under s. 121.055(6), the State Community College
608 System Optional Retirement Program as established under s.
609 121.051(2)(c), or the State University System Optional

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610 Retirement Program established under s. 121.35; or
611 3. Is a retired member of the investment plan, the State
612 University System Optional Retirement Program, the Senior
613 Management Service Optional Annuity Program, or the State
614 Community College System Optional Retirement Program who is
615 reemployed in a regularly established position on or after July
616 1, 2017, and enrolled as a renewed member as provided in s.
617 121.122.

618
619 The term does not include any member participating in the
620 Deferred Retirement Option Program established under s.
621 121.091(13), a retiree of the pension plan who is reemployed in
622 a regularly established position on or after July 1, 2010, a
623 retiree of a state-administered retirement system initially
624 reemployed in a regularly established position on or after July
625 1, 2010, through June 30, 2017, or a mandatory participant of
626 the State University System Optional Retirement Program
627 established under s. 121.35.

628 (i) "Member" or "employee" means an eligible employee who
629 enrolls in, or who defaults into, the investment plan as
630 provided in subsection (4), a terminated Deferred Retirement
631 Option Program member as described in subsection (21), or a
632 beneficiary or alternate payee of a member or employee.

633 (3) RETIREMENT SERVICE CREDIT; TRANSFER OF BENEFITS.—

634 (b) Notwithstanding paragraph (a), an eligible employee who
635 elects to participate in, or who defaults into, the investment
636 plan and establishes one or more individual member accounts may
637 elect to transfer to the investment plan a sum representing the
638 present value of the employee's accumulated benefit obligation

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639 under the pension plan, except as provided in paragraph (4) (b).
640 Upon transfer, all service credit earned under the pension plan
641 is nullified for purposes of entitlement to a future benefit
642 under the pension plan. A member may not transfer the
643 accumulated benefit obligation balance from the pension plan
644 after the time period for enrolling in the investment plan has
645 expired.

646 1. For purposes of this subsection, the present value of
647 the member's accumulated benefit obligation is based upon the
648 member's estimated creditable service and estimated average
649 final compensation under the pension plan, subject to
650 recomputation under subparagraph 2. For state employees, initial
651 estimates shall be based upon creditable service and average
652 final compensation as of midnight on June 30, 2002; for district
653 school board employees, initial estimates shall be based upon
654 creditable service and average final compensation as of midnight
655 on September 30, 2002; and for local government employees,
656 initial estimates shall be based upon creditable service and
657 average final compensation as of midnight on December 31, 2002.
658 The dates specified are the "estimate date" for these employees.
659 The actuarial present value of the employee's accumulated
660 benefit obligation shall be based on the following:

661 a. The discount rate and other relevant actuarial
662 assumptions used to value the Florida Retirement System Trust
663 Fund at the time the amount to be transferred is determined,
664 consistent with the factors provided in sub-subparagraphs b. and
665 c.

666 b. A benefit commencement age, based on the member's
667 estimated creditable service as of the estimate date.

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668 c. Except as provided under sub-subparagraph d., for a
669 member initially enrolled:

670 (I) Before July 1, 2011, the benefit commencement age is
671 the younger of the following, but may not be younger than the
672 member's age as of the estimate date:

673 (A) Age 62; or

674 (B) The age the member would attain if the member completed
675 30 years of service with an employer, assuming the member worked
676 continuously from the estimate date, and disregarding any
677 vesting requirement that would otherwise apply under the pension
678 plan.

679 (II) On or after July 1, 2011, the benefit commencement age
680 is the younger of the following, but may not be younger than the
681 member's age as of the estimate date:

682 (A) Age 65; or

683 (B) The age the member would attain if the member completed
684 33 years of service with an employer, assuming the member worked
685 continuously from the estimate date, and disregarding any
686 vesting requirement that would otherwise apply under the pension
687 plan.

688 d. For members of the Special Risk Class and for members of
689 the Special Risk Administrative Support Class entitled to retain
690 the special risk normal retirement date:

691 (I) Initially enrolled before July 1, 2011, the benefit
692 commencement age is the younger of the following, but may not be
693 younger than the member's age as of the estimate date:

694 (A) Age 55; or

695 (B) The age the member would attain if the member completed
696 25 years of service with an employer, assuming the member worked

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697 continuously from the estimate date, and disregarding any
698 vesting requirement that would otherwise apply under the pension
699 plan.

700 (II) Initially enrolled on or after July 1, 2011, the
701 benefit commencement age is the younger of the following, but
702 may not be younger than the member's age as of the estimate
703 date:

704 (A) Age 60; or

705 (B) The age the member would attain if the member completed
706 30 years of service with an employer, assuming the member worked
707 continuously from the estimate date, and disregarding any
708 vesting requirement that would otherwise apply under the pension
709 plan.

710 e. The calculation must disregard vesting requirements and
711 early retirement reduction factors that would otherwise apply
712 under the pension plan.

713 2. For each member who elects to transfer moneys from the
714 pension plan to his or her account in the investment plan, the
715 division shall recompute the amount transferred under
716 subparagraph 1. within 60 days after the actual transfer of
717 funds based upon the member's actual creditable service and
718 actual final average compensation as of the initial date of
719 participation in the investment plan. If the recomputed amount
720 differs from the amount transferred by \$10 or more, the division
721 shall:

722 a. Transfer, or cause to be transferred, from the Florida
723 Retirement System Trust Fund to the member's account the excess,
724 if any, of the recomputed amount over the previously transferred
725 amount together with interest from the initial date of transfer

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726 to the date of transfer under this subparagraph, based upon the
727 effective annual interest equal to the assumed return on the
728 actuarial investment which was used in the most recent actuarial
729 valuation of the system, compounded annually.

730 b. Transfer, or cause to be transferred, from the member's
731 account to the Florida Retirement System Trust Fund the excess,
732 if any, of the previously transferred amount over the recomputed
733 amount, together with interest from the initial date of transfer
734 to the date of transfer under this subparagraph, based upon 6
735 percent effective annual interest, compounded annually, pro rata
736 based on the member's allocation plan.

737 3. If contribution adjustments are made as a result of
738 employer errors or corrections, including plan corrections,
739 following recomputation of the amount transferred under
740 subparagraph 1., the member is entitled to the additional
741 contributions or is responsible for returning any excess
742 contributions resulting from the correction. However, a ~~any~~
743 return of such erroneous excess pretax contribution by the plan
744 must be made within the period allowed by the Internal Revenue
745 Service. The present value of the member's accumulated benefit
746 obligation may ~~shall~~ not be recalculated.

747 4. As directed by the member, the state board shall
748 transfer or cause to be transferred the appropriate amounts to
749 the designated accounts within 30 days after the effective date
750 of the member's participation in the investment plan unless the
751 major financial markets for securities available for a transfer
752 are seriously disrupted by an unforeseen event that causes the
753 suspension of trading on a ~~any~~ national securities exchange in
754 the country where the securities were issued. In that event, the

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755 30-day period may be extended by a resolution of the state
756 board. Transfers are not commissionable or subject to other fees
757 and may be in the form of securities or cash, as determined by
758 the state board. Such securities are valued as of the date of
759 receipt in the member's account.

760 5. If the state board or the division receives notification
761 from the United States Internal Revenue Service that this
762 paragraph or any portion of this paragraph will cause the
763 retirement system, or a portion thereof, to be disqualified for
764 tax purposes under the Internal Revenue Code, the portion that
765 will cause the disqualification does not apply. Upon such
766 notice, the state board and the division shall notify the
767 presiding officers of the Legislature.

768 (4) PARTICIPATION; ENROLLMENT.—

769 (a)1. Effective June 1, 2002, through February 28, 2003, a
770 90-day election period was provided to each eligible employee
771 participating in the Florida Retirement System, preceded by a
772 90-day education period, permitting each eligible employee to
773 elect membership in the investment plan. An employee who failed
774 to elect the investment plan during the election period remained
775 in the pension plan. An eligible employee who was employed in a
776 regularly established position during the election period was
777 granted the option to make one subsequent election, as provided
778 in paragraph (f). With respect to an eligible employee who did
779 not participate in the initial election period or who is
780 initially employed in a regularly established position after the
781 close of the initial election period but before January 1, 2018,
782 ~~on June 1, 2002, by a state employer:~~

783 a. ~~Any such employee may elect to participate in the~~

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784 ~~investment plan in lieu of retaining his or her membership in~~
785 ~~the pension plan. The election must be made in writing or by~~
786 ~~electronic means and must be filed with the third-party~~
787 ~~administrator by August 31, 2002, or, in the case of an active~~
788 ~~employee who is on a leave of absence on April 1, 2002, by the~~
789 ~~last business day of the 5th month following the month the leave~~
790 ~~of absence concludes. This election is irrevocable, except as~~
791 ~~provided in paragraph (g). Upon making such election, the~~
792 ~~employee shall be enrolled as a member of the investment plan,~~
793 ~~the employee's membership in the Florida Retirement System is~~
794 ~~governed by the provisions of this part, and the employee's~~
795 ~~membership in the pension plan terminates. The employee's~~
796 ~~enrollment in the investment plan is effective the first day of~~
797 ~~the month for which a full month's employer contribution is made~~
798 ~~to the investment plan.~~

799 ~~b. Any such employee who fails to elect to participate in~~
800 ~~the investment plan within the prescribed time period is deemed~~
801 ~~to have elected to retain membership in the pension plan, and~~
802 ~~the employee's option to elect to participate in the investment~~
803 ~~plan is forfeited.~~

804 ~~2. With respect to employees who become eligible to~~
805 ~~participate in the investment plan by reason of employment in a~~
806 ~~regularly established position with a state employer commencing~~
807 ~~after April 1, 2002:~~

808 ~~a. Any such employee shall, by default, be enrolled in the~~
809 ~~pension plan at the commencement of employment, and may, by the~~
810 ~~last business day of the 5th month following the employee's~~
811 ~~month of hire, elect to participate in the investment plan. The~~
812 ~~employee's election must be made in writing or by electronic~~

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813 means and must be filed with the third-party administrator. The
814 election to participate in the investment plan is irrevocable,
815 except as provided in paragraph (f) ~~(g)~~.

816 ~~a.b.~~ If the employee files such election within the
817 prescribed time period, enrollment in the investment plan is
818 effective on the first day of employment. The retirement
819 contributions paid through the month of the employee plan change
820 shall be transferred to the investment program, and, effective
821 the first day of the next month, the employer and employee must
822 pay the applicable contributions based on the employee
823 membership class in the program.

824 ~~b.e.~~ An employee who fails to elect to participate in the
825 investment plan within the prescribed time period is deemed to
826 have elected to retain membership in the pension plan, and the
827 employee's option to elect to participate in the investment plan
828 is forfeited.

829 ~~2.3.~~ With respect to employees who become eligible to
830 participate in the investment plan pursuant to s.
831 121.051(2)(c)3. or s. 121.35(3)(i), the employee may elect to
832 participate in the investment plan in lieu of retaining his or
833 her membership in the State Community College System Optional
834 Retirement Program or the State University System Optional
835 Retirement Program. The election must be made in writing or by
836 electronic means and must be filed with the third-party
837 administrator. This election is irrevocable, except as provided
838 in paragraph (f) ~~(g)~~. Upon making such election, the employee
839 shall be enrolled as a member in the investment plan, the
840 employee's membership in the Florida Retirement System is
841 governed by the provisions of this part, and the employee's

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842 participation in the State Community College System Optional
843 Retirement Program or the State University System Optional
844 Retirement Program terminates. The employee's enrollment in the
845 investment plan is effective on the first day of the month for
846 which a full month's employer and employee contribution is made
847 to the investment plan.

848 (b)1. With respect to employees who become eligible to
849 participate in the investment plan by reason of employment in a
850 regularly established position commencing on or after January 1,
851 2018, or who did not complete an election window before January
852 1, 2018, any such employee shall be enrolled in the pension plan
853 at the commencement of employment and may, by the last business
854 day of the eighth month following the employee's month of hire,
855 elect to participate in the pension plan or the investment plan.
856 Eligible employees may make a plan election only if they are
857 earning service credit in an employer-employee relationship
858 consistent with s. 121.021(17) (b), excluding leaves of absence
859 without pay.

860 2. The employee's election must be made in writing or by
861 electronic means and must be filed with the third-party
862 administrator. The election to participate in the pension plan
863 or investment plan is irrevocable, except as provided in
864 paragraph (f).

865 3.a. Except as provided in sub-subparagraph b., if the
866 employee fails to make an election to either the pension plan or
867 the investment plan during the 8-month period following the
868 month of hire, the employee is deemed to have elected the
869 investment plan and shall default into the investment plan
870 retroactively to the employee's date of employment. The

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871 employee's option to participate in the pension plan is
872 forfeited, except as provided in paragraph (f).

873 b. If the employee is employed in a position included in
874 the Special Risk Class and fails to make an election to either
875 the pension plan or the investment plan during the 8-month
876 period following the month of hire, the employee is deemed to
877 have elected the pension plan and shall default into the pension
878 plan retroactively to the employee's date of employment. The
879 employee's option to participate in the investment plan is
880 forfeited, except as provided in paragraph (f).

881 4. The amount of the employee and employer contributions
882 paid through the date of default to the investment plan shall be
883 transferred to the investment plan and shall be placed in a
884 default fund as designated by the State Board of Administration.
885 The employee may move the contributions once an account is
886 activated in the investment plan.

887 5. Effective the first day of the month after an eligible
888 employee makes a plan election of the pension plan or the
889 investment plan, or the first day of the month after default to
890 the investment plan, the employee and employer shall pay the
891 applicable contributions based on the employee membership class
892 in the program.

893 ~~4. For purposes of this paragraph, "state employer" means~~
894 ~~any agency, board, branch, commission, community college,~~
895 ~~department, institution, institution of higher education, or~~
896 ~~water management district of the state, which participates in~~
897 ~~the Florida Retirement System for the benefit of certain~~
898 ~~employees.~~

899 ~~(b)1. With respect to an eligible employee who is employed~~

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900 ~~in a regularly established position on September 1, 2002, by a~~
901 ~~district school board employer:~~

902 ~~a. Any such employee may elect to participate in the~~
903 ~~investment plan in lieu of retaining his or her membership in~~
904 ~~the pension plan. The election must be made in writing or by~~
905 ~~electronic means and must be filed with the third party~~
906 ~~administrator by November 30, or, in the case of an active~~
907 ~~employee who is on a leave of absence on July 1, 2002, by the~~
908 ~~last business day of the 5th month following the month the leave~~
909 ~~of absence concludes. This election is irrevocable, except as~~
910 ~~provided in paragraph (g). Upon making such election, the~~
911 ~~employee shall be enrolled as a member of the investment plan,~~
912 ~~the employee's membership in the Florida Retirement System is~~
913 ~~governed by the provisions of this part, and the employee's~~
914 ~~membership in the pension plan terminates. The employee's~~
915 ~~enrollment in the investment plan is effective the first day of~~
916 ~~the month for which a full month's employer contribution is made~~
917 ~~to the investment program.~~

918 ~~b. Any such employee who fails to elect to participate in~~
919 ~~the investment plan within the prescribed time period is deemed~~
920 ~~to have elected to retain membership in the pension plan, and~~
921 ~~the employee's option to elect to participate in the investment~~
922 ~~plan is forfeited.~~

923 ~~2. With respect to employees who become eligible to~~
924 ~~participate in the investment plan by reason of employment in a~~
925 ~~regularly established position with a district school board~~
926 ~~employer commencing after July 1, 2002:~~

927 ~~a. Any such employee shall, by default, be enrolled in the~~
928 ~~pension plan at the commencement of employment, and may, by the~~

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929 ~~last business day of the 5th month following the employee's~~
930 ~~month of hire, elect to participate in the investment plan. The~~
931 ~~employee's election must be made in writing or by electronic~~
932 ~~means and must be filed with the third party administrator. The~~
933 ~~election to participate in the investment plan is irrevocable,~~
934 ~~except as provided in paragraph (g).~~

935 ~~b. If the employee files such election within the~~
936 ~~prescribed time period, enrollment in the investment plan is~~
937 ~~effective on the first day of employment. The employer~~
938 ~~retirement contributions paid through the month of the employee~~
939 ~~plan change shall be transferred to the investment plan, and,~~
940 ~~effective the first day of the next month, the employer shall~~
941 ~~pay the applicable contributions based on the employee~~
942 ~~membership class in the investment plan.~~

943 ~~e. Any such employee who fails to elect to participate in~~
944 ~~the investment plan within the prescribed time period is deemed~~
945 ~~to have elected to retain membership in the pension plan, and~~
946 ~~the employee's option to elect to participate in the investment~~
947 ~~plan is forfeited.~~

948 ~~3. For purposes of this paragraph, "district school board~~
949 ~~employer" means any district school board that participates in~~
950 ~~the Florida Retirement System for the benefit of certain~~
951 ~~employees, or a charter school or charter technical career~~
952 ~~center that participates in the Florida Retirement System as~~
953 ~~provided in s. 121.051(2) (d).~~

954 ~~(c)1. With respect to an eligible employee who is employed~~
955 ~~in a regularly established position on December 1, 2002, by a~~
956 ~~local employer:~~

957 ~~a. Any such employee may elect to participate in the~~

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958 ~~investment plan in lieu of retaining his or her membership in~~
959 ~~the pension plan. The election must be made in writing or by~~
960 ~~electronic means and must be filed with the third-party~~
961 ~~administrator by February 28, 2003, or, in the case of an active~~
962 ~~employee who is on a leave of absence on October 1, 2002, by the~~
963 ~~last business day of the 5th month following the month the leave~~
964 ~~of absence concludes. This election is irrevocable, except as~~
965 ~~provided in paragraph (g). Upon making such election, the~~
966 ~~employee shall be enrolled as a participant of the investment~~
967 ~~plan, the employee's membership in the Florida Retirement System~~
968 ~~is governed by the provisions of this part, and the employee's~~
969 ~~membership in the pension plan terminates. The employee's~~
970 ~~enrollment in the investment plan is effective the first day of~~
971 ~~the month for which a full month's employer contribution is made~~
972 ~~to the investment plan.~~

973 ~~b. Any such employee who fails to elect to participate in~~
974 ~~the investment plan within the prescribed time period is deemed~~
975 ~~to have elected to retain membership in the pension plan, and~~
976 ~~the employee's option to elect to participate in the investment~~
977 ~~plan is forfeited.~~

978 ~~2. With respect to employees who become eligible to~~
979 ~~participate in the investment plan by reason of employment in a~~
980 ~~regularly established position with a local employer commencing~~
981 ~~after October 1, 2002:~~

982 ~~a. Any such employee shall, by default, be enrolled in the~~
983 ~~pension plan at the commencement of employment, and may, by the~~
984 ~~last business day of the 5th month following the employee's~~
985 ~~month of hire, elect to participate in the investment plan. The~~
986 ~~employee's election must be made in writing or by electronic~~

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987 ~~means and must be filed with the third party administrator. The~~
988 ~~election to participate in the investment plan is irrevocable,~~
989 ~~except as provided in paragraph (g).~~

990 ~~b. If the employee files such election within the~~
991 ~~prescribed time period, enrollment in the investment plan is~~
992 ~~effective on the first day of employment. The employer~~
993 ~~retirement contributions paid through the month of the employee~~
994 ~~plan change shall be transferred to the investment plan, and,~~
995 ~~effective the first day of the next month, the employer shall~~
996 ~~pay the applicable contributions based on the employee~~
997 ~~membership class in the investment plan.~~

998 ~~e. Any such employee who fails to elect to participate in~~
999 ~~the investment plan within the prescribed time period is deemed~~
1000 ~~to have elected to retain membership in the pension plan, and~~
1001 ~~the employee's option to elect to participate in the investment~~
1002 ~~plan is forfeited.~~

1003 ~~3. For purposes of this paragraph, "local employer" means~~
1004 ~~any employer not included in paragraph (a) or paragraph (b).~~

1005 ~~(c)~~ (d) Contributions available for self-direction by a
1006 member who has not selected one or more specific investment
1007 products shall be allocated as prescribed by the state board.
1008 The third-party administrator shall notify the member at least
1009 quarterly that the member should take an affirmative action to
1010 make an asset allocation among the investment products.

1011 ~~(d)~~ (e) On or after July 1, 2011, a member of the pension
1012 plan who obtains a refund of employee contributions retains his
1013 or her prior plan choice upon return to employment in a
1014 regularly established position with a participating employer.

1015 (e)1. ~~(f)~~ A member of the investment plan who takes a

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1016 distribution of any contributions from his or her investment
1017 plan account is considered a retiree. A retiree who is initially
1018 reemployed in a regularly established position on or after July
1019 1, 2010, through June 30, 2017, is not eligible for to be
1020 enrolled in renewed membership, except as provided in s.
1021 121.122.

1022 2. A retiree who is reemployed on or after July 1, 2017,
1023 shall be enrolled as a renewed member as provided in s. 121.122.

1024 (f)(g) After the period during which an eligible employee
1025 had the choice to elect the pension plan or the investment plan,
1026 or the month following the receipt of the eligible employee's
1027 plan election, if sooner, the employee shall have one
1028 opportunity, at the employee's discretion, to choose to move
1029 from the pension plan to the investment plan or from the
1030 investment plan to the pension plan. Eligible employees may
1031 elect to move between plans only if they are earning service
1032 credit in an employer-employee relationship consistent with s.
1033 121.021(17)(b), excluding leaves of absence without pay.
1034 Effective July 1, 2005, such elections are effective on the
1035 first day of the month following the receipt of the election by
1036 the third-party administrator and are not subject to the
1037 requirements regarding an employer-employee relationship or
1038 receipt of contributions for the eligible employee in the
1039 effective month, except when the election is received by the
1040 third-party administrator. This paragraph is contingent upon
1041 approval by the Internal Revenue Service.

1042 1. If the employee chooses to move to the investment plan,
1043 the provisions of subsection (3) govern the transfer.

1044 2. If the employee chooses to move to the pension plan, the

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1045 employee must transfer from his or her investment plan account,
1046 and from other employee moneys as necessary, a sum representing
1047 the present value of that employee's accumulated benefit
1048 obligation immediately following the time of such movement,
1049 determined assuming that attained service equals the sum of
1050 service in the pension plan and service in the investment plan.
1051 Benefit commencement occurs on the first date the employee is
1052 eligible for unreduced benefits, using the discount rate and
1053 other relevant actuarial assumptions that were used to value the
1054 pension plan liabilities in the most recent actuarial valuation.
1055 For any employee who, at the time of the second election,
1056 already maintains an accrued benefit amount in the pension plan,
1057 the then-present value of the accrued benefit is deemed part of
1058 the required transfer amount. The division must ensure that the
1059 transfer sum is prepared using a formula and methodology
1060 certified by an enrolled actuary. A refund of any employee
1061 contributions or additional member payments made which exceed
1062 the employee contributions that would have accrued had the
1063 member remained in the pension plan and not transferred to the
1064 investment plan is not permitted.

1065 3. Notwithstanding subparagraph 2., an employee who chooses
1066 to move to the pension plan and who became eligible to
1067 participate in the investment plan by reason of employment in a
1068 regularly established position with a state employer after June
1069 1, 2002; a district school board employer after September 1,
1070 2002; or a local employer after December 1, 2002, must transfer
1071 from his or her investment plan account, and from other employee
1072 moneys as necessary, a sum representing the employee's actuarial
1073 accrued liability. A refund of any employee contributions or

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1074 additional member ~~participant~~ payments made which exceed the
1075 employee contributions that would have accrued had the member
1076 remained in the pension plan and not transferred to the
1077 investment plan is not permitted.

1078 4. An employee's ability to transfer from the pension plan
1079 to the investment plan pursuant to paragraphs (a) and (b) ~~(a)~~
1080 ~~(d)~~, and the ability of a current employee to have an option to
1081 later transfer back into the pension plan under subparagraph 2.,
1082 shall be deemed a significant system amendment. Pursuant to s.
1083 121.031(4), any resulting unfunded liability arising from actual
1084 original transfers from the pension plan to the investment plan
1085 must be amortized within 30 plan years as a separate unfunded
1086 actuarial base independent of the reserve stabilization
1087 mechanism defined in s. 121.031(3)(f). For the first 25 years, a
1088 direct amortization payment may not be calculated for this base.
1089 During this 25-year period, the separate base shall be used to
1090 offset the impact of employees exercising their second program
1091 election under this paragraph. The actuarial funded status of
1092 the pension plan will not be affected by such second program
1093 elections in any significant manner, after due recognition of
1094 the separate unfunded actuarial base. Following the initial 25-
1095 year period, any remaining balance of the original separate base
1096 shall be amortized over the remaining 5 years of the required
1097 30-year amortization period.

1098 5. If the employee chooses to transfer from the investment
1099 plan to the pension plan and retains an excess account balance
1100 in the investment plan after satisfying the buy-in requirements
1101 under this paragraph, the excess may not be distributed until
1102 the member retires from the pension plan. The excess account

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1103 balance may be rolled over to the pension plan and used to
1104 purchase service credit or upgrade creditable service in the
1105 pension plan.

1106 (5) CONTRIBUTIONS.—

1107 (c) The state board, acting as plan fiduciary, must ensure
1108 that all plan assets are held in a trust, pursuant to s. 401 of
1109 the Internal Revenue Code. The fiduciary must ensure that such
1110 contributions are allocated as follows:

1111 1. The employer and employee contribution portion earmarked
1112 for member accounts shall be used to purchase interests in the
1113 appropriate investment vehicles as specified by the member, or
1114 in accordance with paragraph (4) (c) ~~(4) (d)~~.

1115 2. The employer contribution portion earmarked for
1116 administrative and educational expenses shall be transferred to
1117 the state board's Administrative Trust Fund.

1118 3. The employer contribution portion earmarked for
1119 disability benefits and line-of-duty death benefits shall be
1120 transferred to the Florida Retirement System Trust Fund.

1121 (10) EDUCATION COMPONENT.—

1122 (a) The state board, in coordination with the department,
1123 shall provide for an education component for eligible employees
1124 ~~system members~~ in a manner consistent with ~~the provisions of~~
1125 this subsection ~~section~~. ~~The education component must be~~
1126 ~~available to eligible employees at least 90 days prior to the~~
1127 ~~beginning date of the election period for the employees of the~~
1128 ~~respective types of employers.~~

1129 ~~(h) Pursuant to subsection (8), all Florida Retirement~~
1130 ~~System employers have an obligation to regularly communicate the~~
1131 ~~existence of the two Florida Retirement System plans and the~~

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1132 ~~plan choice in the natural course of administering their~~
1133 ~~personnel functions, using the educational materials supplied by~~
1134 ~~the state board and the Department of Management Services.~~

1135 Section 7. Subsection (4) of section 121.591, Florida
1136 Statutes, is amended to read:

1137 121.591 Payment of benefits.—Benefits may not be paid under
1138 the Florida Retirement System Investment Plan unless the member
1139 has terminated employment as provided in s. 121.021(39)(a) or is
1140 deceased and a proper application has been filed as prescribed
1141 by the state board or the department. Benefits, including
1142 employee contributions, are not payable under the investment
1143 plan for employee hardships, unforeseeable emergencies, loans,
1144 medical expenses, educational expenses, purchase of a principal
1145 residence, payments necessary to prevent eviction or foreclosure
1146 on an employee's principal residence, or any other reason except
1147 a requested distribution for retirement, a mandatory de minimis
1148 distribution authorized by the administrator, or a required
1149 minimum distribution provided pursuant to the Internal Revenue
1150 Code. The state board or department, as appropriate, may cancel
1151 an application for retirement benefits if the member or
1152 beneficiary fails to timely provide the information and
1153 documents required by this chapter and the rules of the state
1154 board and department. In accordance with their respective
1155 responsibilities, the state board and the department shall adopt
1156 rules establishing procedures for application for retirement
1157 benefits and for the cancellation of such application if the
1158 required information or documents are not received. The state
1159 board and the department, as appropriate, are authorized to cash
1160 out a de minimis account of a member who has been terminated

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1161 from Florida Retirement System covered employment for a minimum
1162 of 6 calendar months. A de minimis account is an account
1163 containing employer and employee contributions and accumulated
1164 earnings of not more than \$5,000 made under the provisions of
1165 this chapter. Such cash-out must be a complete lump-sum
1166 liquidation of the account balance, subject to the provisions of
1167 the Internal Revenue Code, or a lump-sum direct rollover
1168 distribution paid directly to the custodian of an eligible
1169 retirement plan, as defined by the Internal Revenue Code, on
1170 behalf of the member. Any nonvested accumulations and associated
1171 service credit, including amounts transferred to the suspense
1172 account of the Florida Retirement System Investment Plan Trust
1173 Fund authorized under s. 121.4501(6), shall be forfeited upon
1174 payment of any vested benefit to a member or beneficiary, except
1175 for de minimis distributions or minimum required distributions
1176 as provided under this section. If any financial instrument
1177 issued for the payment of retirement benefits under this section
1178 is not presented for payment within 180 days after the last day
1179 of the month in which it was originally issued, the third-party
1180 administrator or other duly authorized agent of the state board
1181 shall cancel the instrument and credit the amount of the
1182 instrument to the suspense account of the Florida Retirement
1183 System Investment Plan Trust Fund authorized under s.
1184 121.4501(6). Any amounts transferred to the suspense account are
1185 payable upon a proper application, not to include earnings
1186 thereon, as provided in this section, within 10 years after the
1187 last day of the month in which the instrument was originally
1188 issued, after which time such amounts and any earnings
1189 attributable to employer contributions shall be forfeited. Any

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1190 forfeited amounts are assets of the trust fund and are not
1191 subject to chapter 717.

1192 (4) LINE-OF-DUTY DEATH BENEFITS FOR INVESTMENT PLAN ~~SPECIAL~~
1193 ~~RISK-CLASS~~ MEMBERS.—Benefits are provided under this subsection
1194 to the spouse and child or children of members in the investment
1195 plan ~~Special Risk Class~~ when such members are killed in the line
1196 of duty and are payable in lieu of the benefits that would
1197 otherwise be payable under subsection (1) or subsection (3).
1198 Benefits provided by this subsection supersede any other
1199 distribution that may have been provided by the member's
1200 designation of beneficiary. Such benefits must be funded from
1201 employer contributions made under s. 121.571, transferred
1202 employee contributions and funds accumulated pursuant to
1203 paragraph (a), and interest and earnings thereon.

1204 (a) *Transfer of funds.*—To qualify to receive monthly
1205 benefits under this subsection:

1206 1. All moneys accumulated in the member's account,
1207 including vested and nonvested accumulations as described in s.
1208 121.4501(6), must be transferred from such individual accounts
1209 to the division for deposit in the survivor benefit account of
1210 the Florida Retirement System Trust Fund. Moneys in the survivor
1211 benefit account must be accounted for separately. Earnings must
1212 be credited on an annual basis for amounts held in the survivor
1213 benefit account of the Florida Retirement System Trust Fund
1214 based on actual earnings of the trust fund.

1215 2. If the member has retained retirement credit earned
1216 under the pension plan as provided in s. 121.4501(3), a sum
1217 representing the actuarial present value of such credit within
1218 the Florida Retirement System Trust Fund shall be transferred by

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1219 the division from the pension plan to the survivor benefit
1220 retirement program as implemented under this subsection and
1221 shall be deposited in the survivor benefit account of the trust
1222 fund.

1223 (b) *Survivor retirement; entitlement.*—An investment plan
1224 member who is ~~in the Special Risk Class at the time the member~~
1225 ~~is~~ killed in the line of duty on or after July 1, 2002 ~~2013~~,
1226 regardless of length of creditable service, may have survivor
1227 benefits paid as provided in s. 121.091(7)(d) and (i) to:

- 1228 1. The surviving spouse for the spouse's lifetime; or
- 1229 2. If there is no surviving spouse or the surviving spouse
1230 dies, the member's child or children under 18 years of age and
1231 unmarried until the 18th birthday of the member's youngest
1232 child. Such payments may be extended until the 25th birthday of
1233 any child of the member if the child is unmarried and enrolled
1234 as a full-time student as provided in s. 121.091(7)(d) and (i).

1235 (c) *Survivor benefit retirement effective date.*—

1236 1. The effective retirement date for the surviving spouse
1237 or eligible child of a Special Risk Class member who is killed
1238 in the line of duty is:

1239 ~~a.1.~~ The first day of the month following the member's
1240 death if the member dies on or after July 1, 2016.

1241 ~~b.2.~~ July 1, 2016, for a member of the Special Risk Class
1242 when killed in the line of duty on or after July 1, 2013, but
1243 before July 1, 2016, if the application is received before July
1244 1, 2016; or the first day of the month following the receipt of
1245 such application.

1246 2. Except as provided in subparagraph 1., the effective
1247 retirement date for the surviving spouse or eligible child of an

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1248 investment plan member who is killed in the line of duty is:

1249 a. The first day of the month following the member's death
1250 if the member dies on or after July 1, 2017.

1251 b. July 1, 2017, if the member is killed in the line of
1252 duty on or after July 1, 2002, but before July 1, 2017, if the
1253 application is received before July 1, 2017; or the first day of
1254 the month following the receipt of such application.

1255
1256 If the investment plan account balance has already been paid out
1257 to the surviving spouse or the eligible unmarried dependent
1258 child or children, the benefit payable shall be actuarially
1259 reduced by the amount of the payout.

1260 (d) *Line-of-duty death benefit.*—

1261 1. The following individuals are eligible to receive a
1262 retirement benefit under s. 121.091(7)(d) and (i) if the
1263 member's account balance is surrendered and an application is
1264 received and approved:

1265 a. The surviving spouse.

1266 b. If there is no surviving spouse or the surviving spouse
1267 dies, the member's child or children under 18 years of age and
1268 unmarried until the 18th birthday of the member's youngest
1269 child, or until the 25th birthday of the member's child if the
1270 child is unmarried and enrolled as a full-time student.

1271 2. Such surviving spouse or such child or children shall
1272 receive a monthly survivor benefit that begins accruing on the
1273 first day of the month of survivor benefit retirement, as
1274 approved by the division, and is payable on the last day of that
1275 month and each month thereafter during the surviving spouse's
1276 lifetime or on behalf of the unmarried children of the member

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1277 until the 18th birthday of the youngest child, or until the 25th
1278 birthday of any of the member's unmarried children who are
1279 enrolled as full-time students. Survivor benefits must be paid
1280 out of the survivor benefit account of the Florida Retirement
1281 System Trust Fund established under this subsection.

1282

1283 If the investment plan account balance has already been paid out
1284 to the surviving spouse or the eligible unmarried dependent
1285 child or children, the benefit payable shall be actuarially
1286 reduced by the amount of the payout.

1287 (e) *Computation of survivor benefit retirement benefit.*—The
1288 amount of each monthly payment must be calculated as provided
1289 under s. 121.091(7) (d) and (i).

1290 (f) *Death of the surviving spouse or children.*—

1291 1. Upon the death of a surviving spouse, the monthly
1292 benefits shall be paid through the last day of the month of
1293 death and shall terminate or be paid on behalf of the unmarried
1294 child or children until the 18th birthday of the youngest child,
1295 or the 25th birthday of any of the member's unmarried children
1296 who are enrolled as full-time students.

1297 2. If the surviving spouse dies and the benefits are being
1298 paid on behalf of the member's unmarried children as provided in
1299 subparagraph 1., benefits shall be paid through the last day of
1300 the month until the later of the month the youngest child
1301 reaches his or her 18th birthday, the month of the 25th birthday
1302 of any of the member's unmarried children enrolled as full-time
1303 students, or the month of the death of the youngest child.

1304 Section 8. Section 121.5912, Florida Statutes, is amended
1305 to read:

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1306 121.5912 Survivor benefit retirement program; qualified
 1307 status; rulemaking authority.—It is the intent of the
 1308 Legislature that the survivor benefit retirement program for
 1309 ~~Special Risk Class~~ members of the Florida Retirement System
 1310 Investment Plan meet all applicable requirements for a qualified
 1311 plan. If the state board or the division receives notification
 1312 from the Internal Revenue Service that this program or any
 1313 portion of this program will cause the retirement system, or any
 1314 portion thereof, to be disqualified for tax purposes under the
 1315 Internal Revenue Code, the portion that will cause the
 1316 disqualification does not apply. Upon such notice, the state
 1317 board or the division shall notify the presiding officers of the
 1318 Legislature. The state board and the department may adopt any
 1319 rules necessary to maintain the qualified status of the survivor
 1320 benefit retirement program.

1321 Section 9. Subsections (1) and (3) of section 121.735,
 1322 Florida Statutes, are amended to read:

1323 121.735 Allocations for member line-of-duty death benefits;
 1324 percentage amounts.—

1325 (1) The allocations established in subsection (3) shall be
 1326 used to provide line-of-duty death benefit coverage for ~~Special~~
 1327 ~~Risk Class~~ members in the investment plan and shall be
 1328 transferred monthly by the division from the Florida Retirement
 1329 System Contributions Clearing Trust Fund to the survivor benefit
 1330 account of the Florida Retirement System Trust Fund.

1331 (3) Effective July 1, 2017 ~~2016~~, allocations from the
 1332 Florida Retirement System Contributions Clearing Trust Fund to
 1333 provide line-of-duty death benefits for ~~Special Risk Class~~
 1334 members in the investment plan and to offset the costs of

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1335 administering said coverage, are as follows:

1336

1337

Membership Class	Percentage of Gross Compensation
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1338

<u>Regular Class</u>	<u>0.05%</u>
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1339

Special Risk Class	<u>1.15%</u> 0.82%
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1340

<u>Special Risk Administrative Support Class</u>	<u>0.03%</u>
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1341

<u>Elected Officers' Class-- Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders</u>	<u>0.15%</u>
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1342

<u>Elected Officers' Class-- Justices, Judges</u>	<u>0.09%</u>
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1343

<u>Elected Officers' Class-- County Elected Officers</u>	<u>0.20%</u>
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1344

<u>Senior Management Service Class</u>	<u>0.05%</u>
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Section 10. The Legislature shall review the current status of research programs, funded wholly or in part by the General Appropriations Act, which study the incidence of cancer in firefighters. This review must be conducted before the convening of the 2018 Regular Session of the Legislature to determine whether any further statutory changes are necessary as a result of the enactment of s. 112.1816, Florida Statutes, by this act.

Section 11. (1) In order to fund the benefit changes provided in this act, the required employer contribution rate for members of the Florida Retirement System established in s. 121.71(4), Florida Statutes, are adjusted as follows:

(a) The Regular Class is increased by 0.01 percentage point.

(b) The Special Risk Class is increased by 0.06 percentage point.

(c) The Special Risk Administrative Support Class is increased by 0.02 percentage point.

(d) The Elected Officers' Class—Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, and Public Defenders is increased by 0.04 percentage point.

(e) The Elected Officers' Class—Justices, Judges is increased by 0.01 percentage point.

(f) The Elected Officers' Class—County Elected Officers is increased by 0.06 percentage point.

(g) The Senior Management Service Class is increased by 0.01 percentage point.

(2) In order to fund the benefit changes provided in this act, the required employer contribution rate for the unfunded

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1374 actuarial liability of the Florida Retirement System established
1375 in s. 121.71(5), Florida Statutes, for the Special Risk Class is
1376 increased by 0.12 percentage point.

1377 (3) The adjustments provided in subsections (1) and (2) are
1378 in addition to any other changes to such contribution rates
1379 which may be enacted into law to take effect on July 1, 2017.
1380 The Division of Law Revision and Information is directed to
1381 adjust accordingly the contribution rates provided in s. 121.71,
1382 Florida Statutes.

1383 Section 12. The Legislature finds that a proper and
1384 legitimate state purpose is served when employees and retirees
1385 of the state and its political subdivisions, and the dependents,
1386 survivors, and beneficiaries of such employees and retirees, are
1387 extended the basic protections afforded by governmental
1388 retirement systems. These persons must be provided benefits that
1389 are fair and adequate and that are managed, administered, and
1390 funded in an actuarially sound manner, as required by s. 14,
1391 Article X of the State Constitution and part VII of chapter 112,
1392 Florida Statutes. Therefore, the Legislature determines and
1393 declares that this act fulfills an important state interest.

1394 Section 13. Subsection (2) and paragraphs (b), (f), (h),
1395 and (j) of subsection (3) of section 110.123, Florida Statutes,
1396 are amended, and paragraph (k) is added to subsection (3) of
1397 that section, to read:

1398 110.123 State group insurance program.—

1399 (2) DEFINITIONS.—As used in ss. 110.123-110.1239 ~~this~~
1400 section, the term:

1401 (a) "Department" means the Department of Management
1402 Services.

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1403 (b) "Enrollee" means all state officers and employees,
1404 retired state officers and employees, surviving spouses of
1405 deceased state officers and employees, and terminated employees
1406 or individuals with continuation coverage who are enrolled in an
1407 insurance plan offered by the state group insurance program.
1408 "Enrollee" includes all state university officers and employees,
1409 retired state university officers and employees, surviving
1410 spouses of deceased state university officers and employees, and
1411 terminated state university employees or individuals with
1412 continuation coverage who are enrolled in an insurance plan
1413 offered by the state group insurance program.

1414 (c) "Full-time state employees" means employees of all
1415 branches or agencies of state government holding salaried
1416 positions who are paid by state warrant or from agency funds and
1417 who work or are expected to work an average of at least 30 or
1418 more hours per week; employees paid from regular salary
1419 appropriations for 8 months' employment, including university
1420 personnel on academic contracts; and employees paid from other-
1421 personal-services (OPS) funds as described in subparagraphs 1.
1422 and 2. The term includes all full-time employees of the state
1423 universities. The term does not include seasonal workers who are
1424 paid from OPS funds.

1425 1. For persons hired before April 1, 2013, the term
1426 includes any person paid from OPS funds who:

1427 a. Has worked an average of at least 30 hours or more per
1428 week during the initial measurement period from April 1, 2013,
1429 through September 30, 2013; or

1430 b. Has worked an average of at least 30 hours or more per
1431 week during a subsequent measurement period.

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1432 2. For persons hired after April 1, 2013, the term includes
1433 any person paid from OPS funds who:

1434 a. Is reasonably expected to work an average of at least 30
1435 hours or more per week; or

1436 b. Has worked an average of at least 30 hours or more per
1437 week during the person's measurement period.

1438 (d) "Health maintenance organization" or "HMO" means an
1439 entity certified under part I of chapter 641.

1440 (e) "Health plan member" means any person participating in
1441 a state group health insurance plan, a TRICARE supplemental
1442 insurance plan, or a health maintenance organization plan under
1443 the state group insurance program, including enrollees and
1444 covered dependents thereof.

1445 (f) "Part-time state employee" means an employee of any
1446 branch or agency of state government paid by state warrant from
1447 salary appropriations or from agency funds, and who is employed
1448 for less than an average of 30 hours per week or, if on academic
1449 contract or seasonal or other type of employment which is less
1450 than year-round, is employed for less than 8 months during any
1451 12-month period, but does not include a person paid from other-
1452 personal-services (OPS) funds. The term includes all part-time
1453 employees of the state universities.

1454 (g) "Plan year" means a calendar year.

1455 (h)~~(g)~~ "Retired state officer or employee" or "retiree"
1456 means any state or state university officer or employee who
1457 retires under a state retirement system or a state optional
1458 annuity or retirement program or is placed on disability
1459 retirement, and who was insured under the state group insurance
1460 program at the time of retirement, and who begins receiving

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1461 retirement benefits immediately after retirement from state or
1462 state university office or employment. The term also includes
1463 any state officer or state employee who retires under the
1464 Florida Retirement System Investment Plan established under part
1465 II of chapter 121 if he or she:

1466 1. Meets the age and service requirements to qualify for
1467 normal retirement as set forth in s. 121.021(29); or

1468 2. Has attained the age specified by s. 72(t)(2)(A)(i) of
1469 the Internal Revenue Code and has 6 years of creditable service.

1470 (i)~~(h)~~ "State agency" or "agency" means any branch,
1471 department, or agency of state government. "State agency" or
1472 "agency" includes any state university for purposes of this
1473 section only.

1474 (j)~~(i)~~ "Seasonal workers" has the same meaning as provided
1475 under 29 C.F.R. s. 500.20(s)(1).

1476 (k)~~(j)~~ "State group health insurance plan or plans" or
1477 "state plan or plans" mean the state self-insured health
1478 insurance plan or plans offered to state officers and employees,
1479 retired state officers and employees, and surviving spouses of
1480 deceased state officers and employees pursuant to this section.

1481 (l)~~(k)~~ "State-contracted HMO" means any health maintenance
1482 organization under contract with the department to participate
1483 in the state group insurance program.

1484 (m)~~(l)~~ "State group insurance program" or "programs" means
1485 the package of insurance plans offered to state officers and
1486 employees, retired state officers and employees, and surviving
1487 spouses of deceased state officers and employees pursuant to
1488 this section, including the state group health insurance plan or
1489 plans, health maintenance organization plans, TRICARE

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1490 supplemental insurance plans, and other plans required or
1491 authorized by law.

1492 (n)~~(m)~~ "State officer" means any constitutional state
1493 officer, any elected state officer paid by state warrant, or any
1494 appointed state officer who is commissioned by the Governor and
1495 who is paid by state warrant.

1496 (o)~~(n)~~ "Surviving spouse" means the widow or widower of a
1497 deceased state officer, full-time state employee, part-time
1498 state employee, or retiree if such widow or widower was covered
1499 as a dependent under the state group health insurance plan,~~a~~
1500 TRICARE supplemental insurance plan, or a health maintenance
1501 organization plan established pursuant to this section at the
1502 time of the death of the deceased officer, employee, or retiree.
1503 "Surviving spouse" also means any widow or widower who is
1504 receiving or eligible to receive a monthly state warrant from a
1505 state retirement system as the beneficiary of a state officer,
1506 full-time state employee, or retiree who died prior to July 1,
1507 1979. For the purposes of this section, any such widow or
1508 widower shall cease to be a surviving spouse upon his or her
1509 remarriage.

1510 (p)~~(o)~~ "TRICARE supplemental insurance plan" means the
1511 Department of Defense Health Insurance Program for eligible
1512 members of the uniformed services authorized by 10 U.S.C. s.
1513 1097.

1514 (3) STATE GROUP INSURANCE PROGRAM.—

1515 (b) It is the intent of the Legislature to offer a
1516 comprehensive package of health insurance and retirement
1517 benefits and a personnel system for state employees which are
1518 provided in a cost-efficient and prudent manner, and to allow

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1519 state employees the option to choose benefit plans which best
1520 suit their individual needs. ~~Therefore, The state group~~
1521 ~~insurance program is established which~~ may include the state
1522 group health insurance plan or plans, health maintenance
1523 organization plans, group life insurance plans, TRICARE
1524 supplemental insurance plans, group accidental death and
1525 dismemberment plans, ~~and group disability insurance plans,~~
1526 ~~Furthermore, the department is additionally authorized to~~
1527 ~~establish and provide as part of the state group insurance~~
1528 ~~program any other group insurance plans or coverage choices, and~~
1529 other benefits authorized by law that are consistent with the
1530 provisions of s. 125 of the Internal Revenue Code ~~this section.~~

1531 (f) Except as provided for in subparagraph (h)2., the state
1532 contribution toward the cost of any plan in the state group
1533 insurance program shall be uniform with respect to all state
1534 employees in a state collective bargaining unit participating in
1535 the same coverage tier in the same plan. This section does not
1536 prohibit the development of separate benefit plans for officers
1537 and employees exempt from the career service or the development
1538 of separate benefit plans for each collective bargaining unit.
1539 For the 2020 plan year and each plan year thereafter, if the
1540 state's contribution is more than the premium cost of the health
1541 plan selected by the employee, subject to federal limitation,
1542 the employee may elect to have the balance:

- 1543 1. Credited to the employee's flexible spending account;
- 1544 2. Credited to the employee's health savings account;
- 1545 3. Used to purchase additional benefits offered through the
1546 state group insurance program; or
- 1547 4. Used to increase the employee's salary.

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1548 (h)1. A person eligible to participate in the state group
1549 insurance program may be authorized by rules adopted by the
1550 department, in lieu of participating in the state group health
1551 insurance plan, to exercise an option to elect membership in a
1552 health maintenance organization plan which is under contract
1553 with the state in accordance with criteria established by this
1554 section and by said rules. The offer of optional membership in a
1555 health maintenance organization plan permitted by this paragraph
1556 may be limited or conditioned by rule as may be necessary to
1557 meet the requirements of state and federal laws.

1558 2. The department shall contract with health maintenance
1559 organizations seeking to participate in the state group
1560 insurance program through a request for proposal or other
1561 procurement process, as developed by the Department of
1562 Management Services and determined to be appropriate.

1563 a. The department shall establish a schedule of minimum
1564 benefits for health maintenance organization coverage, and that
1565 schedule shall include: physician services; inpatient and
1566 outpatient hospital services; emergency medical services,
1567 including out-of-area emergency coverage; diagnostic laboratory
1568 and diagnostic and therapeutic radiologic services; mental
1569 health, alcohol, and chemical dependency treatment services
1570 meeting the minimum requirements of state and federal law;
1571 skilled nursing facilities and services; prescription drugs;
1572 age-based and gender-based wellness benefits; and other benefits
1573 as may be required by the department. Additional services may be
1574 provided subject to the contract between the department and the
1575 HMO. As used in this paragraph, the term "age-based and gender-
1576 based wellness benefits" includes aerobic exercise, education in

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1577 alcohol and substance abuse prevention, blood cholesterol
1578 screening, health risk appraisals, blood pressure screening and
1579 education, nutrition education, program planning, safety belt
1580 education, smoking cessation, stress management, weight
1581 management, and women's health education.

1582 b. The department may establish uniform deductibles,
1583 copayments, coverage tiers, or coinsurance schedules for all
1584 participating HMO plans.

1585 c. The department may require detailed information from
1586 each health maintenance organization participating in the
1587 procurement process, including information pertaining to
1588 organizational status, experience in providing prepaid health
1589 benefits, accessibility of services, financial stability of the
1590 plan, quality of management services, accreditation status,
1591 quality of medical services, network access and adequacy,
1592 performance measurement, ability to meet the department's
1593 reporting requirements, and the actuarial basis of the proposed
1594 rates and other data determined by the director to be necessary
1595 for the evaluation and selection of health maintenance
1596 organization plans and negotiation of appropriate rates for
1597 these plans. Upon receipt of proposals by health maintenance
1598 organization plans and the evaluation of those proposals, the
1599 department may enter into negotiations with all of the plans or
1600 a subset of the plans, as the department determines appropriate.
1601 Nothing shall preclude the department from negotiating regional
1602 or statewide contracts with health maintenance organization
1603 plans when this is cost-effective and when the department
1604 determines that the plan offers high value to enrollees.

1605 d. The department may limit the number of HMOs that it

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1606 contracts with in each service area based on the nature of the
1607 bids the department receives, the number of state employees in
1608 the service area, or any unique geographical characteristics of
1609 the service area. The department shall establish by rule service
1610 areas throughout the state.

1611 e. All persons participating in the state group insurance
1612 program may be required to contribute towards a total state
1613 group health premium that may vary depending upon the plan,
1614 benefit level, and coverage tier selected by the enrollee and
1615 the level of state contribution authorized by the Legislature.

1616 3. The department is authorized to negotiate and to
1617 contract with specialty psychiatric hospitals for mental health
1618 benefits, on a regional basis, for alcohol, drug abuse, and
1619 mental and nervous disorders. The department may establish,
1620 subject to the approval of the Legislature pursuant to
1621 subsection (5), any such regional plan upon completion of an
1622 actuarial study to determine any impact on plan benefits and
1623 premiums.

1624 4. In addition to contracting pursuant to subparagraph 2.,
1625 the department may enter into contract with any HMO to
1626 participate in the state group insurance program which:

1627 a. Serves greater than 5,000 recipients on a prepaid basis
1628 under the Medicaid program;

1629 b. Does not currently meet the 25-percent non-Medicare/non-
1630 Medicaid enrollment composition requirement established by the
1631 Department of Health excluding participants enrolled in the
1632 state group insurance program;

1633 c. Meets the minimum benefit package and copayments and
1634 deductibles contained in sub-subparagraphs 2.a. and b.;

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1635 d. Is willing to participate in the state group insurance
1636 program at a cost of premiums that is not greater than 95
1637 percent of the cost of HMO premiums accepted by the department
1638 in each service area; and

1639 e. Meets the minimum surplus requirements of s. 641.225.

1640
1641 The department is authorized to contract with HMOs that meet the
1642 requirements of sub-subparagraphs a.-d. prior to the open
1643 enrollment period for state employees. The department is not
1644 required to renew the contract with the HMOs as set forth in
1645 this paragraph more than twice. Thereafter, the HMOs shall be
1646 eligible to participate in the state group insurance program
1647 only through the request for proposal or invitation to negotiate
1648 process described in subparagraph 2.

1649 5. All enrollees in a state group health insurance plan, a
1650 TRICARE supplemental insurance plan, or any health maintenance
1651 organization plan have the option of changing to any other
1652 health plan that is offered by the state within any open
1653 enrollment period designated by the department. Open enrollment
1654 shall be held at least once each calendar year.

1655 6. When a contract between a treating provider and the
1656 state-contracted health maintenance organization is terminated
1657 for any reason other than for cause, each party shall allow any
1658 enrollee for whom treatment was active to continue coverage and
1659 care when medically necessary, through completion of treatment
1660 of a condition for which the enrollee was receiving care at the
1661 time of the termination, until the enrollee selects another
1662 treating provider, or until the next open enrollment period
1663 offered, whichever is longer, but no longer than 6 months after

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1664 termination of the contract. Each party to the terminated
1665 contract shall allow an enrollee who has initiated a course of
1666 prenatal care, regardless of the trimester in which care was
1667 initiated, to continue care and coverage until completion of
1668 postpartum care. This does not prevent a provider from refusing
1669 to continue to provide care to an enrollee who is abusive,
1670 noncompliant, or in arrears in payments for services provided.
1671 For care continued under this subparagraph, the program and the
1672 provider shall continue to be bound by the terms of the
1673 terminated contract. Changes made within 30 days before
1674 termination of a contract are effective only if agreed to by
1675 both parties.

1676 7. Any HMO participating in the state group insurance
1677 program shall submit health care utilization and cost data to
1678 the department, in such form and in such manner as the
1679 department shall require, as a condition of participating in the
1680 program. The department shall enter into negotiations with its
1681 contracting HMOs to determine the nature and scope of the data
1682 submission and the final requirements, format, penalties
1683 associated with noncompliance, and timetables for submission.
1684 These determinations shall be adopted by rule.

1685 8. The department may establish and direct, with respect to
1686 collective bargaining issues, a comprehensive package of
1687 insurance benefits that may include supplemental health and life
1688 coverage, dental care, long-term care, vision care, and other
1689 benefits it determines necessary to enable state employees to
1690 select from among benefit options that best suit their
1691 individual and family needs. Beginning with the 2018 plan year,
1692 the package of benefits may also include products and services

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1693 described in s. 110.12303.

1694 a. Based upon a desired benefit package, the department
1695 shall issue a request for proposal or invitation to negotiate
1696 for ~~health insurance~~ providers interested in participating in
1697 the state group insurance program, and the department shall
1698 issue a request for proposal or invitation to negotiate for
1699 ~~insurance~~ providers interested in participating in the non-
1700 health-related components of the state group insurance program.
1701 Upon receipt of all proposals, the department may enter into
1702 contract negotiations with ~~insurance~~ providers submitting bids
1703 or negotiate a specially designed benefit package. ~~Insurance~~
1704 Providers offering or providing supplemental coverage as of May
1705 30, 1991, which qualify for pretax benefit treatment pursuant to
1706 s. 125 of the Internal Revenue Code of 1986, with 5,500 or more
1707 state employees currently enrolled may be included by the
1708 department in the supplemental insurance benefit plan
1709 established by the department without participating in a request
1710 for proposal, submitting bids, negotiating contracts, or
1711 negotiating a specially designed benefit package. These
1712 contracts shall provide state employees with the most cost-
1713 effective and comprehensive coverage available; however, except
1714 as provided in subparagraph (f)3., no state or agency funds
1715 shall be contributed toward the cost of any part of the premium
1716 of such supplemental benefit plans. With respect to dental
1717 coverage, the division shall include in any solicitation or
1718 contract for any state group dental program made after July 1,
1719 2001, a comprehensive indemnity dental plan option which offers
1720 enrollees a completely unrestricted choice of dentists. If a
1721 dental plan is endorsed, or in some manner recognized as the

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1722 preferred product, such plan shall include a comprehensive
1723 indemnity dental plan option which provides enrollees with a
1724 completely unrestricted choice of dentists.

1725 b. Pursuant to the applicable provisions of s. 110.161, and
1726 s. 125 of the Internal Revenue Code of 1986, the department
1727 shall enroll in the pretax benefit program those state employees
1728 who voluntarily elect coverage in any of the supplemental
1729 insurance benefit plans as provided by sub-subparagraph a.

1730 c. Nothing herein contained shall be construed to prohibit
1731 insurance providers from continuing to provide or offer
1732 supplemental benefit coverage to state employees as provided
1733 under existing agency plans.

1734 (j)1. For the 2020 plan year and each plan year thereafter,
1735 health plans shall be offered in the following benefit levels:

1736 a. Platinum level, which shall have an actuarial value of
1737 at least 90 percent.

1738 b. Gold level, which shall have an actuarial value of at
1739 least 80 percent.

1740 c. Silver level, which shall have an actuarial value of at
1741 least 70 percent.

1742 d. Bronze level, which shall have an actuarial value of at
1743 least 60 percent.

1744 2. For purposes of this paragraph, the term "actuarial
1745 value" means the percentage paid by a health plan of the
1746 percentage of the total allowed costs of benefits
1747 ~~Notwithstanding paragraph (f) requiring uniform contributions,~~
1748 ~~and for the 2011-2012 fiscal year only, the state contribution~~
1749 ~~toward the cost of any plan in the state group insurance plan is~~
1750 ~~the difference between the overall premium and the employee~~

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1751 ~~contribution. This subsection expires June 30, 2012.~~

1752 (k) In consultation with the independent benefits
1753 consultant described in s. 110.12304, the department shall
1754 develop a plan for implementation of the benefit levels
1755 described in paragraph (j). The plan shall be submitted to the
1756 Governor, the President of the Senate, and the Speaker of the
1757 House of Representatives by January 1, 2019, and must include an
1758 actuarial study of the trends, costs, and savings over the next
1759 15 years which are associated with the implementation of benefit
1760 levels for employers and enrollees. The plan must also include
1761 recommendations for:

1762 1. Employer and enrollee contribution policies.

1763 2. Steps necessary for maintaining or improving total
1764 employee compensation levels.

1765 3. An education strategy to inform employees of the
1766 additional choices available in the state group insurance
1767 program.

1768
1769 This paragraph expires July 1, 2019.

1770 Section 14. Section 110.12303, Florida Statutes, is created
1771 to read:

1772 110.12303 State group insurance program; additional
1773 benefits; price transparency program; reporting.—Beginning with
1774 the 2018 plan year:

1775 (1) In addition to the comprehensive package of health
1776 insurance and other benefits required or authorized to be
1777 included in the state group insurance program, the package of
1778 benefits may also include products and services consistent with
1779 the provisions of s. 125 of the Internal Revenue Code which are

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1780 offered by:

1781 (a) Prepaid limited health service organizations authorized
1782 pursuant to part I of chapter 636.

1783 (b) Discount medical plan organizations authorized pursuant
1784 to part II of chapter 636.

1785 (c) Prepaid health clinics licensed under part II of
1786 chapter 641.

1787 (d) Licensed health care providers, including hospitals and
1788 other health care facilities, health care clinics, and health
1789 professionals, who sell service contracts and arrangements for a
1790 specified amount and type of health services.

1791 (e) Provider organizations, including service networks,
1792 group practices, professional associations, and other
1793 incorporated organizations of providers, who sell service
1794 contracts and arrangements for a specified amount and type of
1795 health services.

1796 (f) Entities that provide specific health services in
1797 accordance with applicable state law and sell service contracts
1798 and arrangements for a specified amount and type of health
1799 services.

1800 (g) Entities that provide health services or treatments
1801 through a bidding process.

1802 (h) Entities that provide health services or treatments
1803 through the bundling or aggregating of health services or
1804 treatments.

1805 (i) Entities that provide other innovative and cost-
1806 effective health service delivery methods.

1807 (2) (a) The department shall contract with at least one
1808 entity that provides comprehensive pricing and inclusive

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1809 services for surgery and other medical procedures which may be
1810 accessed at the option of the enrollee. The contract shall
1811 require the entity to:

1812 1. Have procedures and evidence-based standards to ensure
1813 the inclusion of only high-quality health care providers.

1814 2. Provide assistance to the enrollee in accessing and
1815 coordinating care.

1816 3. Provide cost savings to the state group insurance
1817 program to be shared equally with both the state and the
1818 enrollee. Cost savings payable to an enrollee may be:

1819 a. Credited to the enrollee's flexible spending account;

1820 b. Credited to the enrollee's health savings account;

1821 c. Credited to the enrollee's health reimbursement account;

1822 or

1823 d. Paid as additional health plan reimbursements not
1824 exceeding the amount of the enrollee's out-of-pocket medical
1825 expenses.

1826 4. Provide, subject to approval by the department, an
1827 educational campaign for enrollees to learn about the services
1828 offered by the entity.

1829 (b)1. On or before February 1 of each year, the department
1830 shall report to the Governor, the President of the Senate, and
1831 the Speaker of the House of Representatives on the participation
1832 level and cost-savings to both the enrollee and the state
1833 resulting from the contract or contracts described in this
1834 subsection.

1835 2. In preparation of its report, the department must use
1836 the official information developed by the Self-Insurance
1837 Estimating Conference relating to the cost savings of the

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1838 program.

1839 (3) The department shall contract with an entity that
1840 provides enrollees with online information on the cost and
1841 quality of health care services and providers, allows an
1842 enrollee to shop for health care services and providers, and
1843 rewards the enrollee by sharing savings generated by the
1844 enrollee's choice of services or providers. The contract shall
1845 require the entity to:

1846 (a) Establish an Internet-based, consumer-friendly platform
1847 that educates and informs enrollees about the price and quality
1848 of health care services and providers, including the average
1849 amount paid in each county for health care services and
1850 providers. The average amounts paid for such services and
1851 providers may be expressed for service bundles, which include
1852 all products and services associated with a particular treatment
1853 or episode of care, or for separate and distinct products and
1854 services.

1855 (b) Allow enrollees to shop for health care services and
1856 providers using the price and quality information provided on
1857 the Internet-based platform.

1858 (c) Permit a certified bargaining agent of state employees
1859 to provide educational materials and counseling, subject to
1860 approval by the department, to enrollees regarding the Internet-
1861 based platform.

1862 (d) Identify the savings realized to the enrollee and state
1863 if the enrollee chooses high-quality, lower-cost health care
1864 services or providers, and facilitate a shared savings payment
1865 to the enrollee. The amount of shared savings shall be
1866 determined by a methodology approved by the department and shall

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1867 maximize value-based purchasing by enrollees. The amount payable
1868 to the enrollee may be:

- 1869 1. Credited to the enrollee's flexible spending account;
1870 2. Credited to the enrollee's health savings account;
1871 3. Credited to the enrollee's health reimbursement account;

1872 or

- 1873 4. Paid as additional health plan reimbursements not
1874 exceeding the amount of the enrollee's out-of-pocket medical
1875 expenses.

1876 (e)1. On or before February 1 of each year, the department
1877 shall report to the Governor, the President of the Senate, and
1878 the Speaker of the House of Representatives on the participation
1879 level, amount paid to enrollees, and cost-savings to both the
1880 enrollees and the state resulting from the implementation of
1881 this subsection.

1882 2. In preparation of its report, the department must use
1883 the official information developed by the Self-Insurance
1884 Estimating Conference relating to the cost savings of the
1885 program.

1886 (4) (a) The programs established pursuant to subsections (2)
1887 and (3) are limited to enrollees in the self-insured products
1888 offered through the state group insurance program.

1889 (b) The programs may be expanded to include enrollees in
1890 the fully insured products if the department and the state-
1891 contracted HMO execute an agreement on the implementation of the
1892 program, including a limited program, which does not result in
1893 additional costs to the state group insurance program.

1894 Section 15. Section 110.12304, Florida Statutes, is created
1895 to read:

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- 1896 110.12304 Independent benefits consultant.-
1897 (1) The department shall competitively procure an
1898 independent benefits consultant.
1899 (2) The independent benefits consultant may not:
1900 (a) Be owned or controlled by a health maintenance
1901 organization or insurer.
1902 (b) Have an ownership interest in a health maintenance
1903 organization or insurer.
1904 (c) Have a direct or indirect financial interest in a
1905 health maintenance organization or insurer.
1906 (3) The independent benefits consultant must have
1907 substantial experience in consultation and design of employee
1908 benefit programs for large employers and public employers,
1909 including experience with plans that qualify as cafeteria plans
1910 under s. 125 of the Internal Revenue Code of 1986.
1911 (4) The independent benefits consultant shall:
1912 (a) Provide an ongoing assessment of trends in benefits and
1913 employer-sponsored insurance that affect the state group
1914 insurance program.
1915 (b) Conduct a comprehensive analysis of the state group
1916 insurance program, including available benefits, coverage
1917 options, and claims experience.
1918 (c) Identify and establish appropriate adjustment
1919 procedures necessary to respond to any risk segmentation that
1920 may occur when increased choices are offered to employees.
1921 (d) Assist the department with the submission of any
1922 necessary plan revisions for federal review.
1923 (e) Assist the department in ensuring compliance with
1924 applicable federal and state regulations.

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1925 (f) Assist the department in monitoring the adequacy of
1926 funding and reserves for the state self-insured plan.

1927 (g) Assist the department in preparing recommendations for
1928 any modifications to the state group insurance program which
1929 shall be submitted to the Governor, the President of the Senate,
1930 and the Speaker of the House of Representatives by January 1 of
1931 each year.

1932 Section 16. (1) For the 2017-2018 fiscal year, the sums of
1933 \$151,216 in recurring funds and \$507,546 in nonrecurring funds
1934 are appropriated from the State Employees Health Insurance Trust
1935 Fund to the Department of Management Services, and two full-time
1936 equivalent positions and associated salary rate of 120,000 are
1937 authorized, for the purpose of implementing this act.

1938 (2) (a) The recurring funds appropriated in this section
1939 shall be allocated to the following specific appropriation
1940 categories within the Insurance Benefits Administration Program:
1941 \$150,528 in Salaries and Benefits and \$688 in Special Categories
1942 Transfer to Department of Management Services-Human Resources
1943 Purchased per Statewide Contract.

1944 (b) The nonrecurring funds appropriated in this section
1945 shall be allocated to the following specific appropriation
1946 categories: \$500,000 in Special Categories Contracted Services
1947 and \$7,546 in Expenses.

1948 Section 17. (1) PURPOSE.—This section provides instructions
1949 for implementing the 2017-2018 fiscal year salary and benefit
1950 adjustments provided in this act. All allocations,
1951 distributions, and uses of these funds are to be made in strict
1952 accordance with the provisions of this act and chapter 216,
1953 Florida Statutes.

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1954 (2) LEGISLATIVE INTENT.—It is the intent of the Legislature
1955 that the minimum for each pay grade and pay band may not be
1956 adjusted during the 2017-2018 fiscal year and that the maximums
1957 for each pay grade and pay band shall be adjusted upward by 6
1958 percent, effective July 1, 2017. In addition, the Legislature
1959 intends that all eligible employees receive the increases
1960 specified in this section, even if the implementation of such
1961 increases results in an employee's salary exceeding the adjusted
1962 pay grade maximum. Salary increases provided under this section
1963 shall be prorated based on the full-time equivalency of the
1964 employee's position. Employees classified as other-personnel-
1965 services employees are not eligible for an increase based on the
1966 implementation of increases authorized in this section.

1967 (3) LAW ENFORCEMENT COMPENSATION ADJUSTMENTS.—

1968 (a) Effective July 1, 2017, funds are provided in section
1969 18 of this act to grant a competitive pay adjustment of 5
1970 percent of each eligible law enforcement employee's base rate of
1971 pay on June 30, 2017, in the Department of Legal Affairs, the
1972 Department of Agriculture and Consumer Services, the Department
1973 of Financial Services, the Department of Law Enforcement, the
1974 Department of Highway Safety and Motor Vehicles, the Department
1975 of Business and Professional Regulation, and the Department of
1976 the Lottery; the Fish and Wildlife Conservation Commission; the
1977 offices of State Attorneys; and the Florida Commission on
1978 Offender Review.

1979 (b) For purposes of this subsection, the term "law
1980 enforcement employee" means:

1981 1. Sworn officers of the Law Enforcement, Florida Highway
1982 Patrol, Special Agent, and Lottery Law Enforcement bargaining

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1983 units in the following classification codes: Law Enforcement
1984 Officer (8515); Law Enforcement Corporal (8517); Law Enforcement
1985 Sergeant (8519); Law Enforcement Investigator I (8540); Law
1986 Enforcement Investigator II (8541); Law Enforcement Airplane
1987 Pilot I (8532); Law Enforcement Airplane Pilot II (8534);
1988 Special Agent Trainee (8580); Special Agent (8581); Special
1989 Agent I (2724); Special Agent II (2608); Security Agent-FDLE
1990 (8593); and Security Agent Supervisor-FDLE (8596).

1991 2. Sworn officers in the following classification codes:
1992 Law Enforcement Lieutenant (8522); Law Enforcement Captain (8525
1993 and 8632); Law Enforcement Major (8526, 8626, and 8630); Special
1994 Agent Supervisor (1126 and 8584); Inspector-FDLE (8590); and
1995 Investigators I-VI (6661, 6662, 6663, 6664, 6665, and 6666).

1996 (4) DEPARTMENT OF CORRECTIONS COMPENSATION ADJUSTMENTS.—

1997 (a) Effective October 1, 2017, the Department of
1998 Corrections shall adjust the minimum base rate of pay for its
1999 positions in the correctional officer classification series as
2000 follows:

- 2001 1. Correctional officer (8003) to \$33,500.
- 2002 2. Correctional officer sergeant (8005) to \$36,850.
- 2003 3. Correctional officer lieutenant (8011) to \$40,535.
- 2004 4. Correctional officer captain (8013) to \$44,589.

2005 (b) Effective October 1, 2017, funds are provided in
2006 section 18 of this act to fund the adjustments to the minimum
2007 base rates of pay authorized in paragraph (a) and to fund
2008 competitive pay adjustments to all other employees of the
2009 Department of Corrections filling a position in the correctional
2010 officer classification series (class codes 8003, 8005, 8011, and
2011 8013). The adjustments to the base rate of pay shall be the

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2012 amount necessary to increase the employee's base rate of pay as
2013 of September 30, 2017, to the applicable class minimum specified
2014 in paragraph (a) or by \$2,500, whichever amount is greater.

2015 (5) ASSISTANT PUBLIC DEFENDER COMPENSATION ADJUSTMENTS.—
2016 Effective October 1, 2017, funds are provided in section 18 of
2017 this act to grant a competitive pay adjustment of 6 percent of
2018 each eligible employee's base rate of pay as of September 30,
2019 2017, each eligible assistant public defender (class code 5901)
2020 and each eligible assistant public defender chief (class code
2021 5909). For purposes of this subsection, an "eligible employee"
2022 means an employee filling a position as an assistant public
2023 defender (class code 5901) or as an assistant public defender
2024 chief (class code 5909) who has completed at least 3 years of
2025 service as an attorney in the judicial circuit in which the
2026 attorney is currently employed.

2027 (6) COMPENSATION ADJUSTMENTS FOR CERTAIN OFFICERS AND
2028 DESIGNATED EMPLOYEES.—

2029 (a) For the period July 1, 2017, through September 30,
2030 2017, the following officers and designated employees shall be
2031 paid at the annual rate authorized in this paragraph:

- 2032 1. Supreme Court Justices at the annual rate of \$162,200.
- 2033 2. District Court of Appeal Judges at the annual rate of
2034 \$154,140.
- 2035 3. Circuit Court Judges at the annual rate of \$146,080.
- 2036 4. County Court Judges at the annual rate of \$138,020.
- 2037 5. State Attorneys at the annual rate of \$154,140.
- 2038 6. Public Defenders at the annual rate of \$154,140.
- 2039 7. Criminal Conflict and Civil Regional Counsels at the
2040 annual rate of \$105,000.

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2041 (b) Beginning October 1, 2017, from the funds provided in
2042 section 18 of this act, the following officers and designated
2043 employees shall be paid at the annual rate authorized in this
2044 paragraph:

2045 1. Supreme Court Justices at the annual rate of \$178,420.

2046 2. District Court of Appeal Judges at the annual rate of
2047 \$169,554.

2048 3. Circuit Court Judges at the annual rate of \$160,688.

2049 4. County Court Judges at the annual rate of \$151,822.

2050 5. State Attorneys at the annual rate of \$169,554.

2051 6. Public Defenders at the annual rate of \$169,554.

2052 7. Criminal Conflict and Civil Regional Counsels at the
2053 annual rate of \$115,000.

2054
2055 None of the officers, commission members, or employees whose
2056 salaries have been fixed in this subsection shall receive any
2057 supplemental salary or benefits from any county or municipality.

2058 (7) EMPLOYEE AND OFFICER COMPENSATION ADJUSTMENTS.—

2059 (a) For purposes of this subsection, the term "competitive
2060 pay adjustment" means:

2061 1. For employees with a base rate of pay of \$40,000 or less
2062 on September 30, 2017, an annual increase of \$1,400.

2063 2. For employees with a base rate of pay greater than
2064 \$40,000 on September 30, 2017, an annual increase of \$1,000;
2065 provided however, in no instance may an employee's base rate of
2066 pay be increased to an annual amount less than \$41,400.

2067
2068 For the purpose of determining the applicable increase for part-
2069 time employees, the full-time equivalent value of the base rate

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2070 of pay on September 30, 2017, shall be used; but the amount of
2071 the annual increase for a part-time employee must be
2072 proportional to the full-time equivalency of the employee's
2073 position.

2074 (b) For purposes of this subsection, the term "eligible
2075 employees" means employees who are, at a minimum, meeting their
2076 required performance standards, if applicable. If an ineligible
2077 employee achieves performance standards subsequent to the salary
2078 increase implementation date but on or before the end of the
2079 2017-2018 fiscal year, the employee may receive an increase;
2080 however, such increase shall take effect on the date the
2081 employee becomes eligible and is not retroactive to the salary
2082 increase implementation date. In addition, the salary increase
2083 provided under this section shall be prorated based on the full-
2084 time equivalency of the employee's position. Employees
2085 classified as being other-personnel-services employees are not
2086 eligible for an increase.

2087 (c) Effective October 1, 2017, funds are provided in
2088 section 18 of this act to grant competitive pay adjustments for
2089 all eligible employees in the Career Service, the Selected
2090 Exempt Service, the Senior Management Service, the lottery pay
2091 plan, the judicial branch pay plan, the legislative pay plan,
2092 and the pay plans administered by the Justice Administration
2093 Commission, except those officers and employees receiving
2094 compensation adjustments pursuant to subsections (3), (4), (5),
2095 and (6) and paragraphs (8) (c) and (8) (d).

2096 (8) SPECIAL PAY ISSUES.—

2097 (a) The Department of Highway Safety and Motor Vehicles is
2098 authorized to increase the minimum annual salaries of current

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2099 and new employees hired to fill positions in the law enforcement
2100 officer class (class code 8515) to \$36,223. This paragraph is
2101 effective upon becoming a law.

2102 (b) From funds in section 18 of this act, the Department of
2103 Veterans' Affairs is authorized to implement its competitive pay
2104 plan proposed in the department's initial legislative budget
2105 request to address recruitment and retention of its employees
2106 who hold an active nursing assistant certification and fill a
2107 position in one of the following classification codes: certified
2108 nursing assistant (class code 5707); senior certified nursing
2109 assistant (class code 5708); therapy aide I (class code 5556);
2110 or therapy aide II (class code 5557).

2111 (c) From funds in section 18 of this act, and beginning
2112 October 1, 2017, the Justice Administrative Commission is
2113 authorized to implement the salary adjustment proposed in its
2114 initial legislative budget request for the Statewide Guardian Ad
2115 Litem Program. To be eligible to receive this competitive pay
2116 adjustment, the employee must be an employee of the Statewide
2117 Guardian Ad Litem Program and must fill a position in one of the
2118 following classification codes: child advocate manager (class
2119 code 8401); senior child advocate manager (class code 8402);
2120 volunteer recruiter (class code 8403); program attorney (class
2121 code 8700); or senior program attorney (class code 8701).

2122 (d) From the funds in section 18 of this act, and beginning
2123 April 1, 2018, the Department of Legal Affairs is authorized to:

2124 1. Increase the starting salary of employees in the
2125 Attorney-Assistant Attorney General class (class code 7737) to
2126 \$43,900;

2127 2. Grant a competitive pay adjustment of \$6,000 to each

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2128 employee employed as an Assistant Attorney General (class code
2129 7746) who has worked for the department for at least 2 years and
2130 meets or exceeds performance expectations; and

2131 3. Grant a competitive pay adjustment of \$3,000 to each
2132 employee employed as a Senior Assistant Attorney General (class
2133 code 7747); Attorney Supervisor-Assistant Attorney General
2134 (class code 7744); Special Counsel-Assistant Attorney General
2135 (class code 7165); Chief-Assistant Attorney General (class code
2136 7748); Assistant Statewide Prosecutor-Attorney (class code
2137 8681); Assistant Statewide Prosecutor-Senior Attorney (class
2138 code 8682); Assistant Statewide Prosecutor-Special Counsel
2139 (class code 6120); or Assistant Statewide Prosecutor-Chief
2140 (class code 9191) who has worked for the department for at least
2141 2 years and meets or exceeds performance expectations.

2142 (9) PAY ADDITIVES AND OTHER INCENTIVE PROGRAMS.—The
2143 following pay additives and other incentive programs are
2144 authorized for the 2017-2018 fiscal year from existing agency
2145 resources consistent with the provisions of ss. 110.2035 and
2146 216.251, Florida Statutes, the applicable rules adopted by the
2147 Department of Management Services, and negotiated collective
2148 bargaining agreements.

2149 (a) Each agency is authorized to continue to pay, at the
2150 levels in effect on June 30, 2007, on-call fees and shift
2151 differentials as necessary to perform normal operations of the
2152 agency.

2153 (b) Each agency that had a training program in existence on
2154 June 30, 2006, which included granting pay additives to
2155 participating employees, is authorized to continue such training
2156 program for the 2017-2018 fiscal year. Such additives shall be

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2157 granted in accordance with applicable law, administrative rules,
2158 and collective bargaining agreements.

2159 (c) Each agency is authorized to continue to grant
2160 temporary special duties pay additives to employees assigned
2161 additional duties as a result of another employee being absent
2162 from work pursuant to the federal Family Medical Leave Act or
2163 authorized military leave.

2164 (d) Contingent upon the availability of funds, and at the
2165 agency head's discretion, each agency is authorized to grant
2166 competitive pay adjustments to a cohort of 10 or fewer employees
2167 sharing the same job classification or job occupations to
2168 address retention, pay inequities, or other staffing issues. The
2169 agency is responsible for retaining sufficient documentation
2170 justifying any adjustments provided herein to an employee's
2171 compensation. The authority granted by this paragraph may be
2172 used only once by each agency during the 2017-2018 fiscal year.

2173 (e) Contingent upon the availability of funds, and at the
2174 agency head's discretion, each agency is authorized to grant a
2175 competitive pay adjustment to an employee to address retention,
2176 pay inequities, or other staffing issues. The agency is
2177 responsible for retaining sufficient documentation justifying
2178 any adjustments provided herein to an employee's compensation.

2179 (f) Each agency is authorized to grant merit pay increases
2180 based on the employee's exemplary performance as evidenced by a
2181 performance evaluation conducted pursuant to chapter 60L-35,
2182 Florida Administrative Code, or a similar performance evaluation
2183 applicable to other pay plans. The Chief Justice may exempt
2184 judicial branch employees from the performance evaluation
2185 requirements of this paragraph.

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2186 (g) Contingent upon the availability of funds and at the
2187 agency head's discretion, each agency is authorized to grant a
2188 temporary special duties pay additive, of up to 15 percent of
2189 the employee's base rate of pay, to each employee temporarily
2190 deployed to a facility or area closed due to emergency
2191 conditions from another area of the state that is not closed.

2192 (h) The Fish and Wildlife Conservation Commission may
2193 continue to grant temporary special duty pay additives to law
2194 enforcement officers who perform additional duties as K-9
2195 handlers, regional recruiters/media coordinators, and breath
2196 test operators/inspectors, and may grant temporary special duty
2197 pay additives to law enforcement officers who perform additional
2198 duties as offshore patrol vessel crew members, special
2199 operations group members, and long-term covert investigators.

2200 (i) The Fish and Wildlife Conservation Commission is
2201 authorized to grant critical market pay additives to employees
2202 residing in and assigned to Broward County, Collier County, Lee
2203 County, Miami-Dade County, or Monroe County, at the levels that
2204 the employing agency granted salary increases for similar
2205 purposes before July 1, 2006. These critical market pay
2206 additives may be granted only during the time in which the
2207 employee resides in and is assigned to duties within those
2208 counties. The employee may not receive an adjustment to the
2209 employee's base rate of pay and a critical market pay additive
2210 based on the employee residing in and being assigned in the
2211 specified counties.

2212 (j) The Department of Highway Safety and Motor Vehicles is
2213 authorized to grant critical market pay additives to sworn law
2214 enforcement officers residing in and assigned to:

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2215 1. Collier County, Lee County, or Monroe County, at the
2216 levels that the employing agency granted salary increases for
2217 similar purposes before July 1, 2006.

2218 2. Duval, Escambia, Hillsborough, Marion, Orange, and
2219 Pinellas Counties, at \$5,000, or, in lieu thereof, an equivalent
2220 salary adjustment that was made during the 2015-2016 fiscal
2221 year.

2222 3. Pasco County at \$5,000.

2223
2224 These critical market pay additives may be granted only during
2225 the time in which the employee resides in, and is assigned to
2226 duties within, those counties. The employee may not receive an
2227 adjustment to the employee's base rate of pay and a critical
2228 market pay additive based on the employee residing in and being
2229 assigned in the specified counties.

2230 (k) The Department of Highway Safety and Motor Vehicles may
2231 grant special duty pay additives of \$2,000 for law enforcement
2232 officers who perform additional duties as K-9 handlers; felony
2233 officers; criminal interdiction officers; criminal investigation
2234 and intelligence officers; new recruit background checks and
2235 training, and technical support officers; drug recognition
2236 experts; hazardous material squad members; compliance
2237 investigation squad members; motorcycle squad members; Quick
2238 Response Force Team; or Florida Advanced Investigation and
2239 Reconstruction Teams.

2240 (l) The Department of Highway Safety and Motor Vehicles may
2241 provide a critical market pay additive of \$1,300 to non-sworn
2242 Florida Highway Patrol personnel working and residing in Broward
2243 and Miami-Dade Counties. These critical market pay additives

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2244 shall be granted during the time the employee resides in, and is
2245 assigned duties within, those counties.

2246 (m) The Department of Highway Safety and Motor Vehicles is
2247 authorized to continue to grant a pay additive of \$162.50 per
2248 pay period for law enforcement officers assigned to the Office
2249 of Motor Carrier Compliance who maintain certification by the
2250 Commercial Vehicle Safety Alliance.

2251 (n) The Department of Transportation is authorized to
2252 continue its training program for employees in the areas of
2253 transportation engineering, right-of-way acquisition, relocation
2254 benefits administration, right-of-way property management, real
2255 estate appraisal, and business valuation under the same
2256 guidelines established for the training program before June 30,
2257 2006.

2258 (o) The Department of Corrections may continue to grant
2259 hazardous duty pay additives, as necessary, to those employees
2260 assigned to the Department of Corrections institutions' Rapid
2261 Response Teams, including the baton, shotgun, and chemical agent
2262 teams, and the Correctional Emergency Response Teams.

2263 (p) The Department of Corrections is authorized to award a
2264 temporary special duties pay additive of up to 10 percent of the
2265 employee's base rate of pay for each certified correctional
2266 officer (class code 8003); certified correctional officer
2267 sergeant (class code 8005); certified correctional officer
2268 lieutenant (class code 8011); and certified correctional officer
2269 captain (class code 8013). For purposes of determining
2270 eligibility for this special pay additive, the term "certified"
2271 means the employee has obtained a correctional behavioral mental
2272 health certification as provided through the American

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2273 Correctional Association. Such additive may be awarded only
2274 during the time the certified officer is employed in an assigned
2275 mental health unit post.

2276 (q) The Department of Corrections is authorized to award a
2277 one-time \$1,000 hiring bonus to newly-hired correctional
2278 officers (class code 8003) who are hired to fill positions at a
2279 correctional institution that had a vacancy rate for such
2280 positions of more than 10 percent for the preceding calendar
2281 quarter. The bonus may not be awarded before the officer
2282 obtaining his or her correctional officer certification. Current
2283 employees and former employees who have had a break in service
2284 with the Department of Corrections of 31 days or less, are not
2285 eligible for this bonus.

2286 Section 18. The sums of \$112,210,610 of recurring funds in
2287 the General Revenue Fund and \$73,949,000 of recurring funds from
2288 trust funds are appropriated for the salary adjustments
2289 authorized in section 17 of this act. The Office of Policy and
2290 Budget in the Executive Office of the Governor, in consultation
2291 with the Legislature, shall distribute the funds and budget
2292 authority to the state agencies and the legislative and judicial
2293 branches in accordance with chapter 216, Florida Statutes.

2294 Section 19. Except as otherwise expressly provided in this
2295 act and except for this section, which shall take effect upon
2296 becoming a law, this act shall take effect July 1, 2017.