A bill to be entitled
An act relating to retirement; creating s. 112.1816, F.S.; defining the term "firefighter"; establishing a presumption as to a firefighter's condition or impairment of health caused by certain types of cancer he or she contracts in the line of duty; specifying criteria a firefighter must meet to be entitled to the presumption; requiring an employing agency to provide a physical examination for a firefighter; specifying circumstances under which the presumption does not apply; providing for applicability; amending s. 121.053, F.S.; authorizing renewed membership in the Florida Retirement System for retirees who are reemployed in a position eligible for the Elected Officers' Class under certain circumstances; amending s. 121.055, F.S.; providing for renewed membership in the retirement system for retirees of the Senior Management Service Optional Annuity Program who are reemployed on or after a specified date; closing the Senior Management Service Optional Annuity Program to new members after a specified date; amending s. 121.091, F.S.; revising criteria for eligibility of payment of death benefits to the surviving children of a Special Risk Class member killed in the line of duty under specified circumstances; conforming a provision to changes made by the act; amending s. 121.122, F.S.; requiring that certain retirees who are reemployed on or after a specified date be renewed members in the investment plan; providing exceptions; specifying that
creditable service does not accrue for employment during a specified period; prohibiting certain funds from being paid into a renewed member’s investment plan account for a specified period of employment; requiring the renewed member to satisfy vesting requirements; prohibiting a renewed member from receiving specified disability benefits; specifying limitations and requirements; requiring the employer and the retiree to make applicable contributions to the renewed member’s investment plan account; providing for the transfer of contributions; authorizing a renewed member to receive additional credit toward the health insurance subsidy under certain circumstances; prohibiting participation in the pension plan; providing that a retiree reemployed on or after a specified date in a regularly established position eligible for the State University System Optional Retirement Program or State Community College System Optional Retirement Program is a renewed member of that program; specifying limitations and requirements; requiring the employer and the retiree to make applicable contributions; amending s. 121.4501, F.S.; revising definitions; revising a provision relating to acknowledgement of an employee’s election to participate in the investment plan; enrolling certain employees in the pension plan from their date of hire until they are automatically enrolled in the investment plan or timely elect enrollment in the pension plan; providing certain
members with a specified time to choose participation in the pension plan or the investment plan; conforming provisions to changes made by the act; amending s. 121.591, F.S.; authorizing payment of death benefits to the surviving spouse or surviving children of a member in the investment plan; establishing qualifications and eligibility requirements for receipt of such benefits; prescribing the method of calculating the benefit; specifying circumstances under which benefit payments are terminated; amending s. 121.5912, F.S.; revising a provision regarding program qualification under the Internal Revenue Code and rulemaking authority, to conform to changes made by the act; amending s. 121.735, F.S.; revising allocations to fund line-of-duty death benefits for investment plan members, to conform to changes made by the act; requiring the Legislature to review specified cancer research programs by a certain date; revising employer contribution rates to fund changes made by the act; providing a directive to the Division of Law Revision and Information; providing a declaration of important state interest; providing an effective date.

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

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

112.1816 Firefighter disability or death from cancer presumed contracted in the line of duty.—

CODING: Words stricken are deletions; words underlined are additions.
(1) DEFINITION.—As used in this section, the term “firefighter” has the same meaning as in s. 112.81.

(2) PRESUMPTION; ELIGIBILITY CONDITIONS.—

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

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

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

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

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

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

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

(3) APPLICABILITY.—A firefighter employed on July 1, 2017, is not required to meet the physical examination requirement in subsection (2) in order to be entitled to the presumption set forth in this section.

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

121.053 Participation in the Elected Officers’ Class for retired members.—

(3) On or after July 1, 2010:

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

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

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

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

(1)

(f) Effective July 1, 1997:

1. Except as provided in subparagraph 3., an elected state officer eligible for membership in the Elected Officers’ Class under s. 121.052(2)(a), (b), or (c) who elects membership in the Senior Management Service Class under s. 121.052(3)(c) may, within 6 months after assuming office or within 6 months after this act becomes a law for serving elected state officers, elect to participate in the Senior Management Service Optional Annuity Program, as provided in subsection (6), in lieu of membership in the Senior Management Service Class.

2. Except as provided in subparagraph 3., an elected officer of a local agency employer eligible for membership in the Elected Officers’ Class under s. 121.052(2)(d) who elects membership in the Senior Management Service Class under s. 121.052(3)(c) may, within 6 months after assuming office, or within 6 months after this act becomes a law for serving elected
officers of a local agency employer, elect to withdraw from the Florida Retirement System, as provided in subparagraph (b)2., in lieu of membership in the Senior Management Service Class.

3. A retiree of a state-administered retirement system who is initially reemployed in a regularly established position on or after July 1, 2010, through June 30, 2017, as an elected official eligible for the Elected Officers' Class may not be enrolled in renewed membership in the Senior Management Service Class or in the Senior Management Service Optional Annuity Program as provided in subsection (6), and may not withdraw from the Florida Retirement System as a renewed member as provided in subparagraph (b)2., as applicable, in lieu of membership in the Senior Management Service Class. Effective July 1, 2017, a retiree of the Senior Management Service Optional Annuity Program who is reemployed in a regularly established position with a covered employer shall be enrolled as a renewed member as provided in s. 121.122.

(6)
(c) Participation.—
1. An eligible employee who is employed on or before February 1, 1987, may elect to participate in the optional annuity program in lieu of participating in the Senior Management Service Class. Such election shall be made in writing and filed with the department and the personnel officer of the employer on or before May 1, 1987. An eligible employee who is employed on or before February 1, 1987, and who fails to make an election to participate in the optional annuity program by May 1, 1987, is deemed to have elected membership in the Senior Management Service Class.
2. Except as provided in subparagraph 6., an employee who becomes eligible to participate in the optional annuity program by reason of initial employment commencing after February 1, 1987, may, within 90 days after the date of commencing employment, elect to participate in the optional annuity program. Such election shall must be made in writing and filed with the personnel officer of the employer. An eligible employee who does not within 90 days after commencing employment elect to participate in the optional annuity program shall be deemed to have elected membership in the Senior Management Service Class.

3. A person who is appointed to a position in the Senior Management Service Class and who is a member of an existing retirement system or the Special Risk or Special Risk Administrative Support Classes of the Florida Retirement System may elect to remain in such system or class in lieu of participating in the Senior Management Service Class or optional annuity program. Such election shall must be made in writing and filed with the department and the personnel officer of the employer within 90 days after such appointment. An eligible employee who fails to make an election to participate in the existing system, the Special Risk Class of the Florida Retirement System, the Special Risk Administrative Support Class of the Florida Retirement System, or the optional annuity program shall be deemed to have elected membership in the Senior Management Service Class.

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

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

a. The election shall must be made in writing and must be filed with the department and the personnel officer of the employer before October 1, 2002, or, in the case of an active employee who is on a leave of absence on July 1, 2002, within 90 days after the conclusion of the leave of absence. This election is irrevocable.

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

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

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

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

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

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

(7) DEATH BENEFITS.—
(d) Notwithstanding any other provision in this chapter to the contrary, with the exception of the Deferred Retirement Option Program, as provided in subsection (13):

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

2. If the surviving spouse of a member killed in the line of duty dies, the monthly payments that would have been payable to such surviving spouse had such surviving spouse lived shall be paid for the use and benefit of such member’s child or children under 18 years of age and unmarried until the 18th birthday of the member’s youngest child. Beginning July 1, 2016, such payments may be extended, for the surviving child of a member in the Special Risk Class at the time he or she was killed in the line of duty on or after July 1, 2013, until the 25th birthday of any child of the member if the child is unmarried and enrolled as a full-time student. Beginning July 1, 2017, such payments may be extended, for the surviving child of a member in the Special Risk Class at the time he or she was killed in the line of duty on or after July 1, 2002, until the 25th birthday of any child of the member if the child is unmarried and enrolled as a full-time student.

3. If a member killed in the line of duty leaves no surviving spouse but is survived by a child or children under 18
years of age, the benefits provided by subparagraph 1., normally payable to a surviving spouse, shall be paid for the use and benefit of such member’s child or children under 18 years of age and unmarried until the 18th birthday of the member’s youngest child. Beginning July 1, 2016, such monthly payments may be extended, for the surviving child of a member in the Special Risk Class at the time he or she was killed in the line of duty on or after July 1, 2013, until the 25th birthday of any child of the member if the child is unmarried and enrolled as a full-time student. Beginning July 1, 2017, such monthly payments may be extended, for the surviving child of a member in the Special Risk Class at the time he or she was killed in the line of duty on or after July 1, 2002, until the 25th birthday of any child of the member if the child is unmarried and enrolled as a full-time student.

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

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

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

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

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

(9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

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

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

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

3. A retiree initially reemployed in violation of this paragraph and an employer that employs or appoints such person are jointly and severally liable for reimbursement of any retirement benefits paid to the retirement trust fund from which the benefits were paid, including the Florida Retirement System Trust Fund and the Public Employee Optional Retirement Program Trust Fund, as appropriate. The employer must have a written statement from the employee that he or she is not retired from a state-administered retirement system. Retirement benefits shall remain suspended until repayment is made. Benefits suspended beyond the end of the retiree’s 6-month reemployment limitation period shall apply toward the repayment of benefits received in violation of this paragraph.
Section 5. Subsection (2) of section 121.122, Florida Statutes, is amended, and subsections (3), (4), and (5) are added to that section, to read:

121.122 Renewed membership in system.—

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

(3) A retiree of the investment plan, the State University System Optional Retirement Program, the Senior Management Service Optional Annuity Program, or the State Community College System Optional Retirement Program who is reemployed with a covered employer in a regularly established position on or after July 1, 2017, shall be enrolled as a renewed member of the investment plan unless employed in a position eligible for participation in the State University System Optional Retirement Program as provided in subsection (4) or the State Community College System Optional Retirement Program as provided in subsection (5). The renewed member must satisfy the vesting requirements and other provisions of this chapter.

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

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

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

3. In the Elected Officers’ Class, if the position meets the requirements of s. 121.053.
4. In the Senior Management Service Class, if the position meets the requirements of s. 121.055.

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

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

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

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

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

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

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

(i) A renewed member who earns creditable service under the investment plan and who is not receiving the maximum health insurance subsidy provided in s. 112.363 is entitled to earn additional credit toward the subsidy. Such credit may be earned only for employment in a regularly established position with a covered employer on or after July 1, 2017. Any additional subsidy due because of additional credit may be received only at the time of paying the second career retirement benefit. The total health insurance subsidy received by a retiree receiving benefits from initial and renewed membership may not exceed the maximum allowed under s. 112.363.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

121.4501 Florida Retirement System Investment Plan.
(2) DEFINITIONS.—As used in this part, the term:

e) “Eligible employee” means an officer or employee, as defined in s. 121.021, who:

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

2. Participates in, or is eligible to participate in, the Senior Management Service Optional Annuity Program as established under s. 121.055(6), the State Community College System Optional Retirement Program as established under s. 121.051(2)(c), or the State University System Optional Retirement Program established under s. 121.35; or

3. Is a retired member of the investment plan, the State University System Optional Retirement Program, the Senior Management Service Optional Annuity Program, or the State Community College System Optional Retirement Program who is reemployed in a regularly established position on or after July 1, 2017, and enrolled as a renewed member as provided in s. 121.122.

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

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

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

(b) Notwithstanding paragraph (a), an eligible employee who
elects to participate in, or who defaults into, the investment
plan and establishes one or more individual member accounts may
elect to transfer to the investment plan a sum representing the
present value of the employee’s accumulated benefit obligation
under the pension plan, except as provided in paragraph (4)(b).

Upon transfer, all service credit earned under the pension plan
is nullified for purposes of entitlement to a future benefit
under the pension plan. A member may not transfer the
accumulated benefit obligation balance from the pension plan
after the time period for enrolling in the investment plan has
expired.

1. For purposes of this subsection, the present value of
the member’s accumulated benefit obligation is based upon the
member’s estimated creditable service and estimated average
final compensation under the pension plan, subject to
recomputation under subparagraph 2. For state employees, initial
estimates shall be based upon creditable service and average
final compensation as of midnight on June 30, 2002; for district
school board employees, initial estimates shall be based upon
creditable service and average final compensation as of midnight
on September 30, 2002; and for local government employees,
CODING: Words stricken are deletions; words underlined are additions.

initial estimates shall be based upon creditable service and average final compensation as of midnight on December 31, 2002. The dates specified are the “estimate date” for these employees. The actuarial present value of the employee’s accumulated benefit obligation shall be based on the following:

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

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

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

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

   (A) Age 62; or

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

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

   (A) Age 65; or

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

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

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

      (A) Age 55; or
      (B) The age the member would attain if the member completed
          25 years of service with an employer, assuming the member worked
          continuously from the estimate date, and disregarding any
          vesting requirement that would otherwise apply under the pension
          plan.

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

      (A) Age 60; or
      (B) The age the member would attain if the member completed
          30 years of service with an employer, assuming the member worked
          continuously from the estimate date, and disregarding any
          vesting requirement that would otherwise apply under the pension
          plan.

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

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

a. Transfer, or cause to be transferred, from the Florida
Retirement System Trust Fund to the member’s account the excess,
if any, of the recomputed amount over the previously transferred
amount together with interest from the initial date of transfer
to the date of transfer under this subparagraph, based upon the
effective annual interest equal to the assumed return on the
actuarial investment which was used in the most recent actuarial
valuation of the system, compounded annually.

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

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

4. As directed by the member, the state board shall transfer or cause to be transferred the appropriate amounts to the designated accounts within 30 days after the effective date of the member’s participation in the investment plan unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period may be extended by a resolution of the state board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash, as determined by the state board. Such securities are valued as of the date of receipt in the member’s account.

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

(4) PARTICIPATION; ENROLLMENT.—

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

a. Any such employee may elect to participate in the investment plan in lieu of retaining his or her membership in the pension plan. The election must be made in writing or by electronic means and must be filed with the third-party administrator by August 31, 2002, or, in the case of an active employee who is on a leave of absence on April 1, 2002, by the last business day of the 5th month following the month the leave of absence concludes. This election is irrevocable, except as provided in paragraph (g). Upon making such election, the employee shall be enrolled as a member of the investment plan, the employee’s membership in the Florida Retirement System is governed by the provisions of this part, and the employee’s membership in the pension plan terminates. The employee’s enrollment in the investment plan is effective the first day of the month for which a full month’s employer contribution is made to the investment plan.

b. Any such employee who fails to elect to participate in the investment plan within the prescribed time period is deemed
to have elected to retain membership in the pension plan, and
the employee’s option to elect to participate in the investment
plan is forfeited.

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

a. Any such employee shall, by default, be enrolled in the
pension plan at the commencement of employment and may, by the
last business day of the 5th month following the employee’s
month of hire, elect to participate in the investment plan. The
employee’s election must be made in writing or by electronic
means and must be filed with the third-party administrator. The
election to participate in the investment plan is irrevocable,
except as provided in paragraph (f) (g).

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

b. An employee who fails to elect to participate in the
investment plan within the prescribed time period is deemed to
have elected to retain membership in the pension plan, and the
employee’s option to elect to participate in the investment plan
is forfeited.

2. With respect to employees who become eligible to
participate in the investment plan pursuant to s. 121.051(2)(c)3. or s. 121.35(3)(i), the employee may elect to participate in the investment plan in lieu of retaining his or her membership in the State Community College System Optional Retirement Program or the State University System Optional Retirement Program. The election must be made in writing or by electronic means and must be filed with the third-party administrator. This election is irrevocable, except as provided in paragraph (f) (g). Upon making such election, the employee shall be enrolled as a member in the investment plan, the employee’s membership in the Florida Retirement System is governed by the provisions of this part, and the employee’s participation in the State Community College System Optional Retirement Program or the State University System Optional Retirement Program terminates. The employee’s enrollment in the investment plan is effective on the first day of the month for which a full month’s employer and employee contribution is made to the investment plan.

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

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

3. If the employee fails to make an election of the pension plan or investment plan within 5 months following the month of hire, the employee is deemed to have elected the investment plan and shall default into the investment plan retroactively to the employee’s date of employment. The employee’s option to participate in the pension plan is forfeited, except as provided in paragraph (f).

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

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

4. For purposes of this paragraph, “state employer” means any agency, board, branch, commission, community college, department, institution, institution of higher education, or water management district of the state, which participates in
the Florida Retirement System for the benefit of certain employees.

(b)1. With respect to an eligible employee who is employed in a regularly established position on September 1, 2002, by a district school board employer:

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

b. Any such employee who fails to elect to participate in the investment plan within the prescribed time period is deemed to have elected to retain membership in the pension plan, and the employee’s option to elect to participate in the investment plan is forfeited.

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

a. Any such employee shall, by default, be enrolled in the pension plan at the commencement of employment, and may, by the last business day of the 5th month following the employee’s month of hire, elect to participate in the investment plan. The employee’s election must be made in writing or by electronic means and must be filed with the third-party administrator. The election to participate in the investment plan is irrevocable, except as provided in paragraph (g).

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

c. Any such employee who fails to elect to participate in the investment plan within the prescribed time period is deemed to have elected to retain membership in the pension plan, and the employee’s option to elect to participate in the investment plan is forfeited.

3. For purposes of this paragraph, “district school board employer” means any district school board that participates in the Florida Retirement System for the benefit of certain employees, or a charter school or charter technical career center that participates in the Florida Retirement System as provided in s. 121.051(2)(d).

(c)1. With respect to an eligible employee who is employed

CODING: Words stricken are deletions; words underlined are additions.
in a regularly established position on December 1, 2002, by a
local employer:

a. Any such employee may elect to participate in the
investment plan in lieu of retaining his or her membership in
the pension plan. The election must be made in writing or by
electronic means and must be filed with the third-party
administrator by February 28, 2003, or, in the case of an active
employee who is on a leave of absence on October 1, 2002, by the
last business day of the 5th month following the month the leave
of absence concludes. This election is irrevocable, except as
provided in paragraph (g). Upon making such election, the
employee shall be enrolled as a participant of the investment
plan, the employee’s membership in the Florida Retirement System
is governed by the provisions of this part, and the employee’s
membership in the pension plan terminates. The employee’s
enrollment in the investment plan is effective the first day of
the month for which a full month’s employer contribution is made
to the investment plan.

b. Any such employee who fails to elect to participate in
the investment plan within the prescribed time period is deemed
to have elected to retain membership in the pension plan, and
the employee’s option to elect to participate in the investment
plan is forfeited.

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

a. Any such employee shall, by default, be enrolled in the
pension plan at the commencement of employment, and may, by the
last business day of the 5th month following the employee’s month of hire, elect to participate in the investment plan. The employee’s election must be made in writing or by electronic means and must be filed with the third-party administrator. The election to participate in the investment plan is irrevocable, except as provided in paragraph (g).

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

c. Any such employee who fails to elect to participate in the investment plan within the prescribed time period is deemed to have elected to retain membership in the pension plan, and the employee’s option to elect to participate in the investment plan is forfeited.

3. For purposes of this paragraph, “local employer” means any employer not included in paragraph (a) or paragraph (b).

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

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

(e)1. (f) A member of the investment plan who takes a distribution of any contributions from his or her investment plan account is considered a retiree. A retiree who is initially reemployed in a regularly established position on or after July 1, 2010, through June 30, 2017, is not eligible for to be enrolled in renewed membership, except as provided in s. 121.122.

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

(f) (g) After the period during which an eligible employee had the choice to elect the pension plan or the investment plan, or the month following the receipt of the eligible employee’s plan election, if sooner, the employee shall have one opportunity, at the employee’s discretion, to choose to move from the pension plan to the investment plan or from the investment plan to the pension plan. Eligible employees may elect to move between plans only if they are earning service credit in an employer-employee relationship consistent with s. 121.021(17)(b), excluding leaves of absence without pay. Effective July 1, 2005, such elections are effective on the first day of the month following the receipt of the election by the third-party administrator and are not subject to the requirements regarding an employer-employee relationship or receipt of contributions for the eligible employee in the effective month, except when the election is received by the third-party administrator. This paragraph is contingent upon approval by the Internal Revenue Service.
1. If the employee chooses to move to the investment plan, the provisions of subsection (3) govern the transfer.

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

3. Notwithstanding subparagraph 2., an employee who chooses to move to the pension plan and who became eligible to participate in the investment plan by reason of employment in a regularly established position with a state employer after June 1, 2002; a district school board employer after September 1, 2002; or a local employer after December 1, 2002, must transfer
from his or her investment plan account, and from other employee moneys as necessary, a sum representing the employee’s actuarial accrued liability. A refund of any employee contributions or additional member participant payments made which exceed the employee contributions that would have accrued had the member remained in the pension plan and not transferred to the investment plan is not permitted.

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

5. If the employee chooses to transfer from the investment plan to the pension plan and retains an excess account balance
in the investment plan after satisfying the buy-in requirements under this paragraph, the excess may not be distributed until the member retires from the pension plan. The excess account balance may be rolled over to the pension plan and used to purchase service credit or upgrade creditable service in the pension plan.

(5) CONTRIBUTIONS.—

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

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

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

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

(10) EDUCATION COMPONENT.—

(a) The state board, in coordination with the department, shall provide for an education component for eligible employees system members in a manner consistent with the provisions of this subsection section. The education component must be available to eligible employees at least 90 days prior to the beginning date of the election period for the employees of the respective types of employers.
(h) Pursuant to subsection (8), all Florida Retirement System employers have an obligation to regularly communicate the existence of the two Florida Retirement System plans and the plan choice in the natural course of administering their personnel functions, using the educational materials supplied by the state board and the Department of Management Services.

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

121.591 Payment of benefits.—Benefits may not be paid under the Florida Retirement System Investment Plan unless the member has terminated employment as provided in s. 121.021(39)(a) or is deceased and a proper application has been filed as prescribed by the state board or the department. Benefits, including employee contributions, are not payable under the investment plan for employee hardships, unforeseeable emergencies, loans, medical expenses, educational expenses, purchase of a principal residence, payments necessary to prevent eviction or foreclosure on an employee’s principal residence, or any other reason except a requested distribution for retirement, a mandatory de minimis distribution authorized by the administrator, or a required minimum distribution provided pursuant to the Internal Revenue Code. The state board or department, as appropriate, may cancel an application for retirement benefits if the member or beneficiary fails to timely provide the information and documents required by this chapter and the rules of the state board and department. In accordance with their respective responsibilities, the state board and the department shall adopt rules establishing procedures for application for retirement benefits and for the cancellation of such application if the
required information or documents are not received. The state board and the department, as appropriate, are authorized to cash out a de minimis account of a member who has been terminated from Florida Retirement System covered employment for a minimum of 6 calendar months. A de minimis account is an account containing employer and employee contributions and accumulated earnings of not more than $5,000 made under the provisions of this chapter. Such cash-out must be a complete lump-sum liquidation of the account balance, subject to the provisions of the Internal Revenue Code, or a lump-sum direct rollover distribution paid directly to the custodian of an eligible retirement plan, as defined by the Internal Revenue Code, on behalf of the member. Any nonvested accumulations and associated service credit, including amounts transferred to the suspense account of the Florida Retirement System Investment Plan Trust Fund authorized under s. 121.4501(6), shall be forfeited upon payment of any vested benefit to a member or beneficiary, except for de minimis distributions or minimum required distributions as provided under this section. If any financial instrument issued for the payment of retirement benefits under this section is not presented for payment within 180 days after the last day of the month in which it was originally issued, the third-party administrator or other duly authorized agent of the state board shall cancel the instrument and credit the amount of the instrument to the suspense account of the Florida Retirement System Investment Plan Trust Fund authorized under s. 121.4501(6). Any amounts transferred to the suspense account are payable upon a proper application, not to include earnings thereon, as provided in this section, within 10 years after the
last day of the month in which the instrument was originally issued, after which time such amounts and any earnings attributable to employer contributions shall be forfeited. Any forfeited amounts are assets of the trust fund and are not subject to chapter 717.

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

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

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

2. If the member has retained retirement credit earned
under the pension plan as provided in s. 121.4501(3), a sum representing the actuarial present value of such credit within the Florida Retirement System Trust Fund shall be transferred by the division from the pension plan to the survivor benefit retirement program as implemented under this subsection and shall be deposited in the survivor benefit account of the trust fund.

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

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

(c) Survivor benefit retirement effective date.—

1. The effective retirement date for the surviving spouse or eligible child of a Special Risk Class member who is killed in the line of duty is:
   a. The first day of the month following the member’s death if the member dies on or after July 1, 2016.
   b. July 1, 2016, for a member of the Special Risk Class when killed in the line of duty on or after July 1, 2013, but before July 1, 2016, if the application is received before July 1, 2016; or the first day of the month following the receipt of
such application.

2. Except as provided in subparagraph 1., the effective retirement date for the surviving spouse or eligible child of an investment plan member who is killed in the line of duty is:

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

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

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

(d) Line-of-duty death benefit.—

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

   a. The surviving spouse.

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

2. Such surviving spouse or such child or children shall receive a monthly survivor benefit that begins accruing on the first day of the month of survivor benefit retirement, as
approved by the division, and is payable on the last day of that month and each month thereafter during the surviving spouse’s lifetime or on behalf of the unmarried children of the member until the 18th birthday of the youngest child, or until the 25th birthday of any of the member’s unmarried children who are enrolled as full-time students. Survivor benefits must be paid out of the survivor benefit account of the Florida Retirement System Trust Fund established under this subsection.

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

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

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

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

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

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

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

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

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

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

(3) Effective July 1, 2017, allocations from the
Florida Retirement System Contributions Clearing Trust Fund to provide line-of-duty death benefits for Special Risk Class members in the investment plan and to offset the costs of administering said coverage, are as follows:

<table>
<thead>
<tr>
<th>Membership Class</th>
<th>Percentage of Gross Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Class</td>
<td>0.05%</td>
</tr>
<tr>
<td>Special Risk Class</td>
<td>1.15% 0.82%</td>
</tr>
<tr>
<td>Special Risk Administrative Support Class</td>
<td>0.03%</td>
</tr>
<tr>
<td>Elected Officers’ Class—Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders</td>
<td>0.15%</td>
</tr>
<tr>
<td>Elected Officers’ Class—Justices, Judges</td>
<td>0.09%</td>
</tr>
<tr>
<td>Elected Officers’ Class—County Elected Officers</td>
<td>0.20%</td>
</tr>
</tbody>
</table>
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 actuarial liability of the Florida Retirement System established in s. 121.71(5), Florida Statutes, for the Special Risk Class is increased by 0.12 percentage point.

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

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

Section 13. This act shall take effect July 1, 2017.