

1                   A bill to be entitled  
2     An act relating to public retirement plans; amending s.  
3     112.65, F.S.; limiting benefits available under public  
4     retirement systems or plans; amending s. 121.021, F.S.;  
5     revising definitions relating to compensation; creating s.  
6     121.024, F.S.; providing application of the benefit  
7     limitations in s. 112.65, F.S., to the Florida Retirement  
8     System; amending s. 121.0515, F.S.; revising the  
9     calculations used for upgrading a special risk member's  
10    contributions for past service; amending s. 175.021, F.S.;  
11    revising legislative declaration with respect to  
12    firefighter pension plans; amending s. 175.032, F.S.;  
13    revising definitions; creating s. 175.033, F.S.; providing  
14    application of the benefit limitations in s. 112.65, F.S.,  
15    to firefighter pension plans; amending s. 175.041, F.S.;  
16    revising the applicability of ch. 175, F.S., to  
17    firefighters who are eligible for the Florida Retirement  
18    System; removing a provision prohibiting municipalities  
19    from establishing more than one retirement plan for  
20    certain public safety officers; amending s. 175.061, F.S.;  
21    authorizing the change of municipal representation on the  
22    board of trustees under certain conditions; limiting the  
23    number of trustees of a firefighters' pension trust fund  
24    who may also be members of the plan; providing duties of  
25    the board relating to the reporting of expenses and the  
26    submission of a proposed administrative expense budget;  
27    removing provisions to conform; amending s. 175.071, F.S.;  
28    revising requirements of the board relating to the

29        employment of legal counsel, actuaries, and other  
30        advisers; amending s. 175.091, F.S.; removing an  
31        adjustment requirement for member contribution rates to a  
32        retirement plan for firefighters; amending s. 175.162,  
33        F.S.; revising requirements for retirement for  
34        firefighters; amending s. 175.191, F.S.; revising  
35        provisions relating to the determination of disability for  
36        purposes of awarding firefighter retirement benefits;  
37        repealing s. 175.231, F.S., relating to a presumption with  
38        respect to diseases of firefighters suffered in the line  
39        of duty; amending s. 175.351, F.S.; revising provisions  
40        relating to benefits paid from the premium tax by a  
41        municipality or special fire control district that has its  
42        own pension plan; amending s. 175.361, F.S.; transferring  
43        certain powers and responsibilities from the board of  
44        trustees to municipalities and special fire control  
45        districts relating to termination of plans and  
46        distribution of funds; repealing s. 175.371, F.S.,  
47        relating to transfer to another state retirement system  
48        and payment of benefits; creating s. 175.372, F.S.;  
49        providing for the payment of benefits under another  
50        retirement system and the use of premium tax moneys;  
51        repealing s. 175.381, F.S., relating to applicability of  
52        ch. 175, F.S., relating to firefighter pension plans;  
53        amending s. 185.01, F.S.; revising legislative declaration  
54        with respect to municipal police pension plans; amending  
55        s. 185.02, F.S.; revising definitions; creating s.  
56        185.021, F.S.; providing application of the benefit

57 limitations in s. 112.65, F.S., to municipal police  
58 pension plans; amending s. 185.03, F.S.; revising the  
59 applicability of ch. 185, F.S., to municipal police  
60 officers who are eligible for the Florida Retirement  
61 System; removing a provision prohibiting municipalities  
62 from establishing more than one retirement plan for  
63 certain public safety officers; amending s. 185.05, F.S.;  
64 authorizing the change of municipal representation on the  
65 board of trustees under certain conditions; limiting the  
66 number of trustees of a municipal police officers' pension  
67 trust fund who may also be members of the plan; providing  
68 duties of the board relating to the reporting of expenses  
69 and the submission of a proposed administrative expense  
70 budget; removing provisions to conform; amending s.  
71 185.06, F.S.; revising requirements of the board relating  
72 to the employment of legal counsel, actuaries, and other  
73 advisers; amending s. 185.07, F.S.; removing an adjustment  
74 requirement for member contribution rates to a retirement  
75 plan for police officers; amending s. 185.16, F.S.;  
76 revising requirements for retirement for police officers;  
77 amending s. 185.18, F.S.; revising provisions relating to  
78 the determination of disability for purposes of awarding  
79 police officer retirement benefits; repealing s. 185.34,  
80 F.S., relating to a presumption with respect to disability  
81 in the line of duty; amending s. 185.35, F.S.; revising  
82 provisions relating to benefits paid by a municipality  
83 that has its own pension plan; amending s. 185.37, F.S.;  
84 transferring certain powers and responsibilities from the

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board of trustees to the municipalities relating to termination of plans and distribution of funds; repealing s. 185.38, F.S., relating to transfer to another state retirement system and payment of benefits; creating s. 185.381, F.S.; providing for the payment of benefits under another retirement system and the use of premium tax moneys; repealing s. 185.39, F.S., relating to applicability of ch. 185, F.S., relating to municipal police pension plans; providing a declaration of important state interest; providing an effective date.

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

Section 1. Subsection (3) is added to section 112.65, Florida Statutes, to read:

112.65 Limitation of benefits.—

(3) LIMITATIONS ON RETIREMENT AGE, CREDIT RATE, AND EMPLOYER CONTRIBUTIONS; TERMINATION OF DEFERRED RETIREMENT OPTION PLANS.—Notwithstanding any other provision of law, general or special, including, but not limited to, this chapter, chapter 121, chapter 175, chapter 185, or any local ordinance or resolution:

(a) A public employee is not eligible for normal retirement benefits under a public employer's retirement system or plan until the employee attains age 55 and as further specified or limited, including, but not limited to, a higher minimum age, in the public employer's retirement system or plan.

(b) Effective for fiscal years beginning after June 30,

2011, a public employer's defined benefit retirement system or plan may not use a retirement credit rate multiplier greater than 1.6 percent per year for future years of service for current or new plan participants. Current plan participants who have accrued retirement credit rate multipliers greater than 1.6 percent per year for past service shall receive such greater multipliers for the respective past service. In addition to a defined benefit retirement system or plan, a public employer may offer a defined contribution retirement system or plan to plan participants in the defined benefit retirement system or plan. However, plan participant contributions in the defined contribution retirement system or plan must equal or exceed the public employer's contributions to that system or plan.

(c) A public employer is not and may not be required to make a contribution to a public retirement system or plan that exceeds 15 percent of the collective payroll for the participants of the system or plan. For purposes of this paragraph, the collective payroll for the participants of a public retirement system or plan includes the costs of all retirement or pension benefits, including all administrative and other system or plan expenses, provided by the public employer to the participants of the system or plan. If an actuarial valuation or other report on a public retirement system or plan indicates that the public employer's contribution to the system or plan will exceed the limitation under this paragraph, the public employer shall provide the participants of the system or plan with 30 days within which to agree, by majority vote, to require or increase participant contributions to the system or

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141 plan to pay for any costs in excess of the limitation. After  
142 that 30-day period or upon a vote of the participants not to pay  
143 for the excess costs, the public employer shall unilaterally  
144 decrease benefits in the system or plan to the extent that the  
145 public employer's contribution does not exceed the limitation  
146 under this paragraph.

147 (d) Effective December 31, 2012, a public employer's  
148 retirement system or plan may not provide a deferred retirement  
149 option plan and participation in an existing deferred retirement  
150 option plan shall cease and all participants in a deferred  
151 retirement option plan shall receive their proper distribution  
152 on or before December 31, 2012.

153 Section 2. Paragraph (a) of subsection (22) and subsection  
154 (24) of section 121.021, Florida Statutes, are amended to read:

155 121.021 Definitions.—The following words and phrases as  
156 used in this chapter have the respective meanings set forth  
157 unless a different meaning is plainly required by the context:

158 (22) "Compensation" means the monthly salary paid a member  
159 by his or her employer for work performed arising from that  
160 employment.

161 (a) Compensation includes ~~shall include:~~

162 ~~1. Overtime payments paid from a salary fund.~~

163 ~~2. Accumulated annual leave payments.~~

164 ~~3. Payments in addition to the employee's base rate of pay~~  
165 ~~if all the following apply:~~

166 ~~a. The payments are paid according to a formal written~~  
167 ~~policy that applies to all eligible employees equally;~~

168 ~~b. The policy provides that payments shall commence no~~

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169 ~~later than the 11th year of employment;~~

170 ~~e. The payments are paid for as long as the employee~~  
171 ~~continues his or her employment; and~~

172 ~~d. The payments are paid at least annually.~~

173 4. amounts withheld for tax sheltered annuities or  
174 deferred compensation programs, or any other type of salary  
175 reduction plan authorized under the Internal Revenue Code.

176 ~~5. Payments made in lieu of a permanent increase in the~~  
177 ~~base rate of pay, whether made annually or in 12 or 26 equal~~  
178 ~~payments within a 12 month period, when the member's base pay is~~  
179 ~~at the maximum of his or her pay range. When a portion of a~~  
180 ~~member's annual increase raises his or her pay range and the~~  
181 ~~excess is paid as a lump sum payment, such lump sum payment~~  
182 ~~shall be compensation for retirement purposes.~~

183 (24) "Average final compensation" means the average of the  
184 5 highest fiscal years of compensation for creditable service  
185 prior to retirement, termination, or death. For in-line-of-duty  
186 disability benefits, if less than 5 years of creditable service  
187 have been completed, the term "average final compensation" means  
188 the average annual compensation of the total number of years of  
189 creditable service. Each year used in the calculation of average  
190 final compensation shall commence on July 1.

191 (a) ~~The~~ Average final compensation includes ~~shall include:~~

192 ~~1. Accumulated annual leave payments, not to exceed 500~~  
193 ~~hours; and~~

194 ~~2.~~ all payments defined as compensation in subsection

195 (22).

196 (b) ~~The~~ Average final compensation does ~~shall~~ not include:

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197           1. Compensation paid to professional persons for special  
198 or particular services;

199           2. Payments for accumulated sick leave made due to  
200 retirement or termination;

201           3. Payments for accumulated annual leave ~~in excess of 500~~  
202 ~~hours~~;

203           4. Bonuses as defined in subsection (47);

204           5. Third party payments made on and after July 1, 1990; ~~or~~

205           6. Fringe benefits (for example, automobile allowances or  
206 housing allowances); or

207           7. Overtime, unused leave, or any other compensation  
208 beyond base hourly or annual salary, notwithstanding any other  
209 provision of law, general or special, including, but not limited  
210 to, this chapter, chapter 112, chapter 175, chapter 185, or any  
211 local ordinance or resolution.

212           Section 3. Section 121.024, Florida Statutes, is created  
213 to read:

214           121.024 Application.—Notwithstanding any other provision  
215 of law, s. 112.65 applies to this chapter and controls over any  
216 conflicting provision of this chapter.

217           Section 4. Subsection (5) of section 121.0515, Florida  
218 Statutes, is amended to read:

219           121.0515 Special risk membership.—

220           (5) CREDIT FOR PAST SERVICE.—A special risk member may  
221 purchase retirement credit in the Special Risk Class based upon  
222 past service, and may upgrade retirement credit for ~~such past~~  
223 ~~service, to the extent of 2 percent of the member's average~~  
224 monthly compensation as specified in s. 121.091(1)(a) ~~for such~~



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225 ~~service~~ as follows:

226 (a) The member may purchase special risk credit for past  
227 service with a city or special district that ~~which~~ has elected  
228 to join the Florida Retirement System, or with a participating  
229 agency to which a member's governmental unit was transferred,  
230 merged, or consolidated, as provided in s. 121.081(1)(f), if the  
231 member was employed with the city or special district at the  
232 time it commenced participating in the Florida Retirement System  
233 or with the governmental unit at the time of its transfer,  
234 merger, or consolidation with the participating agency. The  
235 service must satisfy the criteria set forth in subsection (2)  
236 for special risk membership as a law enforcement officer,  
237 firefighter, or correctional officer; however, a ~~no~~ certificate  
238 or waiver of certificate of compliance with s. 943.1395 or s.  
239 633.35 is not ~~shall be~~ required for such service.

240 (b) Contributions for upgrading the first 2 percent of the  
241 member's average monthly compensation for the additional special  
242 risk credit ~~pursuant to this subsection~~ shall be equal to the  
243 difference in the contributions paid and the special risk  
244 percentage rate of gross salary in effect at the time of  
245 purchase for the period being claimed, plus interest thereon at  
246 the rate of 4 percent a year compounded annually from the date  
247 of such service until July 1, 1975, and 6.5 percent a year  
248 thereafter until the date of payment. ~~This~~ Past service may be  
249 purchased by the member or by the employer on behalf of the  
250 member.

251 (c) Contributions for upgrading additional special risk  
252 credit greater than 2 percent but not exceeding 3 percent of the

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member's average monthly compensation must be in an amount  
representing the actuarial accrued liability for the difference  
in accrual value during the period of service for which credit  
is being purchased. Contributions shall be calculated by an  
actuary designated by the department using the discount rate and  
other relevant actuarial assumptions used to value the Florida  
Retirement System defined benefit plan liabilities in the most  
recent actuarial valuation. The contribution for service credit  
being purchased must be paid by the member or by the employer on  
behalf of the member immediately upon notification by the  
division.

Section 5. Section 175.021, Florida Statutes, is amended to read:

175.021 Legislative declaration.—

(1) It is hereby declared by the Legislature that firefighters, as hereinafter defined, perform state and municipal functions; that it is their duty to extinguish fires, to protect life, and to protect property at their own risk and peril; that it is their duty to prevent conflagration and to continuously instruct school personnel, public officials, and private citizens in the prevention of fires and firesafety; that they protect both life and property from local emergencies as defined in s. 252.34(3); and that their activities are vital to the public safety. It is further declared that firefighters employed by special fire control districts serve under the same circumstances and perform the same duties as firefighters employed by municipalities and should therefore be entitled to the benefits available under this chapter. Therefore, the

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Legislature declares that it is a proper and legitimate state purpose to provide a ~~uniform~~ retirement system for the benefit of firefighters as hereinafter defined and intends, in implementing the provisions of s. 14, Art. X of the State Constitution as they relate to municipal and special district firefighters' pension trust fund systems and plans, that such retirement systems or plans be managed, administered, operated, and funded in such manner as to maximize the protection of the firefighters' pension trust funds. Pursuant to s. 18, Art. VII of the State Constitution, the Legislature hereby determines and declares that the provisions of this act fulfill an important state interest.

(2) This chapter ~~hereby~~ establishes, for all municipal and special district pension plans existing now or hereafter under this chapter, including chapter plans and local law plans, ~~minimum benefits and minimum~~ standards for the operation and funding of such plans, hereinafter referred to as firefighters' pension trust funds. ~~The minimum benefits and minimum standards set forth in this chapter may not be diminished by local charter, ordinance, or resolution or by special act of the Legislature, nor may the minimum benefits or minimum standards be reduced or offset by any other local, state, or federal law that may include firefighters in its operation, except as provided under s. 112.65.~~

Section 6. Subsections (3), (11), and (17) of section 175.032, Florida Statutes, are amended to read:

175.032 Definitions.—For any municipality, special fire control district, chapter plan, local law municipality, local

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law special fire control district, or local law plan under this chapter, the following words and phrases have the following meanings:

(3) "Compensation" or "salary" means the fixed monthly remuneration paid a firefighter; where, as in the case of a volunteer firefighter, remuneration is based on actual services rendered, the term means the total cash remuneration received yearly for such services, prorated on a monthly basis. Overtime compensation, unused leave, or any other form of compensation beyond base hourly or annual salary may not be included when calculating the member's compensation or salary.

~~(a) A retirement trust fund or plan may use a definition of salary other than the definition in this subsection but only if the monthly retirement income payable to each firefighter covered by the retirement trust fund or plan, as determined under s. 175.162(2)(a) and using such other definition, equals or exceeds the monthly retirement income that would be payable to each firefighter if his or her monthly retirement income were determined under s. 175.162(2)(a) and using the definition in this subsection.~~

~~(b) Any retirement trust fund or plan which now or hereafter meets the requirements of this chapter shall not, solely by virtue of this subsection, reduce or diminish the monthly retirement income otherwise payable to each firefighter covered by the retirement trust fund or plan.~~

~~(c)~~ The member's compensation or salary contributed as employee-elective salary reductions or deferrals to any salary reduction, deferred compensation, or tax-sheltered annuity

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337 program authorized under the Internal Revenue Code shall be  
338 deemed to be the compensation or salary the member would receive  
339 if he or she were not participating in such program and shall be  
340 treated as compensation for retirement purposes under this  
341 chapter.

342 (b)~~(d)~~ For any person who first becomes a member in any  
343 plan year beginning on or after January 1, 1996, compensation  
344 for any plan year shall not include any amounts in excess of the  
345 Internal Revenue Code s. 401(a)(17) limitation (as amended by  
346 the Omnibus Budget Reconciliation Act of 1993), which limitation  
347 of \$150,000 shall be adjusted as required by federal law for  
348 qualified government plans and shall be further adjusted for  
349 changes in the cost of living in the manner provided by Internal  
350 Revenue Code s. 401(a)(17)(B). For any person who first became a  
351 member prior to the first plan year beginning on or after  
352 January 1, 1996, the limitation on compensation shall be not  
353 less than the maximum compensation amount that was allowed to be  
354 taken into account under the plan as in effect on July 1, 1993,  
355 which limitation shall be adjusted for changes in the cost of  
356 living since 1989 in the manner provided by Internal Revenue  
357 Code s. 401(a)(17)(1991).

358 (11) "Local law plan" means a defined benefit pension plan  
359 for firefighters, or for firefighters or police officers where  
360 included, as described in s. 175.351, established by municipal  
361 ordinance, special district resolution, or special act of the  
362 Legislature, which enactment sets forth all plan provisions.  
363 Local law plan provisions may vary from the provisions of this  
364 chapter, ~~provided that required minimum benefits and minimum~~

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standards are met. Any such variance shall provide a greater benefit for firefighters. Actuarial valuations of local law plans shall be conducted by an enrolled actuary as provided in s. 175.261(2).

(17) "Supplemental plan" means a plan to which deposits are made to provide ~~extra~~ benefits for firefighters, or for firefighters and police officers where included under this chapter. Such a plan is an element of a local law plan and exists in conjunction with a defined benefit plan ~~that meets the minimum benefits and minimum standards of this chapter.~~

Section 7. Section 175.033, Florida Statutes, is created to read:

175.033 Application.—Notwithstanding any other provision of law, s. 112.65 applies to this chapter and controls over any conflicting provision of this chapter.

Section 8. Subsections (3) and (4) of section 175.041, Florida Statutes, are amended to read:

175.041 Firefighters' Pension Trust Fund created; applicability of provisions.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(3) ~~The provisions of This chapter applies shall apply~~ only to municipalities organized and established pursuant to law ~~the laws of the state~~ and to special fire control districts. This chapter does, ~~and said provisions shall~~ not apply to the unincorporated areas of any county or counties, except with respect to special fire control districts that include

unincorporated areas, or ~~nor shall the provisions hereof apply~~  
to any governmental entity whose firefighters are eligible to  
participate in the Florida Retirement System, except as provided  
in s. 175.351(5) or s. 175.372.

(a) Special fire control districts that include, or  
consist exclusively of, unincorporated areas of one or more  
counties may levy and impose the tax and participate in the  
retirement programs enabled by this chapter.

(b) With respect to the distribution of premium taxes, a  
single consolidated government consisting of a former county and  
one or more municipalities, consolidated pursuant to s. 3 or s.  
6(e), Art. VIII of the State Constitution, may ~~is~~ also eligible  
~~to~~ participate under this chapter. The consolidated government  
shall notify the division when it has entered into an interlocal  
agreement to provide fire services to a municipality within its  
boundaries. The municipality may enact an ordinance levying the  
tax as provided in s. 175.101. Upon being provided copies of the  
interlocal agreement and the municipal ordinance levying the  
tax, the division may distribute any premium taxes reported for  
the municipality to the consolidated government as long as the  
interlocal agreement is in effect.

(c) Any municipality that has entered into an interlocal  
agreement to provide fire protection services to any other  
incorporated municipality, in its entirety, ~~for a period of~~ 12  
months or more may be eligible to receive the premium taxes  
reported for such other municipality. ~~In order~~ To be eligible  
~~for such premium taxes,~~ the municipality providing the fire  
services must notify the division that it has entered into an

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interlocal agreement with another municipality. The municipality receiving the fire services may enact an ordinance levying the tax as provided in s. 175.101. Upon being provided copies of the interlocal agreement and the municipal ordinance levying the tax, the division may distribute any premium taxes reported for the municipality receiving the fire services to the participating municipality providing the fire services as long as the interlocal agreement is in effect.

~~(4) No municipality shall establish more than one retirement plan for public safety officers which is supported in whole or in part by the distribution of premium tax funds as provided by this chapter or chapter 185, nor shall any municipality establish a retirement plan for public safety officers which receives premium tax funds from both this chapter and chapter 185.~~

Section 9. Subsection (1) of section 175.061, Florida Statutes, is amended to read:

175.061 Board of trustees; members; terms of office; meetings; legal entity; costs; attorney's fees.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(1) In each municipality and in each special fire control district there is ~~hereby~~ created a board of trustees of the firefighters' pension trust fund, which shall be solely responsible for administering the trust fund. Effective October 1, 1986, and thereafter:

(a) The membership of the board of trustees for a chapter



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plan consists of five members, two of whom, unless otherwise prohibited by law, must be legal residents of the municipality or special fire control district and must be appointed by the governing body of the municipality or special fire control district, and two of whom must be full-time firefighters as defined in s. 175.032 who are elected by a majority of the active firefighters who are members of such plan. With respect to any chapter plan or local law plan that, on January 1, 1997, allowed retired firefighters to vote in such elections, retirees may continue to vote in such elections. The fifth member shall be chosen by a majority of the previous four members as provided herein, and such person's name shall be submitted to the governing body of the municipality or special fire control district. Upon receipt of the fifth person's name, the governing body of the municipality or special fire control district shall, as a ministerial duty, appoint such person to the board of trustees. The fifth member shall have the same rights as each of the other four members, shall serve as trustee for a period of 2 years, and may succeed himself or herself in office. Each resident member shall serve as trustee for a period of 2 years, unless sooner replaced by the governing body at whose pleasure he or she serves, and may succeed himself or herself as a trustee. Each firefighter member shall serve as trustee for a period of 2 years, unless he or she sooner leaves the employment of the municipality or special fire control district as a firefighter, whereupon a successor shall be chosen in the same manner as an original appointment. Each firefighter may succeed himself or herself in office. The terms of office of the

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477 appointed and elected members may be amended by municipal  
478 ordinance, special act of the Legislature, or resolution adopted  
479 by the governing body of the special fire control district to  
480 extend the terms from 2 years to 4 years. The length of the  
481 terms of office shall be the same for all board members.

482 (b) The membership of boards of trustees for local law  
483 plans shall be as follows:

484 1. If a municipality or special fire control district has  
485 a pension plan for firefighters only, the provisions of  
486 paragraph (a) shall apply.

487 2. If a municipality has a pension plan for firefighters  
488 and police officers, the provisions of paragraph (a) shall  
489 apply, except that one member of the board shall be a  
490 firefighter as defined in s. 175.032 and one member of the board  
491 shall be a police officer as defined in s. 185.02, respectively  
492 elected by a majority of the active firefighters or police  
493 officers who are members of the plan.

494 3. Any board of trustees operating a local law plan on  
495 July 1, 1999, which is combined with a plan for general  
496 employees shall hold an election of the firefighters, or  
497 firefighters and police officers, if included, to determine  
498 whether a plan is to be established for firefighters only, or  
499 for firefighters and police officers where included. Based on  
500 the election results, a new board shall be established as  
501 provided in subparagraph 1. or subparagraph 2., as appropriate.  
502 The municipality or fire control district shall enact an  
503 ordinance or resolution to implement the new board by October 1,  
504 1999. The newly established board shall take whatever action is

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necessary to determine the amount of assets which is attributable to firefighters, or firefighters and police officers where included. Such assets shall include all employer, employee, and state contributions made by or on behalf of firefighters, or firefighters and police officers where included, and any investment income derived from such contributions. All such moneys shall be transferred into the newly established retirement plan, as directed by the board.

With respect to any board of trustees operating a local law plan on June 30, 1986, ~~nothing in this paragraph does not shall~~ permit the reduction of the membership percentage of firefighters, or of firefighters and police officers where a joint or mixed fund exists. A municipality may change the municipal representation on the board of trustees operating a local law plan by ordinance if the change does not reduce the membership percentage of firefighters, or firefighters and police officers, that existed on June 30, 1986.

(c) A majority of the members of a board of trustees may not be members or retirees of the plan for which the board is administering the trust fund.

(d) The board of trustees shall:

1. Provide a detailed accounting report of its expenses for each fiscal year to the plan sponsor and the Department of Management Services and shall make the report available to every member of the plan. The report must include, but need not be limited to, all administrative expenses, which for purposes of this subparagraph are all expenses relating to any legal

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counsel, actuary, plan administrator, and all other consultants,  
and all travel and other expenses paid to or on behalf of the  
members of the board of trustees or anyone else on behalf of the  
plan.

2. Submit its proposed administrative expense budget for  
each fiscal year at least 120 days before the beginning of the  
fiscal year to the plan sponsor for review and modification. The  
administrative expense budget is effective only upon approval by  
the plan sponsor and must regulate the administrative expenses  
of the board of trustees. The board of trustees may not amend  
the budget without the prior approval of the plan sponsor.

~~(c) Whenever the active firefighter membership of a closed~~  
~~chapter plan or closed local law plan as provided in s. 175.371~~  
~~falls below 10, an active firefighter member seat may be held by~~  
~~either a retired member or an active firefighter member of the~~  
~~plan who is elected by the active and retired members of the~~  
~~plan. If there are no active or retired firefighters remaining~~  
~~in the plan or capable of serving, the remaining board members~~  
~~may elect an individual to serve in the active firefighter seat.~~  
~~Upon receipt of such person's name, the legislative body of the~~  
~~municipality or special fire control district shall, as a~~  
~~ministerial duty, appoint such person to the board of trustees.~~  
~~This paragraph applies only to those plans that are closed to~~  
~~new members under s. 175.371(2), and does not apply to any other~~  
~~municipality or fire control district having a chapter or local~~  
~~law plan.~~

Section 10. Subsection (7) of section 175.071, Florida  
Statutes, is amended to read:

175.071 General powers and duties of board of trustees.—  
For any municipality, special fire control district, chapter  
plan, local law municipality, local law special fire control  
district, or local law plan under this chapter:

(7) To assist the board in meeting its responsibilities  
under this chapter, the board, if it so elects, and subject to  
s. 175.061(1)(d), may:

(a) Employ independent legal counsel at the pension fund's  
expense.

(b) Employ an independent actuary, as defined in s.  
175.032(7), at the pension fund's expense.

(c) Employ such independent professional, technical, or  
other advisers as it deems necessary at the pension fund's  
expense.

If the board chooses to use the municipality's or special  
district's legal counsel or actuary, or chooses to use any of  
the municipality's or special district's other professional,  
technical, or other advisers, it must do so only under terms and  
conditions acceptable to the board.

Section 11. Paragraph (b) of subsection (2) of section  
175.091, Florida Statutes, is amended to read:

175.091 Creation and maintenance of fund.—For any  
municipality, special fire control district, chapter plan, local  
law municipality, local law special fire control district, or  
local law plan under this chapter:

(2) Member contribution rates may be adjusted as follows:

(b) Firefighter member contributions may be increased by

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589 consent of the members' collective bargaining representative or,  
590 if none, by majority consent of firefighter members of the fund  
591 ~~to provide greater benefits.~~

592  
593 Nothing in this section shall be construed to require adjustment  
594 of member contribution rates in effect on the date this act  
595 becomes a law, including rates that exceed 5 percent of salary,  
596 provided that such rates are at least one-half of 1 percent of  
597 salary.

598       Section 12.   Section 175.162, Florida Statutes, is amended  
599 to read:

600       175.162   Requirements for retirement.—For any municipality,  
601 special fire control district, chapter plan, local law  
602 municipality, local law special fire control district, or local  
603 law plan under this chapter, any firefighter who completes 10 or  
604 more years of creditable service as a firefighter and attains  
605 age 55, ~~or completes 25 years of creditable service as a~~  
606 ~~firefighter and attains age 52,~~ and who for such minimum period  
607 has been a member of the firefighters' pension trust fund  
608 operating under a chapter plan or local law plan, is eligible  
609 for normal retirement benefits. Normal retirement under the plan  
610 is retirement from the service of the municipality or special  
611 fire control district on or after the normal retirement date. In  
612 such event, payment of retirement income will be governed by the  
613 following provisions of this section:

614       (1)   The normal retirement date of each firefighter will be  
615 the first day of the month coincident with or next following the  
616 date on which he or she has completed 10 or more years of

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617 creditable service and attained age 55 ~~or completed 25 years of~~  
618 ~~creditable service and attained age 52.~~

619       (2) (a) Except as provided in s. 112.65(3) (b), the amount  
620 of monthly retirement income payable to a full-time firefighter  
621 who retires on or after his or her normal retirement date shall  
622 be an amount equal to the number of his or her years of credited  
623 service multiplied by 2 percent of his or her average final  
624 compensation as a full-time firefighter. However, if current  
625 state contributions pursuant to this chapter are not adequate to  
626 fund the additional benefits to meet the ~~minimum~~ requirements in  
627 this chapter, only such incremental increases shall be required  
628 as state moneys are adequate to provide. Such increments shall  
629 be provided as state moneys become available.

630       (b) Except as provided in s. 112.65(3) (b), the amount of  
631 monthly retirement income payable to a volunteer firefighter who  
632 retires on or after his or her normal retirement date shall be  
633 an amount equal to the number of his or her years of credited  
634 service multiplied by 2 percent of his or her average final  
635 compensation as a volunteer firefighter.

636       (3) The monthly retirement income payable in the event of  
637 normal retirement will be payable on the first day of each  
638 month. The first payment will be made on the firefighter's  
639 normal retirement date, or on the first day of the month  
640 coincident with or next following his or her actual retirement,  
641 if later, and the last payment will be the payment due next  
642 preceding the firefighter's death; except that, in the event the  
643 firefighter dies after retirement but before he or she has  
644 received retirement benefits for a period of 10 years, the same

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645 monthly benefit will be paid to the beneficiary (or  
646 beneficiaries) as designated by the firefighter for the balance  
647 of such 10-year period. If a firefighter continues in the  
648 service of the municipality or special fire control district  
649 beyond his or her normal retirement date and dies prior to his  
650 or her date of actual retirement, without an option made  
651 pursuant to s. 175.171 being in effect, monthly retirement  
652 income payments will be made for a period of 10 years to a  
653 beneficiary (or beneficiaries) designated by the firefighter as  
654 if the firefighter had retired on the date on which his or her  
655 death occurred.

656       (4) Early retirement under the plan is retirement from the  
657 service of the municipality or special fire control district,  
658 with the consent of the municipality or special fire control  
659 district, as of the first day of any calendar month which is  
660 prior to the firefighter's normal retirement date but subsequent  
661 to the date as of which he or she has both attained the age of  
662 50 years and has been a member of this fund for 10 continuous  
663 years. In the event of early retirement, payment of retirement  
664 income shall be governed as follows: The monthly amount of  
665 retirement income payable to a firefighter who retires prior to  
666 his or her normal retirement date shall be in the amount  
667 computed as described in subsection (2), taking into account the  
668 firefighter's credited service to his or her date of actual  
669 retirement and final monthly compensation as of such date, such  
670 amount of retirement income to be actuarially reduced to take  
671 into account the firefighter's younger age and the earlier  
672 commencement of retirement income benefits. The amount of



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673 monthly income payable in the event of early retirement will be  
674 paid in the same manner as in subsection (3). ~~In no event shall~~  
675 The early retirement reduction shall be 5 ~~exceed 3~~ percent for  
676 each year by which the member's age at retirement preceded the  
677 member's normal retirement age, as provided in subsection (1).

678 Section 13. Subsections (2), (4), (6), and (7) of section  
679 175.191, Florida Statutes, are amended to read:

680 175.191 Disability retirement.—For any municipality,  
681 special fire control district, chapter plan, local law  
682 municipality, local law special fire control district, or local  
683 law plan under this chapter:

684 (2) A firefighter will be considered totally disabled if,  
685 in the opinion of the board of trustees and the employer, he or  
686 she is wholly prevented from rendering useful and efficient  
687 service as an employee ~~a firefighter~~; and a firefighter will be  
688 considered permanently disabled if, in the opinion of the board  
689 of trustees and the employer, he or she is likely to remain so  
690 disabled continuously and permanently from a cause other than is  
691 specified in subsection (3).

692 (4) ~~A No~~ firefighter is not ~~shall be~~ permitted to retire  
693 under ~~the provisions of~~ this section until he or she is examined  
694 by a duly qualified physician or surgeon, to be selected by the  
695 board of trustees and the employer for that purpose, and is  
696 found to be disabled in the degree and in the manner specified  
697 in this section. Any firefighter retiring under this section may  
698 be examined periodically by a duly qualified physician or  
699 surgeon or board of physicians and surgeons, to be selected by  
700 the board of trustees or the employer for that purpose, to

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determine if such disability has ceased to exist.

(6) The monthly retirement income to which a firefighter is entitled in the event of his or her disability retirement shall be payable on the first day of the first month after the board of trustees and the employer determine ~~determines~~ such entitlement. However, the monthly retirement income shall be payable as of the date the board and the employer determine ~~determines~~ such entitlement, and any portion due for a partial month shall be paid together with the first payment. The last payment will be, if the firefighter recovers from the disability, the payment due next preceding the date of such recovery or, if the firefighter dies without recovering from the disability, the payment due next preceding his or her death or the 120th monthly payment, whichever is later. In lieu of the benefit payment as provided in this subsection ~~paragraph~~, a firefighter may select an optional form as provided in s. 175.171. Any monthly retirement income payments due after the death of a disabled firefighter shall be paid to the firefighter's designated beneficiary (or beneficiaries) as provided in ss. 175.181 and 175.201.

(7) If the board of trustees or the employer finds that a firefighter who is receiving a disability retirement income is no longer disabled, as provided in this section ~~herein~~, the board of trustees or the employer shall direct that the disability retirement income be discontinued. "Recovery from disability" as used in this section ~~herein~~ means the ability of the firefighter to render useful and efficient service as an employee ~~a firefighter~~.

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729           Section 14. Section 175.231, Florida Statutes, is  
730 repealed.

731           Section 15. Section 175.351, Florida Statutes, is amended  
732 to read:

733           175.351 Municipalities and special fire control districts  
734 having their own pension plans for firefighters.—For any  
735 municipality, special fire control district, local law  
736 municipality, local law special fire control district, or local  
737 law plan under this chapter, in order for municipalities and  
738 special fire control districts with their own pension plans for  
739 firefighters, or for firefighters and police officers, where  
740 included, to participate in the distribution of the tax fund  
741 established pursuant to s. 175.101, local law plans must provide  
742 a benefit or benefits within those pension plans for  
743 firefighters, or for firefighters and police officers where  
744 included, which are equal to or greater than the pension  
745 benefits provided to general employees of the municipality or  
746 special fire control district, regardless of when such  
747 additional or greater benefit was or is provided ~~meet the~~  
748 ~~minimum benefits and minimum standards set forth in this~~  
749 ~~chapter.~~

750           (1) ~~PREMIUM TAX INCOME.—If a municipality has a pension~~  
751 ~~plan for firefighters, or a pension plan for firefighters and~~  
752 ~~police officers, where included, which in the opinion of the~~  
753 ~~division meets the minimum benefits and minimum standards set~~  
754 ~~forth in this chapter, the board of trustees of the pension~~  
755 ~~plan, as approved by a majority of firefighters of the~~  
756 ~~municipality, may:~~

757       ~~(a) Place the income from the premium tax in s. 175.101 in~~  
758 ~~such pension plan for the sole and exclusive use of its~~  
759 ~~firefighters, or for firefighters and police officers, where~~  
760 ~~included, where it shall become an integral part of that pension~~  
761 ~~plan and shall be used to pay extra benefits to the firefighters~~  
762 ~~included in that pension plan; or~~

763       ~~(b) Place the income from the premium tax in s. 175.101 in~~  
764 ~~a separate supplemental plan to pay extra benefits to~~  
765 ~~firefighters, or to firefighters and police officers where~~  
766 ~~included, participating in such separate supplemental plan. The~~  
767 ~~premium tax provided by this chapter must shall in all cases be~~  
768 ~~used in its entirety to provide extra benefits to firefighters,~~  
769 ~~or to firefighters and police officers, where included.~~

770 Notwithstanding any other provision of this chapter ~~However,~~  
771 local law plans in effect on or after October 1, 1998, may shall  
772 ~~be required to~~ comply with the minimum benefit provisions of  
773 this chapter by providing pension benefits that, in the  
774 aggregate, exceed the minimum benefits set forth in this chapter  
775 as determined by the plan's actuary ~~only to the extent that~~  
776 ~~additional premium tax revenues become available to~~  
777 ~~incrementally fund the cost of such compliance as provided in s.~~  
778 ~~175.162(2)(a). When a plan is in compliance with such minimum~~  
779 ~~benefit provisions, as subsequent additional premium tax~~  
780 ~~revenues become available, they shall be used to provide extra~~  
781 ~~benefits. For the purpose of this chapter, "additional premium~~  
782 ~~tax revenues" means revenues received by a municipality or~~  
783 ~~special fire control district pursuant to s. 175.121 which~~  
784 ~~exceed that amount received for calendar year 1997, and the term~~

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785 ~~"extra benefits" means benefits in addition to or greater than~~  
786 ~~those provided to general employees of the municipality and in~~  
787 ~~addition to those in existence for firefighters on March 12,~~  
788 ~~1999.~~ Local law plans created by special act before May 23,  
789 1939, are ~~shall be~~ deemed to comply with this chapter.

790 (2) ~~ADOPTION OR REVISION OF A LOCAL LAW PLAN.~~ A ~~No~~  
791 retirement plan or amendment to a retirement plan may not ~~shall~~  
792 be proposed for adoption unless the proposed plan or amendment  
793 contains an actuarial estimate of the costs involved. The ~~No~~  
794 ~~such~~ proposed plan or proposed plan change may not ~~shall~~ be  
795 adopted without the approval of the municipality, special fire  
796 control district, and ~~or~~, if required ~~where permitted~~, the  
797 Legislature. Copies of the proposed plan or proposed plan change  
798 and the actuarial impact statement of the proposed plan or  
799 proposed plan change shall be furnished to the division prior to  
800 the last public hearing thereon. The impact ~~Such~~ statement must  
801 ~~shall~~ also indicate whether the proposed plan or proposed plan  
802 change is in compliance with s. 14, Art. X of the State  
803 Constitution and those provisions of part VII of chapter 112  
804 which are not expressly provided in this chapter.  
805 Notwithstanding any other provision, only those local law plans  
806 created by special act of legislation before ~~prior to~~ May 23,  
807 1939, are ~~shall be~~ deemed to meet the minimum benefits and  
808 minimum standards ~~only~~ in this chapter.

809 (3) Notwithstanding any other provision, with respect to a  
810 ~~any~~ supplemental plan municipality:

811 (a) Section 175.032(3)(a) does ~~shall~~ not apply, and a  
812 local law plan and a supplemental plan may continue to use their

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definition of compensation or salary in existence on March 12,  
1999 ~~the effective date of this act.~~

(b) Section 175.061(1)(b) does ~~shall~~ not apply, and a local law plan and a supplemental plan shall continue to be administered by a board or boards of trustees numbered, constituted, and selected as the board or boards were numbered, constituted, and selected on December 1, 2000.

(c) The election set forth in paragraph (1)(b) shall be deemed to have been made.

(4) The retirement plan setting forth the benefits and the trust agreement, if any, covering the duties and responsibilities of the trustees and the regulations of the investment of funds must be in writing, and copies ~~thereof~~ must be made available to the participants and to the general public.

(5) A municipality or special fire control district may unilaterally establish one or more new plans, or benefit levels within a plan, which provide different benefit levels for plan members based on the member's date of hire if the new plan or benefit level provides pension benefits that, in the aggregate, meet or exceed the minimum benefits set forth in this chapter, as determined by the plan's or employer's actuary. A municipality or special fire control district may unilaterally elect to maintain an existing plan and join the Florida Retirement System for employees hired after a specified date. A municipality or special fire control district choosing to operate under this subsection shall use the premium tax provided under this chapter for the current plan or benefit level, for any additional plan or benefit level, or for contributions to

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the Florida Retirement System.

Section 16. Section 175.361, Florida Statutes, is amended to read:

175.361 Termination of plan and distribution of fund.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter, the plan may be terminated by the municipality or special fire control district. Upon termination of the plan by the municipality or special fire control district for any reason or because of a transfer, merger, or consolidation of governmental units, services, or functions as provided in chapter 121, or upon written notice by the municipality or special fire control district to the board of trustees that contributions under the plan are being permanently discontinued, the rights of all employees to benefits accrued to the date of such termination and the amounts credited to the employees' accounts are nonforfeitable. The fund shall be distributed in accordance with the following procedures:

(1) The municipality or special fire control district ~~board of trustees~~ shall determine the date of distribution and the asset value required to fund all the nonforfeitable benefits after taking into account the expenses of such distribution. The ~~board shall inform the~~ municipality or special fire control district shall determine if additional assets are required, in which event the municipality or special fire control district shall continue to financially support the plan until all nonforfeitable benefits have been funded.

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869           (2) The municipality or special fire control district  
870 ~~board of trustees~~ shall determine the method of distribution of  
871 the asset value, whether distribution shall be by payment in  
872 cash, by the maintenance of another or substituted trust fund,  
873 by the purchase of insured annuities, or otherwise, for each  
874 firefighter entitled to benefits under the plan as specified in  
875 subsection (3).

876           (3) The municipality or special fire control district  
877 ~~board of trustees~~ shall distribute the asset value as of the  
878 date of termination in the manner set forth in this subsection,  
879 on the basis that the amount required to provide any given  
880 retirement income is the actuarially computed single-sum value  
881 of such retirement income, except that if the method of  
882 distribution determined under subsection (2) involves the  
883 purchase of an insured annuity, the amount required to provide  
884 the given retirement income is the single premium payable for  
885 such annuity. The actuarial single-sum value may not be less  
886 than the employee's accumulated contributions to the plan, with  
887 interest if provided by the plan, less the value of any plan  
888 benefits previously paid to the employee.

889           (4) If there is asset value remaining after the full  
890 distribution specified in subsection (3), and after the payment  
891 of any expenses incurred with such distribution, such excess  
892 shall be returned to the municipality or special fire control  
893 district, less return to the state of the state's contributions,  
894 provided that, if the excess is less than the total  
895 contributions made by the municipality or special fire control  
896 district and the state to date of termination of the plan, such



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excess shall be divided proportionately to the total contributions made by the municipality or special fire control district and the state.

(5) The municipality or special fire control district  
~~board of trustees~~ shall distribute, in accordance with subsection (2), the amounts determined under subsection (3).

If, after 24 months after the date the plan terminated or the date ~~the board received written notice~~ that the contributions thereunder were being permanently discontinued, the municipality or special fire control district ~~or the board of trustees of the firefighters' pension trust fund affected~~ has not complied with all the provisions in this section, the Department of Management Services shall effect the termination of the fund in accordance with this section.

Section 17. Section 175.371, Florida Statutes, is repealed.

Section 18. Section 175.372, Florida Statutes, is created to read:

175.372 Benefits under another retirement system or pension program.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(1) A firefighter who has a vested right to benefits under the pension plan may not receive a benefit under a new retirement system or pension program for any period of service

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924 for which benefits are being paid pursuant to the pension plan  
925 subject to this chapter.

926 (2) If a municipality or special fire control district  
927 unilaterally chooses to create or transfer to another retirement  
928 system or pension program, including, but not limited to, a  
929 defined contribution program, for all or a portion of its active  
930 firefighters who are in a pension plan subject to this chapter,  
931 or for firefighters hired after a date certain, the municipality  
932 or special fire control district shall continue to receive state  
933 premium tax moneys and must use those funds to fund a  
934 preexisting plan subject to this chapter or to reduce the  
935 required contributions of the municipality or special fire  
936 control district to the new retirement system or pension  
937 program. A new retirement system or pension program shall  
938 provide for disability retirement for firefighters who suffer  
939 total and permanent disabilities in the line of duty, as  
940 determined by the employer under the definitions of and a  
941 process similar to the process in s. 175.191, and the monthly  
942 benefit shall be the accrued retirement benefit under the plan  
943 or system, but the benefit shall provide not less than an amount  
944 equal to 42 percent of the firefighter's average monthly  
945 compensation at the time of the disability for the life of the  
946 firefighter or until the firefighter recovers from the  
947 disability, as determined by the employer.

948 Section 19. Section 175.381, Florida Statutes, is  
949 repealed.

950 Section 20. Section 185.01, Florida Statutes, is amended  
951 to read:

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185.01 Legislative declaration.—

(1) It is hereby found and declared by the Legislature that police officers as hereinafter defined perform both state and municipal functions; that they make arrests for violations of state traffic laws on public highways; that they keep the public peace; that they conserve both life and property; and that their activities are vital to public welfare of this state. Therefore the Legislature declares that it is a proper and legitimate state purpose to provide a ~~uniform~~ retirement system for the benefit of police officers as hereinafter defined and intends, in implementing the provisions of s. 14, Art. X of the State Constitution as they relate to municipal police officers' retirement trust fund systems and plans, that such retirement systems or plans be managed, administered, operated, and funded in such manner as to maximize the protection of police officers' retirement trust funds. Therefore, the Legislature hereby determines and declares that the provisions of this act fulfill an important state interest.

(2) This chapter ~~hereby~~ establishes, for all municipal pension plans now or hereinafter provided for under this chapter, including chapter plans and local law plans, ~~minimum benefits and minimum~~ standards for the operation and funding of such plans, hereinafter referred to as municipal police officers' retirement trust funds. ~~The minimum benefits and minimum standards set forth in this chapter may not be diminished by local ordinance or by special act of the Legislature, nor may the minimum benefits or minimum standards be reduced or offset by any other local, state, or federal plan~~

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that may include police officers in its operation, except as provided under s. 112.65.

Section 21. Subsections (4), (10), and (15) of section 185.02, Florida Statutes, are amended to read:

185.02 Definitions.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter, the following words and phrases as used in this chapter shall have the following meanings, unless a different meaning is plainly required by the context:

(4) "Compensation" or "salary" means the fixed monthly total cash remuneration including "overtime" paid by the primary employer to a police officer for services rendered, but not including any payments for extra duty or a special detail work performed on behalf of a second party employer, any overtime, unused leave, or any other compensation beyond base hourly or annual salary. ~~However, a local law plan may limit the amount of overtime payments which can be used for retirement benefit calculation purposes, but in no event shall such overtime limit be less than 300 hours per officer per calendar year.~~

(a) ~~Any retirement trust fund or plan which now or hereafter meets the requirements of this chapter shall not, solely by virtue of this subsection, reduce or diminish the monthly retirement income otherwise payable to each police officer covered by the retirement trust fund or plan.~~

~~(b)~~ The member's compensation or salary contributed as employee-elective salary reductions or deferrals to any salary reduction, deferred compensation, or tax-sheltered annuity program authorized under the Internal Revenue Code shall be

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1008 deemed to be the compensation or salary the member would receive  
1009 if he or she were not participating in such program and shall be  
1010 treated as compensation for retirement purposes under this  
1011 chapter.

1012        (b)~~(e)~~ For any person who first becomes a member in any  
1013 plan year beginning on or after January 1, 1996, compensation  
1014 for any plan year shall not include any amounts in excess of the  
1015 Internal Revenue Code s. 401(a)(17) limitation (as amended by  
1016 the Omnibus Budget Reconciliation Act of 1993), which limitation  
1017 of \$150,000 shall be adjusted as required by federal law for  
1018 qualified government plans and shall be further adjusted for  
1019 changes in the cost of living in the manner provided by Internal  
1020 Revenue Code s. 401(a)(17)(B). For any person who first became a  
1021 member prior to the first plan year beginning on or after  
1022 January 1, 1996, the limitation on compensation shall be not  
1023 less than the maximum compensation amount that was allowed to be  
1024 taken into account under the plan as in effect on July 1, 1993,  
1025 which limitation shall be adjusted for changes in the cost of  
1026 living since 1989 in the manner provided by Internal Revenue  
1027 Code s. 401(a)(17)(1991).

1028        (10) "Local law plan" means a defined benefit pension plan  
1029 for police officers or for police officers and firefighters,  
1030 where included, as described in s. 185.35, established by  
1031 municipal ordinance or special act of the Legislature, which  
1032 enactment sets forth all plan provisions. Local law plan  
1033 provisions may vary from the provisions of this chapter,  
1034 ~~provided that required minimum benefits and minimum standards~~  
1035 ~~are met~~. Any such variance shall provide a greater benefit for

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1036 police officers. Actuarial valuations of local law plans shall  
1037 be conducted by an enrolled actuary as provided in s.  
1038 185.221(2) (b) .

1039 (15) "Supplemental plan" means a plan to which deposits of  
1040 the premium tax moneys as provided in s. 185.08 are made to  
1041 provide ~~extra~~ benefits to police officers, or police officers  
1042 and firefighters where included, under this chapter. Such a plan  
1043 is an element of a local law plan and exists in conjunction with  
1044 a defined benefit plan ~~that meets the minimum benefits and~~  
1045 ~~minimum standards of this chapter.~~

1046 Section 22. Section 185.021, Florida Statutes, is created  
1047 to read:

1048 185.021 Application.—Notwithstanding any other provision  
1049 of law, s. 112.65 applies to this chapter and controls over any  
1050 conflicting provision of this chapter.

1051 Section 23. Subsections (2) and (3) of section 185.03,  
1052 Florida Statutes, are amended to read:

1053 185.03 Municipal police officers' retirement trust funds;  
1054 creation; applicability of provisions; participation by public  
1055 safety officers.—For any municipality, chapter plan, local law  
1056 municipality, or local law plan under this chapter:

1057 (2) ~~The provisions of This chapter applies shall apply~~  
1058 only to municipalities organized and established pursuant to  
1059 law. This chapter does ~~the laws of the state, and said~~  
1060 ~~provisions shall not apply to the unincorporated areas of any~~  
1061 ~~county or counties or nor shall the provisions hereof apply to~~  
1062 any governmental entity whose police officers are eligible to  
1063 participate in the Florida Retirement System, except as provided

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1064 in s. 185.35(5) or s. 185.381.

1065 ~~(3) No municipality shall establish more than one~~  
1066 ~~retirement plan for public safety officers which is supported in~~  
1067 ~~whole or in part by the distribution of premium tax funds as~~  
1068 ~~provided by this chapter or chapter 175, nor shall any~~  
1069 ~~municipality establish a retirement plan for public safety~~  
1070 ~~officers which receives premium tax funds from both this chapter~~  
1071 ~~and chapter 175.~~

1072 Section 24. Subsection (1) of section 185.05, Florida  
1073 Statutes, is amended to read:

1074 185.05 Board of trustees; members; terms of office;  
1075 meetings; legal entity; costs; attorney's fees.—For any  
1076 municipality, chapter plan, local law municipality, or local law  
1077 plan under this chapter:

1078 (1) In each municipality described in s. 185.03 there is  
1079 ~~hereby~~ created a board of trustees of the municipal police  
1080 officers' retirement trust fund, which shall be solely  
1081 responsible for administering the trust fund. Effective October  
1082 1, 1986, and thereafter:

1083 (a) The membership of the board of trustees for chapter  
1084 plans consists of five members, two of whom, unless otherwise  
1085 prohibited by law, must be legal residents of the municipality  
1086 and must be appointed by the legislative body of the  
1087 municipality, and two of whom must be police officers as defined  
1088 in s. 185.02 who are elected by a majority of the active police  
1089 officers who are members of such plan. With respect to any  
1090 chapter plan or local law plan that, on January 1, 1997, allowed  
1091 retired police officers to vote in such elections, retirees may

1092 continue to vote in such elections. The fifth member shall be  
1093 chosen by a majority of the previous four members, and such  
1094 person's name shall be submitted to the legislative body of the  
1095 municipality. Upon receipt of the fifth person's name, the  
1096 legislative body shall, as a ministerial duty, appoint such  
1097 person to the board of trustees. The fifth member shall have the  
1098 same rights as each of the other four members appointed or  
1099 elected, shall serve as trustee for a period of 2 years, and may  
1100 succeed himself or herself in office. Each resident member shall  
1101 serve as trustee for a period of 2 years, unless sooner replaced  
1102 by the legislative body at whose pleasure the member serves, and  
1103 may succeed himself or herself as a trustee. Each police officer  
1104 member shall serve as trustee for a period of 2 years, unless he  
1105 or she sooner leaves the employment of the municipality as a  
1106 police officer, whereupon a successor shall be chosen in the  
1107 same manner as an original appointment. Each police officer may  
1108 succeed himself or herself in office. The terms of office of the  
1109 appointed and elected members of the board of trustees may be  
1110 amended by municipal ordinance or special act of the Legislature  
1111 to extend the terms from 2 years to 4 years. The length of the  
1112 terms of office shall be the same for all board members.

1113 (b) The membership of boards of trustees for local law  
1114 plans shall be as follows:

1115 1. If a municipality has a pension plan for police  
1116 officers only, the provisions of paragraph (a) shall apply.

1117 2. If a municipality has a pension plan for police  
1118 officers and firefighters, the provisions of paragraph (a) shall  
1119 apply, except that one member of the board shall be a police



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officer as defined in s. 185.02 and one member shall be a firefighter as defined in s. 175.032, respectively, elected by a majority of the active firefighters and police officers who are members of the plan.

3. Any board of trustees operating a local law plan on July 1, 1999, which is combined with a plan for general employees shall hold an election of the police officers, or police officers and firefighters if included, to determine whether a plan is to be established for police officers only, or for police officers and firefighters where included. Based on the election results, a new board shall be established as provided in subparagraph 1. or subparagraph 2., as appropriate. The municipality shall enact an ordinance to implement the new board by October 1, 1999. The newly established board shall take whatever action is necessary to determine the amount of assets which is attributable to police officers, or police officers and firefighters where included. Such assets shall include all employer, employee, and state contributions made by or on behalf of police officers, or police officers and firefighters where included, and any investment income derived from such contributions. All such moneys shall be transferred into the newly established retirement plan, as directed by the board.

With respect to any board of trustees operating a local law plan on June 30, 1986, ~~nothing in this paragraph does not shall~~ permit the reduction of the membership percentage of police officers or police officers and firefighters. A municipality may change the municipal representation on the board of trustees

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operating a local law plan by ordinance if the change does not reduce the membership percentage of police officers, or police officers and firefighters, that were employed on June 30, 1986.

(c) A majority of the members of a board of trustees may not be members or retirees of the plan for which the board is administering the trust fund.

(d) The board of trustees shall:

1. Provide a detailed accounting report of its expenses for each fiscal year to the plan sponsor and the Department of Management Services and shall make the report available to every member of the plan. The report must include, but need not be limited to, all administrative expenses, which for purposes of this subparagraph are all expenses relating to any legal counsel, actuary, plan administrator, and all other consultants, and all travel and other expenses paid to or on behalf of the members of the board of trustees or anyone else on behalf of the plan.

2. Submit its proposed administrative expense budget for each fiscal year at least 120 days before the beginning of the fiscal year to the plan sponsor for review and modification. The administrative expense budget is effective only upon approval by the plan sponsor and must regulate the administrative expenses of the board of trustees. The board of trustees may not amend the budget without the prior approval of the plan sponsor.

~~(e) Whenever the active police officer membership of a closed chapter plan or closed local law plan as provided in s. 185.38 falls below 10, an active police officer member seat may be held by either a retired police officer or an active police~~

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~~officer member of the plan who is elected by the active and retired members of the plan. If there are no active or retired police officers remaining in the plan or capable of serving, the remaining board members may elect an individual to serve in the active police officer member seat. Upon receipt of such person's name, the legislative body of the municipality shall, as a ministerial duty, appoint such person to the board of trustees. This paragraph applies only to those plans that are closed to new members under s. 185.38(2), and does not apply to any other municipality having a chapter or local law plan.~~

~~(d) If the chapter plan or local law plan with an active membership of 10 or more is closed to new members, the member seats may be held by either a retiree, as defined in s. 185.02, or an active police officer of the plan who has been elected by the active police officers. A closed plan means a plan that is closed to new members but continues to operate, pursuant to s. 185.38(2), for participants who elect to remain in the existing plan. This paragraph applies only to those plans that are closed to new members pursuant to s. 185.38(2) and does not apply to any other municipality that has a chapter plan or a local law plan.~~

Section 25. Subsection (6) of section 185.06, Florida Statutes, is amended to read:

185.06 General powers and duties of board of trustees.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter:

(6) To assist the board in meeting its responsibilities under this chapter, the board, if it so elects, and subject to

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s. 185.05(1)(d), may:

(a) Employ independent legal counsel at the pension fund's expense.

(b) Employ an independent actuary, as defined in s. 185.02(8), at the pension fund's expense.

(c) Employ such independent professional, technical, or other advisers as it deems necessary at the pension fund's expense.

If the board chooses to use the municipality's or special district's legal counsel or actuary, or chooses to use any of the municipality's other professional, technical, or other advisers, it must do so only under terms and conditions acceptable to the board.

Section 26. Paragraph (b) of subsection (2) of section 185.07, Florida Statutes, is amended to read:

185.07 Creation and maintenance of fund.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter:

(2) Member contribution rates may be adjusted as follows:

(b) Police officer member contributions may be increased by consent of the members' collective bargaining representative or, if none, by majority consent of police officer members of the fund ~~to provide greater benefits.~~

Nothing in this section shall be construed to require adjustment of member contribution rates in effect on the date this act becomes a law, including rates that exceed 5 percent of salary,

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provided that such rates are at least one-half of 1 percent of salary.

Section 27. Section 185.16, Florida Statutes, is amended to read:

185.16 Requirements for retirement.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter, any police officer who completes 10 or more years of creditable service as a police officer and attains age 55, ~~or completes 25 years of creditable service as a police officer and attains age 52,~~ and for such period has been a member of the retirement fund is eligible for normal retirement benefits. Normal retirement under the plan is retirement from the service of the city on or after the normal retirement date. In such event, for chapter plans and local law plans, payment of retirement income will be governed by the following provisions of this section:

(1) The normal retirement date of each police officer will be the first day of the month coincident with or next following the date on which the police officer has completed 10 or more years of creditable service and attained age 55 ~~or completed 25 years of creditable service and attained age 52.~~

(2) Except as provided in s. 112.65(3)(b), the amount of the monthly retirement income payable to a police officer who retires on or after his or her normal retirement date shall be an amount equal to the number of the police officer's years of credited service multiplied by 2 percent of his or her average final compensation. However, if current state contributions pursuant to this chapter are not adequate to fund the additional

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benefits to meet the ~~minimum~~ requirements in this chapter, only increment increases shall be required as state moneys are adequate to provide. Such increments shall be provided as state moneys become available.

(3) The monthly retirement income payable in the event of normal retirement will be payable on the first day of each month. The first payment will be made on the police officer's normal retirement date, or on the first day of the month coincident with or next following the police officer's actual retirement, if later, and the last payment will be the payment due next preceding the police officer's death; except that, in the event the police officer dies after retirement but before receiving retirement benefits for a period of 10 years, the same monthly benefit will be paid to the beneficiary (or beneficiaries) as designated by the police officer for the balance of such 10-year period, or, if no beneficiary is designated, to the estate of the police officer, as provided in s. 185.162. If a police officer continues in the service of the city beyond his or her normal retirement date and dies prior to the date of actual retirement, without an option made pursuant to s. 185.161 being in effect, monthly retirement income payments will be made for a period of 10 years to a beneficiary (or beneficiaries) designated by the police officer as if the police officer had retired on the date on which death occurred, or, if no beneficiary is designated, to the estate of the police officer, as provided in s. 185.162.

(4) Early retirement under the plan is retirement from the service of the city, with the consent of the city, as of the

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first day of any calendar month which is prior to the police officer's normal retirement date but subsequent to the date as of which the police officer has both attained the age of 50 years and completed 10 years of contributing service. In the event of early retirement, payment of retirement income will be governed as follows:

(a) The early retirement date shall be the first day of the calendar month coincident with or immediately following the date a police officer retires from the service of the city under the provisions of this section prior to his or her normal retirement date.

(b) The monthly amount of retirement income payable to a police officer who retires prior to his or her normal retirement date under the provisions of this section shall be an amount computed as described in subsection (2), taking into account his or her credited service to the date of actual retirement and his or her final monthly compensation as of such date, such amount of retirement income to be actuarially reduced to take into account the police officer's younger age and the earlier commencement of retirement income payments. ~~In no event shall~~ The early retirement reduction shall be 5 ~~exceed 3~~ percent for each year by which the member's age at retirement preceded the member's normal retirement age, as provided in subsection (1).

(c) The retirement income payable in the event of early retirement will be payable on the first day of each month. The first payment will be made on the police officer's early retirement date and the last payment will be the payment due next preceding the retired police officer's death; except that,

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1316 in the event the police officer dies before receiving retirement  
1317 benefits for a period of 10 years, the same monthly benefit will  
1318 be paid to the beneficiary designated by the police officer for  
1319 the balance of such 10-year period, or, if no designated  
1320 beneficiary is surviving, the same monthly benefit for the  
1321 balance of such 10-year period shall be payable as provided in  
1322 s. 185.162.

1323 Section 28. Subsections (2), (4), (6), and (7) of section  
1324 185.18, Florida Statutes, are amended to read:

1325 185.18 Disability retirement.—For any municipality,  
1326 chapter plan, local law municipality, or local law plan under  
1327 this chapter:

1328 (2) A police officer will be considered totally disabled  
1329 if, in the opinion of the board of trustees and the employer, he  
1330 or she is wholly prevented from rendering useful and efficient  
1331 service as an employee ~~a police officer~~; and a police officer  
1332 will be considered permanently disabled if, in the opinion of  
1333 the board of trustees and the employer, such police officer is  
1334 likely to remain so disabled continuously and permanently from a  
1335 cause other than as specified in subsection (3).

1336 (4) A ~~No~~ police officer is not ~~shall be~~ permitted to  
1337 retire under ~~the provisions of~~ this section until examined by a  
1338 duly qualified physician or surgeon, to be selected by the board  
1339 of trustees and the employer for that purpose, and is found to  
1340 be disabled in the degree and in the manner specified in this  
1341 section. Any police officer retiring under this section may be  
1342 examined periodically by a duly qualified physician or surgeon  
1343 or board of physicians and surgeons to be selected by the board



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1344 of trustees or the employer for that purpose, to determine if  
1345 such disability has ceased to exist.

1346 (6) The monthly retirement income to which a police  
1347 officer is entitled in the event of his or her disability  
1348 retirement shall be payable on the first day of the first month  
1349 after the board of trustees and the employer determine  
1350 ~~determines~~ such entitlement. However, the monthly retirement  
1351 income shall be payable as of the date the board and the  
1352 employer determine ~~determines~~ such entitlement, and any portion  
1353 due for a partial month shall be paid together with the first  
1354 payment. The last payment will be, if the police officer  
1355 recovers from the disability, the payment due next preceding the  
1356 date of such recovery or, if the police officer dies without  
1357 recovering from his or her disability, the payment due next  
1358 preceding death or the 120th monthly payment, whichever is  
1359 later. In lieu of the benefit payment as provided in this  
1360 subsection, a police officer may select an optional form as  
1361 provided in s. 185.161. Any monthly retirement income payments  
1362 due after the death of a disabled police officer shall be paid  
1363 to the police officer's designated beneficiary (or  
1364 beneficiaries) as provided in ss. 185.162 and 185.21.

1365 (7) If the board of trustees or the employer finds that a  
1366 police officer who is receiving a disability retirement income  
1367 is no longer disabled, as provided in this section ~~herein~~, the  
1368 board of trustees or the employer shall direct that the  
1369 disability retirement income be discontinued. Recovery from  
1370 disability as used in this section ~~herein~~ shall mean the ability  
1371 of the police officer to render useful and efficient service as

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1372 an employee ~~a police officer.~~

1373 Section 29. Section 185.34, Florida Statutes, is repealed.

1374 Section 30. Section 185.35, Florida Statutes, is amended  
1375 to read:

1376 185.35 Municipalities having their own pension plans for  
1377 police officers.—For any municipality, chapter plan, local law  
1378 municipality, or local law plan under this chapter, in order for  
1379 municipalities with their own pension plans for police officers,  
1380 or for police officers and firefighters where included, to  
1381 participate in the distribution of the tax fund established  
1382 pursuant to s. 185.08, local law plans must provide a benefit or  
1383 benefits within those pension plans for police officers, or for  
1384 police officers and firefighters where included, which are equal  
1385 to or greater than pension benefits provided to general  
1386 employees of the municipality regardless of when such additional  
1387 or greater benefit was or is provided. ~~meet the minimum benefits~~  
1388 ~~and minimum standards set forth in this chapter.~~

1389 (1) ~~PREMIUM TAX INCOME.—If a municipality has a pension~~  
1390 ~~plan for police officers, or for police officers and~~  
1391 ~~firefighters where included, which, in the opinion of the~~  
1392 ~~division, meets the minimum benefits and minimum standards set~~  
1393 ~~forth in this chapter, the board of trustees of the pension~~  
1394 ~~plan, as approved by a majority of police officers of the~~  
1395 ~~municipality, may:~~

1396 (a) ~~Place the income from the premium tax in s. 185.08 in~~  
1397 ~~such pension plan for the sole and exclusive use of its police~~  
1398 ~~officers, or its police officers and firefighters where~~  
1399 ~~included, where it shall become an integral part of that pension~~

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plan and shall be used to pay extra benefits to the police officers included in that pension plan; or

~~(b) May place the income from the premium tax in s. 185.08 in a separate supplemental plan to pay extra benefits to the police officers, or police officers and firefighters where included, participating in such separate supplemental plan. The premium tax provided by this chapter must shall in all cases be used in its entirety to provide extra benefits to police officers, or to police officers and firefighters, where included. Notwithstanding any other provision of this chapter However, local law plans in effect on October 1, 1998, may shall be required to comply with the minimum benefit provisions of this chapter by providing pension benefits that, in the aggregate, exceed the minimum benefits set forth in this chapter as determined by the plan's or employer's actuary only to the extent that additional premium tax revenues become available to incrementally fund the cost of such compliance as provided in s. 185.16(2). When a plan is in compliance with such minimum benefit provisions, as subsequent additional tax revenues become available, they shall be used to provide extra benefits. For the purpose of this chapter, "additional premium tax revenues" means revenues received by a municipality pursuant to s. 185.10 which exceed the amount received for calendar year 1997, and the term "extra benefits" means benefits in addition to or greater than those provided to general employees of the municipality and in addition to those in existence for police officers on March 12, 1999. Local law plans created by special act before May 23, 1939, are shall be deemed to comply with this chapter.~~

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1428 (2) ~~ADOPTION OR REVISION OF A LOCAL LAW PLAN.~~ A ~~No~~  
1429 retirement plan or amendment to a retirement plan may not ~~shall~~  
1430 be proposed for adoption unless the proposed plan or amendment  
1431 contains an actuarial estimate of the costs involved. The ~~No~~  
1432 ~~such~~ proposed plan or proposed plan change may only be adopted  
1433 with ~~shall be adopted without~~ the approval of the municipality  
1434 and or, if required ~~where permitted~~, the Legislature. Copies of  
1435 the proposed plan or proposed plan change and the actuarial  
1436 impact statement of the proposed plan or proposed plan change  
1437 shall be furnished to the division prior to the last public  
1438 hearing thereon. The impact ~~Such~~ statement must ~~shall~~ also  
1439 indicate whether the proposed plan or proposed plan change is in  
1440 compliance with s. 14, Art. X of the State Constitution and  
1441 those provisions of part VII of chapter 112 which are not  
1442 expressly provided in this chapter. Notwithstanding any other  
1443 provision, only those local law plans created by special act of  
1444 legislation before ~~prior to~~ May 23, 1939, are ~~shall be~~ deemed to  
1445 meet the minimum benefits and minimum standards ~~only~~ in this  
1446 chapter.

1447 (3) Notwithstanding any other provision, with respect to a  
1448 ~~any~~ supplemental plan municipality:

1449 (a) Section 185.02(4)(a) does ~~shall~~ not apply, and a local  
1450 law plan and a supplemental plan may continue to use their  
1451 definition of compensation or salary in existence on March 12,  
1452 1999 ~~the effective date of this act.~~

1453 (b) Section 185.05(1)(b) does ~~shall~~ not apply, and a local  
1454 law plan and a supplemental plan shall continue to be  
1455 administered by a board or boards of trustees numbered,

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constituted, and selected as the board or boards were numbered,  
constituted, and selected on December 1, 2000.

(c) The election set forth in paragraph (1)(b) shall be  
deemed to have been made.

(4) The retirement plan setting forth the benefits and the  
trust agreement, if any, covering the duties and  
responsibilities of the trustees and the regulations of the  
investment of funds must be in writing and copies must be made  
available to the participants and to the general public.

(5) A municipality may unilaterally establish one or more  
new plans, or benefit levels within a plan, which provide  
different benefit levels for plan members based on the member's  
date of hire if the new plan or benefit level provides pension  
benefits that, in the aggregate, meet or exceed the minimum  
benefits set forth in this chapter, as determined by the plan's  
or employer's actuary. A municipality may unilaterally elect to  
maintain an existing plan and join the Florida Retirement System  
for employees hired after a specified date. A municipality  
choosing to operate under this subsection shall use the premium  
tax provided under this chapter for the current plan or benefit  
level, for any additional plan or benefit level, or for  
contributions to the Florida Retirement System.

Section 31. Section 185.37, Florida Statutes, is amended  
to read:

185.37 Termination of plan and distribution of fund.—For  
any municipality, chapter plan, local law municipality, or local  
law plan under this chapter, the plan may be terminated by the  
municipality. Upon termination of the plan by the municipality

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1484 for any reason, or because of a transfer, merger, or  
1485 consolidation of governmental units, services, or functions as  
1486 provided in chapter 121, or upon written notice to the board of  
1487 trustees by the municipality that contributions under the plan  
1488 are being permanently discontinued, the rights of all employees  
1489 to benefits accrued to the date of such termination or  
1490 discontinuance and the amounts credited to the employees'  
1491 accounts are nonforfeitable. The fund shall be distributed in  
1492 accordance with the following procedures:

1493       (1) The municipality ~~board of trustees~~ shall determine the  
1494 date of distribution and the asset value required to fund all  
1495 the nonforfeitable benefits, after taking into account the  
1496 expenses of such distribution. The ~~board shall inform the~~  
1497 municipality shall determine if additional assets are required,  
1498 in which event the municipality shall continue to financially  
1499 support the plan until all nonforfeitable benefits have been  
1500 funded.

1501       (2) The municipality ~~board of trustees~~ shall determine the  
1502 method of distribution of the asset value, whether distribution  
1503 shall be by payment in cash, by the maintenance of another or  
1504 substituted trust fund, by the purchase of insured annuities, or  
1505 otherwise, for each police officer entitled to benefits under  
1506 the plan, as specified in subsection (3).

1507       (3) The municipality ~~board of trustees~~ shall distribute  
1508 the asset value as of the date of termination in the manner set  
1509 forth in this subsection, on the basis that the amount required  
1510 to provide any given retirement income is the actuarially  
1511 computed single-sum value of such retirement income, except that

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1512 if the method of distribution determined under subsection (2)  
1513 involves the purchase of an insured annuity, the amount required  
1514 to provide the given retirement income is the single premium  
1515 payable for such annuity. The actuarial single-sum value may not  
1516 be less than the employee's accumulated contributions to the  
1517 plan, with interest if provided by the plan, less the value of  
1518 any plan benefits previously paid to the employee.

1519       (4) If there is asset value remaining after the full  
1520 distribution specified in subsection (3), and after payment of  
1521 any expenses incurred with such distribution, such excess shall  
1522 be returned to the municipality, less return to the state of the  
1523 state's contributions, provided that, if the excess is less than  
1524 the total contributions made by the municipality and the state  
1525 to date of termination of the plan, such excess shall be divided  
1526 proportionately to the total contributions made by the  
1527 municipality and the state.

1528       (5) The municipality ~~board of trustees~~ shall distribute,  
1529 in accordance with the manner of distribution determined under  
1530 subsection (2), the amounts determined under subsection (3).  
1531

1532 If, after 24 months after the date the plan terminated or the  
1533 date ~~the board received written notice~~ that the contributions  
1534 thereunder were being permanently discontinued, the municipality  
1535 ~~or the board of trustees of the municipal police officers'~~  
1536 ~~retirement trust fund affected~~ has not complied with all the  
1537 provisions in this section, the Department of Management  
1538 Services shall effect the termination of the fund in accordance  
1539 with this section.

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1540       Section 32. Section 185.38, Florida Statutes, is repealed.

1541       Section 33. Section 185.381, Florida Statutes, is created  
1542 to read:

1543       185.381 Benefits under another retirement system or  
1544 pension program.—For any municipality, chapter plan, local law  
1545 municipality, or local law plan under this chapter:

1546       (1) A police officer who has a vested right to benefits  
1547 under the pension plan may not receive a benefit under a new  
1548 retirement system or pension program for any period of service  
1549 for which benefits are paid pursuant to the pension plan subject  
1550 to this chapter.

1551       (2) If a municipality unilaterally chooses to create or  
1552 transfer to another retirement system or pension program,  
1553 including, but not limited to, a defined contribution program,  
1554 for all or a portion of its active police officers who are in a  
1555 pension plan subject to this chapter, or for police officers  
1556 hired after a date certain, the municipality shall continue to  
1557 receive state premium tax moneys and must use those funds as  
1558 needed to fully fund a preexisting plan subject to this chapter  
1559 or to reduce the required contributions of the municipality to  
1560 the new retirement system or pension program. A new retirement  
1561 system or pension program shall make provision for disability  
1562 retirement for police officers who suffer total and permanent  
1563 disabilities in the line of duty, as determined by the employer  
1564 under the definitions of and a process similar to the process in  
1565 s. 185.18, and the monthly benefit shall be the accrued  
1566 retirement benefit under the plan or system, but the benefit  
1567 shall provide not less than an amount equal to 42 percent of the



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1568 police officer's average monthly compensation at the time of the  
1569 disability for the life of the police officer or until the  
1570 police officer recovers from the disability, as determined by  
1571 the employer.

1572       Section 34. Section 185.39, Florida Statutes, is repealed.

1573       Section 35. The Legislature finds that a proper and  
1574 legitimate state purpose is served when employees and retirees  
1575 of the state and of its political subdivisions, and the  
1576 dependents, survivors, and beneficiaries of such employees and  
1577 retirees, are extended the basic protections afforded by  
1578 governmental retirement systems that provide fair and adequate  
1579 benefits and that are managed, administered, and funded in an  
1580 actuarially sound manner as required by s. 14, Art. X of the  
1581 State Constitution and part VII of chapter 112, Florida  
1582 Statutes. Therefore, the Legislature determines and declares  
1583 that this act fulfill an important state interest.

1584       Section 36. This act shall take effect upon becoming a  
1585 law.