

THE FLORIDA SENATE
2015 SUMMARY OF LEGISLATION PASSED
Committee on Community Affairs

CS/HB 105 — Publicly Funded Retirement Programs

by Government Operations Subcommittee and Rep. Eagle and others (CS/CS/SB 216 by Appropriations Committee; Community Affairs Committee; and Senator Bradley)

In 1939, the Legislature enacted ch. 175, F.S., which encouraged cities to establish firefighter retirement plans by providing cities with the incentive of access to premium tax revenues. An excise tax of 1.85 percent imposed on the gross premiums of property insurance covering property within boundaries of the municipality or district funds the Firefighters' Pension Trust Fund of each municipality or special fire control district. The insurers pay the tax to the Department of Revenue, and the net proceeds are transferred to the appropriate fund. For Fiscal Year 2014-2015, premium tax collections are estimated to be \$804 million, and distributions to the Firefighters' Pension Trust Fund are predicted to be \$179.5 million.

Participation in the trust fund is limited to incorporated municipalities and to special fire control districts. While a municipality that has entered into a 1 year or longer interlocal agreement to provide fire services to another incorporated municipality may receive its premium taxes, a municipality may not receive insurance premium taxes from a Municipal Services Taxing Unit (MSTU). The bill allows a municipality providing fire protection services to a MSTU through an interlocal agreement to receive insurance premium taxes collected within the MSTU boundary for the purpose of providing pension benefits to the municipality's firefighters.

If approved by the Governor, these provisions take effect July 1, 2015.

Vote: Senate 38-0; House 110-1