

STORAGE NAME: h1089.go

DATE: March 9, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GOVERNMENTAL OPERATIONS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1089

RELATING TO: West Palm Beach/Firefighters Pension (Palm Beach Co.)

SPONSOR(S): Representative Frankel

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) GOVERNMENTAL OPERATIONS
 - (2) CRIME & PUNISHMENT
 - (3) COMMUNITY AFFAIRS
 - (4)
 - (5)
-

I. SUMMARY:

Chapter 24981, Laws of Florida, 1947 created a special fund for the Fire Department of the City of West Palm Beach to be known as the West Palm Beach Firefighters' Pension Fund. This chapter has been subsequently amended, by local bill, as necessary, to update the pension fund.

This bill amends chapter 24981, Laws of Florida, 1947, as amended, to:

- Delete redundant language regarding normal form of benefits for disability retirement;
- Permit disability retirees to select optional forms of benefits such as lifetime option benefit and a joint and survivor benefit;
- Add an optional joint and survivor benefit of 75 percent to the existing options of 100 percent, 66 2/3 percent, and 50 percent of such monthly amounts;
- Adds the estate of the member as a potential beneficiary in the absence of an eligible beneficiary;
- Allows Deferred Retirement Option Program (DROP) participants to continue to receive share distributions from the Chapter 175, F.S., premium tax money, effective for the Chapter 175, F.S., premium tax money received in calendar year 1999;
- Adds penalty provisions for making a false or misleading statement to obtain a pension benefit;
- Makes language throughout the chapter gender neutral;
- Provides that all special laws and parts of special laws, ordinances, or regulations, insofar as they are in conflict or inconsistent with the provisions of this act, are repealed; and
- Provides an effective date of upon becoming a law.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Chapter 24981, Laws of Florida, 1947, created a special fund for the Fire Department of the City of West Palm Beach to be known as the West Palm Beach Firefighters Pension Fund. This chapter has been subsequently amended, by local bill, as needed, to keep the act relating to the fund current.

C. EFFECT OF PROPOSED CHANGES:

Section 1. Amends s. 17 of chapter 24981, L.O.F., 1947, as amended, deleting redundant language regarding normal form of benefits for disability retirement; adding an optional joint and survivor benefit of 75 percent; and adding the estate of the member as a potential beneficiary in the absence of an eligible beneficiary.

Section 2. Amends s. 17 of chapter 24981, L.O.F., 1947, as amended by chapter 99-456, L.O.F., effective for share account distributions made for calendar year 1998 from chapter moneys received in July 1999, allowing Deferred Retirement Option Program (DROP) participants to continue to receive share distributions from the chapter 175, F.S., premium tax moneys, effective for the chapter 175, F.S., premium tax moneys received in calendar year 1999.

Section 3. Amends s. 17 of chapter 24981, L.O.F., 1947, as amended by chapter 93-374, L.O.F., permitting disability retirees to select optional forms of benefits.

Section 4. Amends s. 17 of chapter 24981, L.O.F., 1947, as amended by chapter 93-374, L.O.F., repealing paragraph (h) of subsection (6) related to normal form of disability retirement income.

Section 5. Amends s. 17 of chapter 24981, L.O.F., 1947, as amended by chapters 93-374, and 96-527, L.O.F., providing gender neutral language; clarifying language; and providing that in the event a member dies and does not leave a surviving spouse, children, or parents eligible to receive a pension, then the benefits remaining, if any, shall be paid to the member's estate.

Section 6. Adds s. 17(20)(d) of chapter 24981, L.O.F., 1947, as amended by chapter 93-374, L.O.F., providing a penalty provision upon conviction for making a false or misleading statement to obtain a pension benefit. In addition to any applicable

STORAGE NAME: h1089.go

DATE: March 9, 2000

PAGE 3

criminal penalty for a false or misleading statement conviction, in the discretion of the Board of Trustees, a participant or beneficiary may be required to forfeit the right to receive any or all benefits to which the person would otherwise be entitled under the plan. For purposes of this sub-subparagraph, "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

Section 7. Provides that all special laws and parts of special laws, ordinances, or regulations, insofar as they are in conflict or inconsistent with the provisions of this act, are repealed.

Section 8. Provides an effective date of upon becoming a law.

D. SECTION-BY-SECTION ANALYSIS:

Please see Section II. C. above, Effect of Proposed Changes.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes [x] No []

IF YES, WHEN? January 3, 2000

WHERE? The Palm Beach Post

B. REFERENDUM(S) REQUIRED? Yes [] No [x]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached [x] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached [x] No []

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

STORAGE NAME: h1089.go

DATE: March 9, 2000

PAGE 4

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON GOVERNMENTAL OPERATIONS:

Prepared by:

Staff Director:

Jimmy O. Helms

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