

By Senator Clary

4-543-03

1 A bill to be entitled
2 An act relating to trust funds; terminating
3 specified trust funds within the Department of
4 Management Services and the Department of
5 Revenue; providing for disposition of balances
6 in and revenues of such trust funds; declaring
7 the findings of the Legislature that specified
8 trust funds within the Department of
9 Environmental Protection, the Department of
10 Management Services, and the Department of
11 Revenue are exempt from the termination
12 requirements of s. 19(f), Art. III of the State
13 Constitution; repealing ss. 122.351 and 650.06,
14 F.S., relating to funding by local agencies and
15 the Social Security Contribution Trust Fund;
16 amending ss. 121.011, 121.031, 121.141, 122.26,
17 122.27, 122.30, 122.35, 650.04, and 650.05,
18 F.S., to conform; providing for payment of
19 certain social security contributions to the
20 Internal Revenue Service rather than the Social
21 Security Contribution Trust Fund; repealing s.
22 110.151(7), F.S., relating to the State
23 Employee Child Care Revolving Trust Fund;
24 providing an effective date.

25
26 Be It Enacted by the Legislature of the State of Florida:

27
28 Section 1. (1) The following trust funds within the
29 following departments are terminated:

30 (a) Within the Department of Management Services:

31

1 1. The Social Security Contribution Trust Fund, FLAIR
2 number 72-2-638.

3 2. The State Employee Child Care Revolving Trust Fund,
4 FLAIR number 72-2-670.

5 (b) Within the Department of Revenue, the Drug
6 Enforcement Trust Fund, FLAIR number 73-2-171.

7 (2) Unless otherwise provided, all current balances
8 remaining in, and all revenues of, the trust funds terminated
9 by this act shall be transferred to the General Revenue Fund.

10 (3) For each trust fund terminated by this act, the
11 agency that administers the trust fund shall pay any
12 outstanding debts and obligations of the terminated fund as
13 soon as practicable, and the Chief Financial Officer shall
14 close out and remove the terminated fund from the various
15 state accounting systems using generally accepted accounting
16 principles concerning warrants outstanding, assets, and
17 liabilities.

18 Section 2. The Legislature finds that the following
19 trust funds are exempt from termination pursuant to Section
20 19(f), Article III of the State Constitution:

21 (1) Within the Department of Environmental Protection:

22 (a) The Florida Preservation 2000 Trust Fund, FLAIR
23 number 37-2-332.

24 (b) The Florida Forever Trust Fund, FLAIR number
25 37-2-348.

26 (c) The Land Acquisition Trust Fund, FLAIR number
27 37-2-423.

28 (d) The Project Construction Trust Fund, FLAIR number
29 37-2-549.

30 (2) Within the Department of Management Services:

31

- 1 (a) The Florida Retirement System Trust Fund, FLAIR
2 number 72-2-309.
- 3 (b) The Florida Facilities Pool Clearing Trust Fund,
4 FLAIR number 72-2-313.
- 5 (c) The Florida Retirement System Preservation of
6 Benefits Plan Trust Fund, FLAIR number 72-2-345.
- 7 (d) The Institute of Food and Agricultural Sciences
8 Supplemental Retirement Trust Fund, FLAIR number 72-2-379.
- 9 (e) The Senior Management Service Optional Annuity
10 Program Trust Fund, FLAIR number 72-2-515.
- 11 (f) The Optional Retirement Program Trust Fund, FLAIR
12 number 72-2-517.
- 13 (g) The Police and Firefighters' Premium Tax Trust
14 Fund, FLAIR number 72-2-532.
- 15 (h) The State Employees Life Insurance Trust Fund,
16 FLAIR number 72-2-667.
- 17 (i) The State Employees Health Insurance Trust Fund,
18 FLAIR number 72-2-668.
- 19 (j) The State Employees Disability Insurance Trust
20 Fund, FLAIR number 72-2-671.
- 21 (k) The State Employees Savings Bonds Trust Fund,
22 FLAIR number 72-2-674.
- 23 (l) The Florida Retirement System Contributions
24 Clearing Trust Fund, FLAIR number ##-#- ##.
- 25 (3) Within the Department of Revenue:
- 26 (a) The Additional Court Costs Clearing Trust Fund,
27 FLAIR number 73-2-013.
- 28 (b) The Apalachicola Bay Oyster Surcharge Clearing
29 Trust Fund, FLAIR number 73-2-028.
- 30 (c) The Child Support Clearing Trust Fund, FLAIR
31 number 73-2-081.

- 1 (d) The Convention Development Tax Clearing Trust
2 Fund, FLAIR number 73-2-132.
- 3 (e) The Revenue Sharing Trust Fund for Counties, FLAIR
4 number 73-2-144.
- 5 (f) The Documentary Stamp Tax Clearing Trust Fund,
6 FLAIR number 73-2-166.
- 7 (g) The Revenue-Fuel Tax Refund Payments Trust Fund,
8 FLAIR number 73-2-317.
- 9 (h) The Fuel Tax Collection Trust Fund, FLAIR number
10 73-2-319.
- 11 (i) The Local Option Fuel Tax Trust Fund, FLAIR number
12 73-2-448.
- 13 (j) The Local Alternative Fuel User Fee Clearing Trust
14 Fund, FLAIR number 73-2-449.
- 15 (k) Local Government Half-cent Sales Tax Clearing
16 Trust Fund, FLAIR number 73-2-455.
- 17 (l) The Discretionary Sales Surtax Clearing Trust
18 Fund, FLAIR number 73-2-459.
- 19 (m) The Local Option Tourist Development Trust Fund,
20 FLAIR number 73-2-460.
- 21 (n) The Mail Order Sales Tax Clearing Trust Fund,
22 FLAIR number 73-2-465.
- 23 (o) The Motor Vehicle Warranty Trust Fund, FLAIR
24 number 73-2-492.
- 25 (p) The Municipal Financial Assistance Trust Fund,
26 FLAIR number 73-2-493.
- 27 (q) The Motor Vehicle Rental Surcharge Clearing Trust
28 Fund, FLAIR number 73-2-494.
- 29 (r) The Revenue Sharing Trust Fund for Municipalities,
30 FLAIR number 73-2-501.
- 31

- 1 (s) The Oil and Gas Tax Trust Fund, FLAIR number
2 73-2-508.
- 3 (t) The Pollutant Tax Clearing Trust Fund, FLAIR
4 number 73-2-544.
- 5 (u) The Railroad and Private Car Tax Collection
6 Clearing Trust Fund, FLAIR number 73-2-571.
- 7 (v) The Sales Tax Security Deposit Trust Fund, FLAIR
8 number 73-2-607.
- 9 (w) The Secondhand Dealer and Secondary Metals
10 Recycler Clearing Trust Fund, FLAIR number 73-2-617.
- 11 (x) The State Alternative Fuel User Fee Clearing Trust
12 Fund, FLAIR number 73-2-618.
- 13 (y) The Highway Safety-Admin. Div. Security Deposits
14 Trust Fund, FLAIR number 73-2-625.
- 15 (z) The Severance Tax Solid Mineral Trust Fund, FLAIR
16 number 73-2-636.
- 17 (aa) The Solid Waste Management Clearing Trust Fund,
18 FLAIR number 73-2-645.
- 19 (bb) The Local Communications Services Tax Clearing
20 Trust Fund, FLAIR number 73-2-662.
- 21 (cc) The Department of Revenue Premium Tax Clearing
22 Trust Fund, FLAIR number 73-2-733.
- 23 (dd) The Ninth-cent Fuel Tax Trust Fund, FLAIR number
24 73-2-777.
- 25 Section 3. Sections 122.351 and 650.06, Florida
26 Statutes, are repealed.
- 27 Section 4. Paragraph (e) of subsection (3) of section
28 121.011, Florida Statutes, is amended to read:
29 121.011 Florida Retirement System.--
30 (3) PRESERVATION OF RIGHTS.--
31

1 (e) Any member of the Florida Retirement System or any
2 member of an existing system under this chapter on July 1,
3 1975, who is not retired and who is, has been, or shall be,
4 suspended and reinstated without compensation shall receive
5 retirement service credit for the period of time from the date
6 of suspension to the date of reinstatement, provided:

7 1. The creditable service claimed for the period of
8 suspension does not exceed 24 months;

9 2. The member returns to active employment and remains
10 on the employer's payroll for at least 1 calendar month; and

11 3. The member pays into the Retirement System Trust
12 Fund the total required employer contributions plus the total
13 employee contributions, if applicable, based on the member's
14 monthly compensation in effect for the pay period immediately
15 preceding the period of suspension, prorated for the said
16 period of suspension, plus interest thereon at a rate of 4
17 percent per annum compounded annually until July 1, 1975, and
18 6.5 percent interest thereafter until paid. If permitted by
19 federal law, the member may pay to the Internal Revenue
20 Service ~~into the Social Security Trust Fund~~ the total cost, if
21 any, of providing social security coverage for the period of
22 suspension if any social security payments have been made by
23 the employer for the benefit of the member during such period.
24 Should there be any conflict as to payment for social security
25 coverage, the payment for retirement service credit shall be
26 made and retirement service credit granted regardless of such
27 conflict.

28 Section 5. Subsection (1) of section 121.031, Florida
29 Statutes, is amended to read:

30 121.031 Administration of system; appropriation;
31 oaths; actuarial studies; public records.--

1 (1) The Department of Management Services has the
2 authority to adopt rules pursuant to ss. 120.536(1) and 120.54
3 to implement the provisions of law conferring duties upon the
4 department and to adopt rules as are necessary for the
5 effective and efficient administration of this system. The
6 funds to pay the expenses for administration of the system are
7 hereby appropriated from the interest earned on investments
8 made for the Retirement System Trust Fund ~~and social security~~
9 ~~trust funds~~ and the assessments allowed under chapter 650.

10 Section 6. Subsection (1) of section 121.141, Florida
11 Statutes, is amended to read:

12 121.141 Appropriation.--

13 (1) There is ~~hereby~~ annually appropriated from the
14 System Trust Fund ~~or the Social Security Trust Fund~~ a
15 sufficient amount to make such payments as are provided in
16 part I of this chapter.

17 Section 7. Section 122.26, Florida Statutes, is
18 amended to read:

19 122.26 Funds.--There shall be paid into the State and
20 County Officers and Employees' Retirement Trust Fund, provided
21 in former s. 122.17, contributions by members of division B
22 for benefits payable to members under this system, and all
23 amounts appropriated for such purpose by the state. ~~There is~~
24 ~~hereby created in the State Treasury a fund to be known as the~~
25 ~~Social Security Contribution Trust Fund, into which shall be~~
26 ~~deposited contributions required of members for social~~
27 ~~security coverage, and such amounts as may be appropriated by~~
28 ~~the state for that purpose.~~

29 Section 8. Subsection (2) of section 122.27, Florida
30 Statutes, is amended to read:

31

1 122.27 Contributions.--From and after the date of the
2 execution of the agreement, the officer or board paying the
3 salary of a member of division B shall withhold the following
4 from such salary:

5 (2) The percentage of such salary, which shall
6 constitute the contribution of the member required for social
7 security coverage as now or hereafter fixed by relevant
8 federal statutes. The officer or board so withholding such
9 percentage of salary shall submit deposit the same without
10 delay to the Internal Revenue Fund as directed by the Social
11 Security Administration in the Social Security Contribution
12 Trust Fund.

13 Section 9. Section 122.30, Florida Statutes, is
14 amended to read:

15 122.30 Appropriations.--

16 ~~(1) There is hereby annually appropriated from the~~
17 ~~intangible tax fund of the state to the department as the~~
18 ~~state agency designated in chapter 650, a sum not to exceed~~
19 ~~\$10,000 to defray the expenses of such agency in connection~~
20 ~~with its continuing duties in relation to the social security~~
21 ~~coverage provided by this law.~~

22 ~~(2) If under the agreement social security coverage is~~
23 ~~retroactively applicable to members of division B, there is~~
24 ~~appropriated out of the State and County Officers and~~
25 ~~Employees' Retirement Trust Fund and into the Social Security~~
26 ~~Contribution Trust Fund the amount required by applicable~~
27 ~~federal laws and regulations to be paid with respect to~~
28 ~~periods prior to date of execution of the agreement.~~

29 (1)(3) There is appropriated a sufficient amount out
30 of the State and County Officers and Employees' Retirement
31

1 Trust Fund to the administrator to make payments to members of
2 division B as provided by law.

3 ~~(4) There is appropriated out of the Social Security~~
4 ~~Contribution Trust Fund for payment into the contribution fund~~
5 ~~established by s. 650.06, from time to time, such amounts as~~
6 ~~may be required for the social security coverage of the~~
7 ~~members of division B.~~

8 (2)~~(5)~~ In addition to amounts appropriated by other
9 provisions of this chapter or other laws to defray the cost of
10 administration of this system, there is ~~hereby~~ appropriated
11 out of the Intangible Tax Fund of the state for use of the
12 department in its administration of the two divisions of this
13 system, the sum of \$100,000, or so much thereof as may be
14 required for that purpose.

15 ~~(6) If in any fiscal year the amounts provided in this~~
16 ~~chapter to be paid into the State and County Officers and~~
17 ~~Employees' Retirement Trust Fund by the state for members in~~
18 ~~divisions A and B of this system, and the amount required to~~
19 ~~be paid by the state into the Social Security Contribution~~
20 ~~Trust Fund for the members in division B of this system, as~~
21 ~~herein provided, shall exceed the amount available for such~~
22 ~~purposes in the Intangible Tax Fund, until the date of~~
23 ~~adjournment of the first session of the Legislature subsequent~~
24 ~~to the occurring of such deficiency, there is appropriated~~
25 ~~from the General Revenue Fund of the state and payable into~~
26 ~~the State and County Officers and Employees' Retirement Trust~~
27 ~~Fund and the Social Security Contribution Trust Fund, or~~
28 ~~either of said latter funds, an amount equal to such~~
29 ~~deficiency.~~

30 ~~(7) There is hereby appropriated out of the State and~~
31 ~~County Officers and Employees' Retirement Trust Fund and into~~

1 ~~the Social Security Contribution Trust Fund the amount~~
2 ~~required by applicable federal laws and regulations to be paid~~
3 ~~with respect to 1956, 1957, 1958, and 1959 social security~~
4 ~~coverage of the members of this system who transfer from~~
5 ~~division A to division B thereof between July 1, 1959, and~~
6 ~~December 1, 1959, and of the deemed members of this system who~~
7 ~~became contributing members after December 31, 1957, and who,~~
8 ~~by December 1, 1959, qualify for retroactive social security~~
9 ~~coverage.~~

10 ~~(8) There is hereby appropriated out of the State and~~
11 ~~County Officers and Employees' Retirement Trust Fund and into~~
12 ~~the Social Security Contribution Trust Fund the amount~~
13 ~~required by federal laws and regulations with respect to~~
14 ~~social security coverage for years after 1955 of the members~~
15 ~~of this system who transfer from division A to division B in~~
16 ~~accordance with s. 122.24(3)(c) and qualify for retroactive~~
17 ~~social security coverage.~~

18 Section 10. Section 122.35, Florida Statutes, is
19 amended to read:

20 122.35 Funding.--

21 (1) Commencing July 1, 1967, for all state agencies
22 and commencing October 1, 1967, for all other agencies with
23 employees who are members under this chapter, former ss.
24 122.17 and 122.30(4) shall be of no further force and effect
25 and each officer or board paying salaries to members and
26 withholding contributions required of members under this
27 chapter for purposes of providing retirement benefits and
28 social security benefits to or on behalf of such members,
29 shall budget, set aside and pay over to account B of the
30 intangible tax trust fund, herein created, matching payments
31 in the following specified amounts:

1 (a)1. An amount equal to the amount of member
2 contributions paid to the State and County Officers and
3 Employees' Retirement Trust Fund as specified in ss. 122.03
4 and 122.27 but excluding any additional contributions required
5 of high hazard members under s. 122.34; and

6 2. Commencing January 1, 1993, an additional amount
7 equal to 3.99 percent of each installment of salary to
8 members; and

9 (b) An amount equal to the amount of member social
10 security contributions withheld, to be paid to the Internal
11 Revenue Service Social Security Contribution Trust Fund as
12 specified in s. 122.27.

13 (2) The monthly payments required by subsection (1)
14 shall be payable within 10 days after the first day of each
15 calendar month after July 1, 1967, for all state agencies and
16 October 1, 1967, for all other agencies. The state funds
17 required to be paid hereunder shall be provided and paid from
18 the sources as set forth in subsection ~~subsections~~ (3) and
19 ~~(4)~~.

20 (3) The appropriations provided each state agency each
21 fiscal year shall include sufficient amounts to pay the
22 matching contributions for social security and retirement as
23 required by this section and the matching contributions for
24 retirement required of state agencies under s. 238.11(1)(a).
25 No state agency, whether its funds are provided by state
26 appropriation or not, shall employ any person or maintain any
27 person on its payroll unless it has allotted for such person
28 sufficient funds to meet these required payments.

29 (4) Effective December 1, 1970, officer and employee
30 contributions and employer matching contributions required by
31 division A and division B of this chapter shall be paid as

1 required in accordance with s. 121.061 and procedures
2 established therefor.

3 (5) Effective January 1987, social security
4 contributions withheld on behalf of a member of division B of
5 this chapter and employer matching social security
6 contributions paid on behalf of such member shall be submitted
7 to the Internal Revenue Service as required by the Social
8 Security Administration.

9 ~~(4) Effective October 1, 1967, the proceeds of the~~
10 ~~intangible tax collections of the state remaining after the~~
11 ~~payment of administrative expenses, commissions which are~~
12 ~~applicable, and other costs incident to its collection shall~~
13 ~~be set aside into an account designated as account B of the~~
14 ~~Intangible Tax Trust Fund, which account shall also receive~~
15 ~~all of the matching payments for retirement and social~~
16 ~~security remitted by each officer or board as provided in~~
17 ~~subsection (1). The amounts received and deposited into~~
18 ~~account B of the Intangible Tax Trust Fund are appropriated~~
19 ~~and shall be used for the following purposes and paid out on~~
20 ~~the priority basis as shown below:~~

21 ~~(a) First, from the funds accumulated in account B~~
22 ~~there shall be transferred:~~

23 ~~1. To the Social Security Contribution Trust Fund, an~~
24 ~~amount equal to the social security contributions remitted by~~
25 ~~each officer or board to said fund as specified in s. 122.27.~~

26 ~~2. To the State and County Officers and Employees'~~
27 ~~Retirement Fund, an amount equal to the retirement~~
28 ~~contributions withheld from the salaries of members and~~
29 ~~remitted by each officer or board to said fund as required by~~
30 ~~ss. 122.03 and 122.27, but excluding any additional~~
31 ~~contributions required of high hazard members under s. 122.34;~~

1 ~~provided, however, that during the 1967-1969 biennium the~~
2 ~~amount transferred to said account shall not exceed the total~~
3 ~~amount received in account B from the various state and county~~
4 ~~agencies for retirement matching purposes.~~

5 ~~(b) After the retirement and social security~~
6 ~~contributions of all members have been matched as provided in~~
7 ~~paragraph (a), the balance remaining in account B of the~~
8 ~~Intangible Tax Trust Fund shall be distributed as follows:~~

9 ~~1. Each county shall receive each fiscal year ending~~
10 ~~June 30 an allocation in an amount equal to 55 percent of the~~
11 ~~total net intangible taxes collected and remitted to the~~
12 ~~Department of Revenue by the tax collector of the county~~
13 ~~during the prior fiscal year.~~

14 ~~a. Commencing October 1, 1967, and every October 1~~
15 ~~thereafter and continuing on the first day of each subsequent~~
16 ~~month through June 30 of each fiscal year each board of county~~
17 ~~commissions of the several counties of the state shall receive~~
18 ~~an allocation from account B of the Intangible Tax Trust Fund.~~
19 ~~This allocation shall not include the school boards of the~~
20 ~~several counties of the state. The amount of said monthly~~
21 ~~allocation shall be equal to the average amount required to be~~
22 ~~matched by the Intangible Tax Trust Fund for the corresponding~~
23 ~~months during the 1966-1967 fiscal year as computed by the~~
24 ~~Comptroller, or one-twelfth of the Comptroller's estimate of~~
25 ~~the county's allocation, whichever is smaller, and an~~
26 ~~adjustment to reconcile the monthly allocations with the~~
27 ~~actual amount to be received pursuant to this subparagraph,~~
28 ~~shall be made not later than 60 days after the end of the~~
29 ~~fiscal year.~~

30 ~~b. Each county, county agency and school board shall~~
31 ~~pay all matching cost for retirement and social security as~~

1 ~~required by this act and s. 238.11(1), notwithstanding the~~
2 ~~provisions of any other law.~~

3 ~~2. The balance remaining in account B of the~~
4 ~~Intangible Tax Trust Fund after the retirement and social~~
5 ~~security contributions have been matched and the allocations~~
6 ~~to each county have been paid as provided in this act, shall~~
7 ~~be paid over to the General Revenue Fund of the state.~~

8 ~~(c) The amounts allocated to the several counties from~~
9 ~~account B of the Intangible Tax Trust Fund shall be paid by~~
10 ~~the Department of Revenue to the respective boards of county~~
11 ~~commissioners who shall deposit same in the general fund of~~
12 ~~the county, and may expend them for any lawful county purpose.~~
13 ~~These amounts may be used to assist any county officer or~~
14 ~~agency within the county including school boards to make the~~
15 ~~matching payments for retirement and social security as~~
16 ~~required by law. Provided, however, should the income of any~~
17 ~~constitutional fee officer in any year be insufficient to make~~
18 ~~the matching payments required by this act, the boards of~~
19 ~~county commissioners shall provide such fee officer sufficient~~
20 ~~funds from the allocation received under this law to make~~
21 ~~these required payments.~~

22 ~~(d) Should any officer or board other than a state~~
23 ~~officer or board fail to make the retirement and social~~
24 ~~security contributions required herein, the Department of~~
25 ~~Revenue shall deduct the amount owed by the officer or board~~
26 ~~from the allocation accruing to the credit of the county~~
27 ~~affected, or the Department of Revenue shall deduct the amount~~
28 ~~owed from any other funds to be distributed by him or her to~~
29 ~~the officer or board using the procedure he or she shall deem~~
30 ~~most appropriate. The amounts so deducted shall remain in or~~
31

1 ~~be transferred to account B of the Intangible Tax Trust Fund~~
2 ~~for further distribution in accordance with this subsection.~~

3 ~~(e) Should any officer or board other than a state~~
4 ~~officer or board, for whom the tax collector collects taxes,~~
5 ~~fail to make the retirement and social security contributions~~
6 ~~required by this act, the tax collector, at the request of the~~
7 ~~Department of Revenue and upon receipt of a certificate from~~
8 ~~him or her showing the amount owed account B by the officer or~~
9 ~~board, shall deduct the amount so certified from any taxes~~
10 ~~collected for the officer or board and remit the amount to the~~
11 ~~Department of Revenue for deposit in account B of the~~
12 ~~Intangible Tax Trust Fund.~~

13 ~~(f) The boards of county commissioners of each county~~
14 ~~and the Department of Revenue, acting individually or jointly,~~
15 ~~are hereby authorized to file and maintain action in the~~
16 ~~courts of this state against any county agency to require it~~
17 ~~to remit any retirement or social security matching payments~~
18 ~~due account B of the Intangible Tax Trust Fund under the~~
19 ~~provisions of this law.~~

20 Section 11. Subsections (1) and (2) of section 650.04,
21 Florida Statutes, are amended to read:

22 650.04 Contributions by state employees.--

23 (1) Every employee of the state whose services are
24 covered by an agreement entered into under s. 650.03 shall be
25 required to pay for the period of such coverage, ~~into the~~
26 ~~Social Security Contribution Trust Fund established by s.~~
27 ~~650.06,~~ contributions, with respect to wages as defined in s.
28 650.02, equal to the amount of the employee tax which would be
29 imposed by the Federal Insurance Contributions Act if such
30 services constituted employment within the meaning of that
31 act. Such liability shall arise in consideration of the

1 employee's retention in the service of the state, or the
2 employee's entry upon such service, after the enactment of
3 this chapter.

4 (2) The contribution imposed by this section shall be
5 collected by deducting the amount of the contribution from
6 wages as and when paid, but failure to make such deduction
7 shall not relieve the employee from liability for such
8 contribution. Effective January 1987, such contributions shall
9 be submitted to the Internal Revenue Service as directed by
10 the Social Security Administration.

11 Section 12. Section 650.05, Florida Statutes, is
12 amended to read:

13 650.05 Plans for coverage of employees of political
14 subdivisions.--

15 (1) Each political subdivision of the state is ~~hereby~~
16 authorized to submit for approval by the state agency a plan
17 for extending the benefits of Title II of the Social Security
18 Act, in conformity with the applicable provisions of such act,
19 to employees of such political subdivisions. Each such plan
20 and any amendment thereof shall be approved by the state
21 agency if it is found that such plan, or such plan as amended,
22 is in conformity with such requirements as are provided in
23 regulations of the state agency, except that no such plan
24 shall be approved unless:

25 (a) It is in conformity with the requirements of the
26 Social Security Act and with the agreement entered into under
27 s. 650.03;

28 (b) It provides that all services which constitute
29 employment as defined in s. 650.02 are performed in the employ
30 of the political subdivisions by employees thereof, shall be
31 covered by the plan, except such of those services set forth

1 in s. 650.02(2)(c) as the political subdivision specifically
2 elects to exclude;

3 (c) It specifies the source or sources from which the
4 funds necessary to make the payments required by paragraph
5 (3)(a) ~~and by subsection (4)~~ are expected to be derived and
6 contains reasonable assurance that such sources will be
7 adequate for such purpose;

8 (d) It provides for such methods of administration of
9 the plan by the political subdivision as are found by the
10 state agency to be necessary for the proper and efficient
11 administration of the plan;

12 (e) It provides that the political subdivision will
13 make such reports, in such form and containing such
14 information, as the state agency may from time to time
15 require, and comply with such provisions as the state agency
16 or the Secretary of Health, Education, and Welfare may from
17 time to time find necessary to assure the correctness and
18 verification of such reports; and

19 (f) It authorizes the state agency to terminate the
20 plan in its entirety, in the discretion of the state agency,
21 if it finds that there has been a failure to comply
22 substantially with any provisions contained in such plan, such
23 termination to take effect at the expiration of such notice
24 and on such conditions as may be provided by regulations of
25 the state agency and may be consistent with the provisions of
26 the Social Security Act.

27 (2) The state agency shall not finally refuse to
28 approve a plan submitted by a political subdivision under
29 subsection (1), and shall not terminate an approved plan,
30 without reasonable notice and opportunity for hearing to the
31

1 political subdivision affected thereby. Any final decision of
2 the state agency shall be subject to proper judicial review.

3 (3)(a) Each political subdivision as to which a plan
4 has been approved under this section shall pay to the Internal
5 Revenue Service ~~into the Social Security Contribution Trust~~
6 ~~Fund~~, with respect to wages (as defined in s. 650.02), at such
7 time or times as the Social Security Administration ~~state~~
8 ~~agency~~ may ~~by regulation~~ prescribe, contributions in the
9 amounts and at the rates specified in the applicable agreement
10 entered into by the state agency under s. 650.03.

11 (b) Each political subdivision required to make
12 payments under paragraph (a) is authorized, in consideration
13 of the employee's retention in, or entry upon, employment
14 after enactment of this chapter, to impose upon each of its
15 employees, as to services which are covered by an approved
16 plan, a contribution with respect to his or her wages as
17 defined in s. 650.02 not exceeding the amount of the employee
18 tax which would be imposed by the Federal Insurance
19 Contributions Act if such services constituted employment
20 within the meaning of that act, and to deduct the amount of
21 such contribution from his or her wages as and when paid.
22 Contributions so collected shall be paid to the Internal
23 Revenue Service ~~into the Social Security Contribution Trust~~
24 ~~Fund~~ in partial discharge of the liability of such political
25 subdivision or instrumentality under paragraph (a). Failure
26 to deduct such contribution shall not relieve the employee or
27 employer of liability therefor.

28 ~~(4) Delinquent payments due under paragraph (3)(a)~~
29 ~~may, with interest of 1 percent for each calendar month or~~
30 ~~part thereof past the due date, be recovered by action in a~~
31 ~~court of competent jurisdiction against the political~~

1 ~~subdivision liable therefor or shall, at the request of the~~
2 ~~state agency, be deducted from any other moneys payable to~~
3 ~~such subdivision by any department or agency of the state.~~

4 ~~(5) Each political subdivision as to which a plan has~~
5 ~~been approved shall be liable to the state agency for a~~
6 ~~proportionate part of the cost of administering this chapter.~~

7 ~~Such proportionate cost shall be computed and paid in~~
8 ~~accordance with such regulations relating thereto as may be~~
9 ~~adopted by the state agency and shall be deposited in the~~
10 ~~Social Security Administration Trust Fund; and, if any such~~
11 ~~payment is not made when due, the amount thereof, with~~
12 ~~interest of 0.5 percent for each calendar month or part~~
13 ~~thereof past the due date, shall, upon request of the state~~
14 ~~agency, be deducted from any other moneys payable to such~~
15 ~~political subdivision by any officer, department, or agency of~~
16 ~~the state, and forthwith paid to the state agency.~~

17 ~~Withdrawals from the Social Security Administration Trust Fund~~
18 ~~shall be made solely for the payment of costs of administering~~
19 ~~this chapter, and any balance in excess of the amount~~
20 ~~necessary for administering this chapter shall be transferred~~
21 ~~to the state retirement system trust funds established~~
22 ~~pursuant to chapter 121 to make up the actuarial deficit in~~
23 ~~any of the state retirement systems consolidated thereunder,~~
24 ~~and the necessary amounts are hereby appropriated from said~~
25 ~~funds for these purposes.~~

26 (4)~~(6)~~(a) ~~Notwithstanding any other provision of this~~
27 ~~chapter, effective January 1, 1972, all state political~~
28 ~~subdivisions receiving financial aid that provide social~~
29 ~~security coverage for their employees pursuant to the~~
30 ~~provisions of this chapter and the provisions of the various~~
31 ~~retirement systems as authorized by law shall, in addition to~~

1 other purposes, utilize all grants-in-aid and other revenue
2 received from the state to pay the employer's share of social
3 security cost.

4 (b) The grants-in-aid and other revenue referred to in
5 paragraph (a) specifically include, but are not limited to,
6 minimum foundation program grants to public school districts
7 and community colleges; gasoline, motor fuel, intangible,
8 cigarette, racing, and insurance premium taxes distributed to
9 political subdivisions; and amounts specifically appropriated
10 as grants-in-aid for mental health, mental retardation, and
11 mosquito control programs.

12 Section 13. Subsection (7) of section 110.151, Florida
13 Statutes, is repealed.

14 Section 14. This act shall take effect July 1, 2003.

15
16 *****

17 SENATE SUMMARY

18 Terminates specified trust funds within the Department of
19 Management Services and the Department of Revenue and
20 provides for disposition of the balances of those trust
21 funds. Specifies the trust funds within the Department of
22 Environmental Protection, the Department of Management
23 Services, and the Department of Revenue which are exempt
24 from termination under s. 19(f), Art. III of the State
25 Constitution. Provides for certain social security
26 contributions to be paid to the Internal Revenue Service
27 rather than into the Social Security Contribution Trust
28 Fund. (See bill for details.)
29
30
31