



407502

CHAMBER ACTION

Senate

.

House

.

.

.

.

1 Senator Fasano moved the following **amendment**:

2
3 **Senate Amendment (with title amendment)**

4 Delete line(s) 101-141

5 and insert:

6 Section 3. Effective January 1, 2009, subsections (1) and
7 (2) of section 121.053, Florida Statutes, are amended to read:

8 121.053 Participation in the Elected Officers' Class for
9 retired members.--

10 (1) (a) 1. Any retiree of a state-administered retirement
11 system who initially serves in an elective office in a regularly
12 established position with a covered employer on or after January
13 1, 2009, shall not be enrolled in the Florida Retirement System.

14 2. An elected officer who is elected or appointed to an
15 elective office and is participating in the Deferred Retirement
16 Option Program is subject to termination as provided in s.
17 121.021(39) (b), and reemployment limitations as provided in s.



407502

18 121.091(9), upon completion of his or her DROP participation
19 period.

20 (b) Before January 1, 2009, any member who retired under
21 any existing system as defined in s. 121.021(2), and receives a
22 benefit thereof, and who serves in an office covered by the
23 Elected Officers' Class for a period of at least 6 years, shall
24 be entitled to receive an additional retirement benefit for such
25 elected officer service prior to July 1, 1990, under the Elected
26 Officers' Class of the Florida Retirement System, as follows:

27 1. Upon completion of 6 or more years of creditable service
28 in an office covered by the Elected Officers' Class, s. 121.052,
29 such member shall notify the administrator of his or her intent
30 to purchase elected officer service prior to July 1, 1990, and
31 shall pay the member contribution applicable for the period being
32 claimed, plus 4 percent interest compounded annually from the
33 first year of service claimed until July 1, 1975, and 6.5 percent
34 interest compounded annually thereafter, until full payment is
35 made to the Florida Retirement System Trust Fund; however, such
36 member may purchase retirement credit under the Elected Officers'
37 Class only for such service as an elected officer.

38 2. Upon payment of the amount specified in subparagraph 1.,
39 the employer shall pay into the Florida Retirement System Trust
40 Fund the applicable employer contribution for the period of
41 elected officer service prior to July 1, 1990, being claimed by
42 the member, plus 4 percent interest compounded annually from the
43 first year of service claimed until July 1, 1975, and 6.5 percent
44 interest compounded annually thereafter, until full payment is
45 made to the Florida Retirement System Trust Fund.

46 (c) ~~(b)~~ Any retired member of the Florida Retirement System,
47 or any existing system as defined in s. 121.021(2), who, on or



407502

48 | after July 1, 1990, through December 31, 2008, is serving in, or
49 | is elected or appointed to, an elective office covered by the
50 | Elected Officers' Class shall be enrolled in the appropriate
51 | subclass of the Elected Officers' Class of the Florida Retirement
52 | System, and applicable contributions shall be paid into the
53 | Florida Retirement System Trust Fund as provided in s.
54 | 121.052(7). Pursuant thereto:

55 | 1. Any such retired member shall be eligible to continue to
56 | receive retirement benefits as well as compensation for the
57 | elected officer service for as long as he or she remains in an
58 | elective office covered by the Elected Officers' Class.

59 | 2. If any such member serves in an elective office covered
60 | by the Elected Officers' Class and becomes vested under that
61 | class, he or she shall be entitled to receive an additional
62 | retirement benefit for such elected officer service.

63 | 3. Such member shall be entitled to purchase additional
64 | retirement credit in the Elected Officers' Class for any
65 | postretirement service performed in an elected position eligible
66 | for the Elected Officers' Class prior to July 1, 1990, or in the
67 | Regular Class for any postretirement service performed in any
68 | other regularly established position prior to July 1, 1991, by
69 | paying the applicable Elected Officers' Class or Regular Class
70 | employee and employer contributions for the period being claimed,
71 | plus 4 percent interest compounded annually from the first year
72 | of service claimed until July 1, 1975, and 6.5 percent interest
73 | compounded thereafter, until full payment is made to the Florida
74 | Retirement System Trust Fund. The contribution for postretirement
75 | Regular Class service between July 1, 1985, and July 1, 1991, for
76 | which the reemployed retiree contribution was paid, shall be the
77 | difference between such contribution and the total applicable



407502

78 contribution for the period being claimed, plus interest. The
79 employer of such member may pay the applicable employer
80 contribution in lieu of the member. If a member does not wish to
81 claim credit for all of the postretirement service for which he
82 or she is eligible, the service the member claims must be the
83 most recent service.

84 4. Creditable service for which credit was received, or
85 which remained unclaimed, at retirement may not be claimed or
86 applied toward service credit earned following renewed
87 membership. However, service earned in accordance with the
88 renewed membership provisions in s. 121.122 may be used in
89 conjunction with creditable service earned under this paragraph,
90 provided applicable vesting requirements and other existing
91 statutory conditions required by this chapter are met.

92 5. An elected officer who is elected or appointed to an
93 elective office and is participating in the Deferred Retirement
94 Option Program before January 1, 2009, is not subject to
95 termination as provided in s. 121.021(39)(b), or reemployment
96 limitations as provided in s. 121.091(9), until the end of his or
97 her current term of office or, if the officer is consecutively
98 elected or reelected to an elective office eligible for coverage
99 under the Florida Retirement System, until he or she no longer
100 holds such an elective office, as follows:

101 a. At the end of the 60-month DROP period:

102 (I) The officer's DROP account shall accrue no additional
103 monthly benefits, but shall continue to earn interest as provided
104 in s. 121.091(13).

105 (II) No retirement contributions shall be required of the
106 employer of the elected officer and no additional retirement
107 credit shall be earned under the Florida Retirement System.



407502

108 b. Nothing herein shall prevent an elected officer from
109 voluntarily terminating his or her elective office at any time
110 and electing to receive his or her DROP proceeds. However, until
111 termination requirements are fulfilled as provided in s.
112 121.021(39), any elected officer whose termination limitations
113 are extended by this section shall be ineligible for renewed
114 membership in the system and shall receive no pension payments,
115 DROP lump sum payments, or any other state payment other than the
116 statutorily determined salary, travel, and per diem for the
117 elective office.

118 c. Upon termination, the officer shall receive his or her
119 accumulated DROP account, plus interest, and shall accrue and
120 commence receiving monthly retirement benefits, which shall be
121 paid on a prospective basis only.

122
123 However, an officer electing to participate in the Deferred
124 Retirement Option Program on or before June 30, 2002, shall not
125 be required to terminate and shall remain subject to the
126 provisions of this subparagraph as adopted in section 1 of
127 chapter 2001-235, Laws of Florida.

128 (2) Upon attaining his or her normal retirement date and
129 payment of the amount specified in paragraphs (1)(b) and (c)
130 ~~(1)(a) and (b)~~, and upon application to the administrator of the
131 intent to retire, the member shall receive a monthly benefit
132 under this section, in addition to any benefits already being
133 received, which shall commence on the last day of the month of
134 retirement and be payable on the last day of the month thereafter
135 during his or her lifetime. The amount of such monthly benefit
136 shall be the total percentage of retirement credit purchased
137 under this section multiplied by the member's average monthly



407502

138 compensation as an elected officer, adjusted according to the
139 option selected at retirement under s. 121.091(6).

140 Section 4. Effective January 1, 2009, paragraph (f) of
141 subsection (1) and paragraph (c) of subsection (6) of section
142 121.055, Florida Statutes, are amended to read:

143 121.055 Senior Management Service Class.--There is hereby
144 established a separate class of membership within the Florida
145 Retirement System to be known as the "Senior Management Service
146 Class," which shall become effective February 1, 1987.

147 (1)

148 (f) Effective July 1, 1997:

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

158 2. Except as provided in subparagraph 3., any elected
159 county officer eligible for membership in the Elected Officers'
160 Class under s. 121.052(2)(d) who elects membership in the Senior
161 Management Service Class under s. 121.052(3)(c) may, within 6
162 months after assuming office, or within 6 months after this act
163 becomes a law for serving elected county officers, elect to
164 withdraw from the Florida Retirement System ~~participate in a~~
165 ~~lifetime monthly annuity program~~, as provided in subparagraph
166 (b)2., in lieu of membership in the Senior Management Service
167 Class.



407502

168 3. Any retiree of a state-administered retirement system
169 who is initially reemployed on or after January 1, 2009, as an
170 elected official eligible for Elected Officers' Class membership
171 shall not be eligible for renewed membership in the Senior
172 Management Service Optional Annuity Program as provided in
173 subsection (6) or to withdraw from the Florida Retirement System
174 as a renewed member as provided in subparagraph (b)2., as
175 applicable, in lieu of Senior Management Service Class
176 membership.

177 (6)

178 (c) Participation.--

179 1. Any eligible employee who is employed on or before
180 February 1, 1987, may elect to participate in the optional
181 annuity program in lieu of participation in the Senior Management
182 Service Class. Such election shall be made in writing and filed
183 with the department and the personnel officer of the employer on
184 or before May 1, 1987. Any eligible employee who is employed on
185 or before February 1, 1987, and who fails to make an election to
186 participate in the optional annuity program by May 1, 1987, shall
187 be deemed to have elected membership in the Senior Management
188 Service Class.

189 2. Except as provided in subparagraph 6., any employee who
190 becomes eligible to participate in the optional annuity program
191 by reason of initial employment commencing after February 1,
192 1987, may, within 90 days after the date of commencement of
193 employment, elect to participate in the optional annuity program.
194 Such election shall be made in writing and filed with the
195 personnel officer of the employer. Any eligible employee who does
196 not within 90 days after commencement of such employment elect to



407502

197 | participate in the optional annuity program shall be deemed to
198 | have elected membership in the Senior Management Service Class.

199 | 3. A person who is appointed to a position in the Senior
200 | Management Service Class and who is a member of an existing
201 | retirement system or the Special Risk or Special Risk
202 | Administrative Support Classes of the Florida Retirement System
203 | may elect to remain in such system or class in lieu of
204 | participation in the Senior Management Service Class or optional
205 | annuity program. Such election shall be made in writing and filed
206 | with the department and the personnel officer of the employer
207 | within 90 days of such appointment. Any eligible employee who
208 | fails to make an election to participate in the existing system,
209 | the Special Risk Class of the Florida Retirement System, the
210 | Special Risk Administrative Support Class of the Florida
211 | Retirement System, or the optional annuity program shall be
212 | deemed to have elected membership in the Senior Management
213 | Service Class.

214 | 4. Except as provided in subparagraph 5., an employee's
215 | election to participate in the optional annuity program is
216 | irrevocable as long as such employee continues to be employed in
217 | an eligible position and continues to meet the eligibility
218 | requirements set forth in this paragraph.

219 | 5. Effective from July 1, 2002, through September 30, 2002,
220 | any active employee in a regularly established position who has
221 | elected to participate in the Senior Management Service Optional
222 | Annuity Program has one opportunity to choose to move from the
223 | Senior Management Service Optional Annuity Program to the Florida
224 | Retirement System defined benefit program.

225 | a. The election must be made in writing and must be filed
226 | with the department and the personnel officer of the employer



407502

227 | before October 1, 2002, or, in the case of an active employee who
228 | is on a leave of absence on July 1, 2002, within 90 days after
229 | the conclusion of the leave of absence. This election is
230 | irrevocable.

231 | b. The employee will receive service credit under the
232 | defined benefit program of the Florida Retirement System equal to
233 | his or her years of service under the Senior Management Service
234 | Optional Annuity Program. The cost for such credit shall be an
235 | amount representing the present value of that employee's
236 | accumulated benefit obligation for the affected period of
237 | service.

238 | c. The employee must transfer the total accumulated
239 | employer contributions and earnings on deposit in his or her
240 | Senior Management Service Optional Annuity Program account. If
241 | the transferred amount is not sufficient to pay the amount due,
242 | the employee must pay a sum representing the remainder of the
243 | amount due. In no case may the employee retain any employer
244 | contributions or earnings thereon from the Senior Management
245 | Service Optional Annuity Program account.

246 | 6. Any retiree of a state-administered retirement system
247 | who is initially reemployed on or after January 1, 2009, shall
248 | not be eligible for renewed membership in the Senior Management
249 | Service Optional Annuity Program.

250 | Section 5. Effective January 1, 2009, subsections (9),
251 | (13), and (14) of section 121.091, Florida Statutes, are amended
252 | to read:

253 | 121.091 Benefits payable under the system.--Benefits may
254 | not be paid under this section unless the member has terminated
255 | employment as provided in s. 121.021(39) (a) or begun
256 | participation in the Deferred Retirement Option Program as



407502

257 | provided in subsection (13), and a proper application has been
258 | filed in the manner prescribed by the department. The department
259 | may cancel an application for retirement benefits when the member
260 | or beneficiary fails to timely provide the information and
261 | documents required by this chapter and the department's rules.
262 | The department shall adopt rules establishing procedures for
263 | application for retirement benefits and for the cancellation of
264 | such application when the required information or documents are
265 | not received.

266 | (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.--

267 | (a) Any person who is retired under this chapter, except
268 | under the disability retirement provisions of subsection (4), may
269 | be employed by an employer that does not participate in a state-
270 | administered retirement system and may receive compensation from
271 | that employment without limiting or restricting in any way the
272 | retirement benefits payable to that person.

273 | (b)1.a. Any person who is retired under this chapter,
274 | except under the disability retirement provisions of subsection
275 | (4), may be reemployed by any private or public employer after
276 | retirement and receive retirement benefits and compensation from
277 | the his or her employer without limitation ~~any limitations~~,
278 | except that the a person may not receive ~~both~~ a salary from
279 | reemployment with any agency participating in the Florida
280 | Retirement System and retirement benefits under this chapter for
281 | ~~a period of~~ 12 calendar months immediately after ~~subsequent to~~
282 | the calendar month that termination is met as defined in s.
283 | 121.021(39), except as provided in sub-subparagraph b. date of
284 | ~~retirement.~~ However, a DROP participant may ~~shall~~ continue
285 | employment and receive a salary during the period of



407502

286 participation in DROP ~~the Deferred Retirement Option Program~~, as
287 provided in subsection (13).

288 b. Any person who is retired under a state-administered
289 retirement system may not receive a retirement benefit if he or
290 she receives compensation totaling \$100,000 or more from an
291 employer participating in the Florida Retirement System. This
292 limitation begins immediately upon employment if the annualized
293 compensation meets or exceeds the limit, or in the month that
294 reported compensation meets or exceeds the limit during the plan
295 year, and continues for as long as the expected payments equal or
296 exceed \$100,000. This limitation includes payments as defined in
297 s. 121.021(22) for work performed in regularly established
298 positions. The employer is responsible for notifying the Division
299 of Retirement when this occurs, either at employment or if salary
300 increases lead to the level specified. Any person employed in
301 violation of this sub-subparagraph and any employing agency that
302 knowingly employs or appoints such person without notifying the
303 Division of Retirement to suspend retirement benefits shall be
304 jointly and severally liable for reimbursement to the Florida
305 Retirement System Trust Fund of any benefits paid during the
306 reemployment limitation period.

307 2. Any person to whom the limitation in subparagraph 1.
308 applies ~~who violates such reemployment limitation and~~ who is
309 reemployed with any agency participating in the Florida
310 Retirement System after he or she has been retired and met the
311 definition of termination in s. 121.021(39), but before
312 completion of the 12-month limitation period, ~~must~~ shall give
313 timely notice of this fact in writing to the employer and to the
314 Division of Retirement and shall have his or her retirement
315 benefits suspended while employed during ~~for~~ the balance of the



407502

316 12-month limitation period unless the person exceeds the 780-hour
317 limitation in subparagraph 4. or subparagraph 5. Any person
318 employed in violation of this paragraph and any employing agency
319 that ~~which~~ knowingly employs or appoints such person without
320 notifying the division ~~of Retirement~~ to suspend retirement
321 benefits are ~~shall be~~ jointly and severally liable for
322 ~~reimbursement to the retirement trust fund~~ of any benefits paid
323 during the reemployment limitation period. To avoid liability,
324 the ~~such~~ employing agency must ~~shall~~ have a written statement
325 from the retiree that he or she is not retired from a state-
326 administered retirement system. Any retirement benefits received
327 while reemployed during this reemployment limitation period must
328 ~~shall~~ be repaid to the Florida Retirement System Trust Fund
329 ~~retirement trust fund~~, and retirement benefits shall remain
330 suspended until such repayment has been made. Benefits suspended
331 beyond the reemployment limitation shall apply toward repayment
332 of benefits received in violation of the reemployment limitation.

333 3. A district school board may reemploy a retired member as
334 a substitute or hourly teacher, education paraprofessional,
335 transportation assistant, bus driver, or food service worker on a
336 noncontractual basis after he or she has been retired and met the
337 definition of termination ~~for 1 calendar month~~, in accordance
338 ~~with~~ s. 121.021(39). A district school board may reemploy a
339 retired member as instructional personnel, as defined in s.
340 1012.01(2)(a), on an annual contractual basis after he or she has
341 been retired for 1 calendar month, in accordance with s.
342 121.021(39). Any other retired member who is reemployed before
343 meeting the definition of termination voids ~~within 1 calendar~~
344 ~~month after retirement~~ shall void his or her application for
345 retirement benefits. District school boards reemploying such



407502

346 teachers, education paraprofessionals, transportation assistants,
347 bus drivers, or food service workers are subject to the
348 retirement contribution required by subparagraph 7.

349 4. A community college board of trustees may reemploy a
350 retired member as an adjunct instructor, ~~that is, an instructor~~
351 ~~who is noncontractual and part-time,~~ or as a participant in a
352 phased retirement program within the Florida Community College
353 System, after he or she has been retired and met the definition
354 of termination for 1 calendar month, in accordance with s.
355 121.021(39). Any retired member who is reemployed before meeting
356 the definition of termination voids within 1 calendar month after
357 ~~retirement shall void~~ his or her application for retirement
358 benefits. Boards of trustees reemploying such instructors are
359 subject to the retirement contribution required in subparagraph
360 7. A retired member may be reemployed as an adjunct instructor
361 for no more than 780 hours during the first 12 calendar months
362 after meeting the definition of termination of retirement. Any
363 retired member reemployed for more than 780 hours during the
364 first 12 months of retirement must ~~shall~~ give timely notice in
365 writing to the employer and to the Division of Retirement of the
366 date he or she will exceed the limitation. The division shall
367 suspend his or her retirement benefits for the remainder of the
368 12-month limitation period ~~first 12 months of retirement.~~ Any
369 person employed in violation of this subparagraph and any
370 employing agency that ~~which~~ knowingly employs or appoints such
371 person without notifying the division ~~of Retirement~~ to suspend
372 retirement benefits are ~~shall be~~ jointly and severally liable for
373 ~~reimbursement to the retirement trust fund of~~ any benefits paid
374 during the reemployment limitation period. To avoid liability,
375 the ~~such~~ employing agency must ~~shall~~ have a written statement



407502

376 from the retiree that he or she is not retired from a state-
377 administered retirement system. Any retirement benefits received
378 by a retired member while reemployed in excess of 780 hours
379 during the 12-month limitation period must ~~first 12 months of~~
380 ~~retirement shall~~ be repaid to the Florida Retirement System Trust
381 Fund, and retirement benefits shall remain suspended until
382 repayment is made. Benefits suspended beyond the end of the 12-
383 month limitation period ~~retired member's first 12 months of~~
384 ~~retirement~~ shall apply toward repayment of benefits received in
385 violation of the 780-hour reemployment limitation.

386 5. The State University System may reemploy a retired
387 member as an adjunct faculty member or as a participant in a
388 phased retirement program within the State University System
389 after the retired member has met the definition of termination
390 ~~been retired for 1 calendar month,~~ in accordance with s.
391 121.021(39). Any retired member who is reemployed before meeting
392 the definition of termination voids ~~within 1 calendar month after~~
393 ~~retirement shall void~~ his or her application for retirement
394 benefits. The State University System is subject to the retired
395 contribution required in subparagraph 7., as appropriate. A
396 retired member may be reemployed as an adjunct faculty member or
397 a participant in a phased retirement program for no more than 780
398 hours during the first 12 calendar months after meeting the
399 definition of termination ~~of his or her retirement~~. Any retired
400 member reemployed for more than 780 hours during the 12-month
401 limitation period ~~first 12 months of retirement~~ shall give timely
402 notice in writing to the employer and to the Division of
403 Retirement of the date he or she will exceed the limitation. The
404 division shall suspend his or her retirement benefits for the
405 remainder of the 12-month limitation period ~~first 12 months of~~



407502

406 ~~retirement.~~ Any person employed in violation of this subparagraph
407 and any employing agency that ~~which~~ knowingly employs or appoints
408 such person without notifying the division ~~of Retirement~~ to
409 suspend retirement benefits are ~~shall be~~ jointly and severally
410 liable for ~~reimbursement to the retirement trust fund of any~~
411 benefits paid during the reemployment limitation period. To avoid
412 liability, such employing agency must ~~shall~~ have a written
413 statement from the retiree that he or she is not retired from a
414 state-administered retirement system. Any retirement benefits
415 received by a retired member while reemployed in excess of 780
416 hours during the first 12 months of retirement must ~~shall~~ be
417 repaid to the Florida Retirement System Trust Fund, and
418 retirement benefits ~~shall~~ remain suspended until repayment is
419 made. Benefits suspended beyond the end of the retired member's
420 12-month limitation period ~~first 12 months of retirement~~ shall
421 apply toward repayment of benefits received in violation of the
422 780-hour reemployment limitation.

423 6. The Board of Trustees of the Florida School for the Deaf
424 and the Blind may reemploy a retired member as a substitute
425 teacher, substitute residential instructor, or substitute nurse
426 on a noncontractual basis after he or she has met the definition
427 of termination ~~been retired for 1 calendar month~~, in accordance
428 ~~with~~ s. 121.021(39). The Board of Trustees of the Florida School
429 for the Deaf and the Blind may reemploy a retired member as
430 instructional personnel, as defined in s. 1012.01(2)(a), on an
431 annual contractual basis after he or she has been retired and met
432 the definition of termination in s. 121.021(39). Any retired
433 member who is reemployed before meeting the definition of
434 termination voids ~~within 1 calendar month after retirement shall~~
435 ~~void~~ his or her application for retirement benefits. The Board of



407502

436 Trustees of the Florida School for the Deaf and the Blind
437 reemploying such teachers, residential instructors, or nurses is
438 subject to the retirement contribution required by subparagraph
439 ~~7. Reemployment of a retired member as a substitute teacher,~~
440 ~~substitute residential instructor, or substitute nurse is limited~~
441 ~~to 780 hours during the first 12 months of his or her retirement.~~
442 ~~Any retired member reemployed for more than 780 hours during the~~
443 ~~first 12 months of retirement shall give timely notice in writing~~
444 ~~to the employer and to the division of the date he or she will~~
445 ~~exceed the limitation. The division shall suspend his or her~~
446 ~~retirement benefits for the remainder of the first 12 months of~~
447 ~~retirement. Any person employed in violation of this subparagraph~~
448 ~~and any employing agency which knowingly employs or appoints such~~
449 ~~person without notifying the Division of Retirement to suspend~~
450 ~~retirement benefits shall be jointly and severally liable for~~
451 ~~reimbursement to the retirement trust fund of any benefits paid~~
452 ~~during the reemployment limitation period. To avoid liability,~~
453 ~~such employing agency shall have a written statement from the~~
454 ~~retiree that he or she is not retired from a state-administered~~
455 ~~retirement system. Any retirement benefits received by a retired~~
456 ~~member while reemployed in excess of 780 hours during the first~~
457 ~~12 months of retirement shall be repaid to the Retirement System~~
458 ~~Trust Fund, and his or her retirement benefits shall remain~~
459 ~~suspended until payment is made. Benefits suspended beyond the~~
460 ~~end of the retired member's first 12 months of retirement shall~~
461 ~~apply toward repayment of benefits received in violation of the~~
462 ~~780-hour reemployment limitation.~~

463 7.a. The employment ~~by an employer~~ of a any retiree or DROP
464 participant of any state-administered retirement system does not



407502

465 affect ~~shall have no effect on~~ the average final compensation or
466 years of creditable service of the retiree or DROP participant.

467 b. Prior to July 1, 1991, and for initial enrollment as a
468 renewed member through December 31, 2008, upon employment of any
469 person, other than an elected officer as provided in s. 121.053,
470 who is ~~has been~~ retired under a ~~any~~ state-administered retirement
471 program, the employer shall pay retirement contributions in an
472 amount equal to the unfunded actuarial liability portion of the
473 employer contribution which would be required for regular members
474 of the Florida Retirement System. Effective July 1, 1991,
475 contributions shall be made as provided in s. 121.122 for
476 retirees who have ~~with~~ renewed membership or, as provided in
477 subsection (13) for ~~with respect to~~ DROP participants.

478 c. Any person who is retired under a state-administered
479 retirement program and who is initially reemployed on or after
480 January 1, 2009, may not renew membership in the Florida
481 Retirement System. The employer shall pay retirement
482 contributions in an amount equal to the unfunded actuarial
483 liability portion of the employer contribution that would be
484 required for active members of the Florida Retirement System in
485 addition to the contributions required by s. 121.76.

486 8.a. Any person who has ~~previously~~ retired and who is
487 holding an elective public office or an appointment to an
488 elective public office initially eligible for the Elected
489 Officers' Class on or after July 1, 1990, through December 31,
490 2008, shall be enrolled in the Florida Retirement System as
491 provided in s. 121.053(1) (c) ~~(b)~~ or, if holding an elective public
492 office that does not qualify for the Elected Officers' Class on
493 or after July 1, 1991, through December 31, 2008, shall be
494 enrolled in the Florida Retirement System as provided in s.



407502

495 121.122, and shall continue to receive retirement benefits as
496 well as compensation for the elected officer's service for as
497 long as he or she remains in elective office. However, any
498 retired member who served in an elective office prior to July 1,
499 1990, suspended his or her retirement benefit, and had his or her
500 Florida Retirement System membership reinstated shall, upon
501 retirement from such office, have his or her retirement benefit
502 recalculated to include the additional service and compensation
503 earned.

504 b. Any person who has retired and who is holding an
505 elective public office or an appointment to an elective public
506 office initially eligible for the Elected Officers' Class on or
507 after January 1, 2009, shall not be enrolled in the Florida
508 Retirement System as provided in s. 121.053(1)(c) or, if holding
509 an elective public office that does not qualify for the Elected
510 Officers' Class and is initially eligible on or after January 1,
511 2009, shall not be enrolled in the Florida Retirement System as
512 provided in s. 121.122, and shall not continue to receive
513 retirement benefits during the first 12 calendar months after
514 meeting the definition of termination in s. 121.021(39).

515 9.a. Any person who is holding an elective public office
516 which is covered by the Florida Retirement System and who is
517 concurrently employed in nonelected covered employment before
518 January 1, 2009, may elect to retire while continuing employment
519 in the elective public office, if provided that he or she
520 terminates shall be required to terminate his or her nonelected
521 covered employment. Any person who exercises this election shall
522 receive his or her retirement benefits in addition to the
523 compensation of the elective office without regard to the time
524 limitations otherwise provided in this subsection. A ~~No~~ person



407502

525 | who seeks to exercise the provisions of this subparagraph, as
526 | they the same existed prior to May 3, 1984, may not shall be
527 | deemed to be retired under those provisions, unless such person
528 | is eligible to retire under the provisions of this subparagraph,
529 | as amended by chapter 84-11, Laws of Florida.

530 | b. Any person who is holding an elective public office
531 | which is covered by the Florida Retirement System and who is
532 | concurrently employed in nonelected covered employment on or
533 | after January 1, 2009, may not elect to retire while continuing
534 | employment in the elective public office. Such person must meet
535 | the definition of termination in s. 121.021(39) and is subject to
536 | the limitations provided in this section.

537 | 10. The limitations of this paragraph apply to reemployment
538 | in any capacity with an "employer" as defined in s. 121.021(10),
539 | irrespective of the category of funds from which the person is
540 | compensated.

541 | 11. A developmental research school may reemploy a retired
542 | member as a substitute or hourly teacher or an education
543 | paraprofessional, as defined in s. 1012.01(2), on a
544 | noncontractual basis after he or she has been retired and met the
545 | definition of termination in s. 121.021(39). A developmental
546 | research school may reemploy a retired member as instructional
547 | personnel, as defined in s. 1012.01(2)(a), on an annual
548 | contractual basis after he or she has been retired and met the
549 | definition of termination in s. 121.021(39). Any other retired
550 | member who is reemployed within 12 calendar months after
551 | retirement voids his or her application for retirement benefits.
552 | A developmental research school that reemploys retired teachers
553 | and education paraprofessionals are subject to the retirement
554 | contribution required by subparagraph 7.



407502

555 12. A charter school may reemploy a retired member as a
556 substitute or hourly teacher on a noncontractual basis after he
557 or she has been retired and met the definition of termination in
558 s. 121.021(39). A charter school may reemploy a retired member as
559 instructional personnel, as defined in s. 1012.01(2)(a), on an
560 annual contractual basis after he or she has been retired and met
561 the definition of termination in s. 121.021(39). Any other
562 retired member who is reemployed within 12 calendar months after
563 retirement voids his or her application for retirement benefits.
564 A charter school that reemploys such teachers is subject to the
565 retirement contribution required by subparagraph 7.

566 13. The reemployment after retirement provisions of this
567 paragraph apply to DROP participants effective upon the end of
568 DROP participation and meeting the definition of termination in
569 s. 121.021(39).

570 ~~11. An employing agency may reemploy a retired member as a~~
571 ~~firefighter or paramedic after the retired member has been~~
572 ~~retired for 1 calendar month, in accordance with s. 121.021(39).~~
573 ~~Any retired member who is reemployed within 1 calendar month~~
574 ~~after retirement shall void his or her application for retirement~~
575 ~~benefits. The employing agency reemploying such firefighter or~~
576 ~~paramedic is subject to the retired contribution required in~~
577 ~~subparagraph 8. Reemployment of a retired firefighter or~~
578 ~~paramedic is limited to no more than 780 hours during the first~~
579 ~~12 months of his or her retirement. Any retired member reemployed~~
580 ~~for more than 780 hours during the first 12 months of retirement~~
581 ~~shall give timely notice in writing to the employer and to the~~
582 ~~division of the date he or she will exceed the limitation. The~~
583 ~~division shall suspend his or her retirement benefits for the~~
584 ~~remainder of the first 12 months of retirement. Any person~~



407502

585 ~~employed in violation of this subparagraph and any employing~~
586 ~~agency which knowingly employs or appoints such person without~~
587 ~~notifying the Division of Retirement to suspend retirement~~
588 ~~benefits shall be jointly and severally liable for reimbursement~~
589 ~~to the Retirement System Trust Fund of any benefits paid during~~
590 ~~the reemployment limitation period. To avoid liability, such~~
591 ~~employing agency shall have a written statement from the retiree~~
592 ~~that he or she is not retired from a state-administered~~
593 ~~retirement system. Any retirement benefits received by a retired~~
594 ~~member while reemployed in excess of 780 hours during the first~~
595 ~~12 months of retirement shall be repaid to the Retirement System~~
596 ~~Trust Fund, and retirement benefits shall remain suspended until~~
597 ~~repayment is made. Benefits suspended beyond the end of the~~
598 ~~retired member's first 12 months of retirement shall apply toward~~
599 ~~repayment of benefits received in violation of the 780-hour~~
600 ~~reemployment limitation.~~

601 (c) The provisions of this subsection apply to retirees, as
602 defined in s. 121.4501(2)(j), of the Public Employee Optional
603 Retirement Program created in part II, subject to the following
604 conditions:

605 1. Such retirees may not be reemployed with an employer
606 participating in the Florida Retirement System as provided in
607 paragraph (b) until such person has been retired for 12 ~~3~~
608 calendar months, unless the participant has reached the normal
609 retirement requirements of the defined benefit plan as provided
610 in s. 121.021(29).

611 2. Such retiree employed in violation of this subsection
612 and any employing agency that knowingly employs or appoints such
613 person shall be jointly and severally liable for reimbursement of
614 any benefits paid to the retirement trust fund from which the



407502

615 benefits were paid, including the Retirement System Trust Fund
616 and the Public Employee Optional Retirement Program Trust Fund,
617 as appropriate. To avoid liability, such employing agency must
618 have a written statement from the retiree that he or she is not
619 retired from a state-administered retirement system.

620 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and
621 subject to the provisions of this section, the Deferred
622 Retirement Option Program, hereinafter referred to as ~~the~~ DROP,
623 is a program under which an eligible member of the Florida
624 Retirement System may elect to participate, deferring receipt of
625 retirement benefits while continuing employment with his or her
626 Florida Retirement System employer. The deferred monthly benefits
627 shall accrue in the System Trust Fund on behalf of the
628 participant, plus interest compounded monthly, for the specified
629 period of ~~the~~ DROP participation, as provided in paragraph (c).
630 Upon termination of employment as required in s. 121.021(39)(b),
631 the participant shall receive the total DROP benefits and begin
632 to receive the previously determined normal retirement benefits.
633 Participation in ~~the~~ DROP does not guarantee employment for the
634 specified period of DROP. Participation in ~~the~~ DROP by an
635 eligible member beyond the initial 60-month period as authorized
636 in this subsection shall be on an annual contractual basis for
637 all participants.

638 (a) Eligibility of member to participate in ~~the~~ DROP.--All
639 active Florida Retirement System members in a regularly
640 established position, and all active members of ~~either~~ the
641 Teachers' Retirement System established in chapter 238 or the
642 State and County Officers' and Employees' Retirement System
643 established in chapter 122, which systems are consolidated within



407502

644 the Florida Retirement System under s. 121.011, are eligible to
645 elect participation in ~~the~~ DROP if provided that:

646 1. The member is not a renewed member ~~of the Florida~~
647 ~~Retirement System~~ under s. 121.122, or a member or renewed member
648 of the State Community College System Optional Retirement Program
649 under s. 121.051, the Senior Management Service Optional Annuity
650 Program under s. 121.055, or the optional retirement program for
651 the State University System under s. 121.35.

652 2. Except as provided in subparagraph 6., election to
653 participate is made within 12 months immediately following the
654 date on which the member first reaches normal retirement date,
655 or, for a member who reaches normal retirement date based on
656 service before he or she reaches age 62, or age 55 for Special
657 Risk Class members, election to participate may be deferred to
658 the 12 months immediately following the date the member attains
659 57, or age 52 for Special Risk Class members. ~~For a member who~~
660 ~~first reached normal retirement date or the deferred eligibility~~
661 ~~date described above prior to the effective date of this section,~~
662 ~~election to participate shall be made within 12 months after the~~
663 ~~effective date of this section.~~ A member who fails to make an
664 election within the ~~such~~ 12-month limitation period forfeits
665 ~~shall forfeit~~ all rights to participate in ~~the~~ DROP. The member
666 shall advise his or her employer and the division in writing of
667 the date ~~on which the~~ DROP begins ~~shall begin.~~ The ~~Such~~ beginning
668 date may be subsequent to the 12-month election period, but must
669 be within the original 60-month participation ~~or, with respect to~~
670 ~~members who are instructional personnel employed by the Florida~~
671 ~~School for the Deaf and the Blind and who have received~~
672 ~~authorization by the Board of Trustees of the Florida School for~~
673 ~~the Deaf and the Blind to participate in the DROP beyond 60~~



407502

674 ~~months, or who are instructional personnel as defined in s.~~
675 ~~1012.01(2) (a)-(d) in grades K-12 and who have received~~
676 ~~authorization by the district school superintendent to~~
677 ~~participate in the DROP beyond 60 months, the 96-month limitation~~
678 ~~period as provided in subparagraph (b)1. When establishing~~
679 ~~eligibility of the member to participate in the DROP for the 60-~~
680 ~~month or, with respect to members who are instructional personnel~~
681 ~~employed by the Florida School for the Deaf and the Blind and who~~
682 ~~have received authorization by the Board of Trustees of the~~
683 ~~Florida School for the Deaf and the Blind to participate in the~~
684 ~~DROP beyond 60 months, or who are instructional personnel as~~
685 ~~defined in s. 1012.01(2) (a)-(d) in grades K-12 and who have~~
686 ~~received authorization by the district school superintendent to~~
687 ~~participate in the DROP beyond 60 months, the 96-month maximum~~
688 ~~participation period, the member may elect to include or exclude~~
689 ~~any optional service credit purchased by the member from the~~
690 ~~total service used to establish the normal retirement date. A~~
691 ~~member who has with dual normal retirement dates is shall be~~
692 ~~eligible to elect to participate in DROP within 12 months after~~
693 ~~attaining normal retirement date in either class.~~

694 3. The employer of a member electing to participate in ~~the~~
695 DROP, or employers if dually employed, shall acknowledge in
696 writing to the division the date the member's participation in
697 ~~the~~ DROP begins and the date the member's employment and DROP
698 participation will terminate.

699 4. Simultaneous employment of a participant by additional
700 Florida Retirement System employers subsequent to the
701 commencement of participation in ~~the~~ DROP is shall be permissible
702 if provided such employers acknowledge in writing a DROP
703 termination date no later than the participant's existing



407502

704 termination date or the maximum participation ~~60-month limitation~~
705 period as provided in subparagraph (b)1.

706 5. A DROP participant may change employers while
707 participating in ~~the~~ DROP, subject to the following:

708 a. A change of employment must take place without a break
709 in service so that the member receives salary for each month of
710 continuous DROP participation. If a member receives no salary
711 during a month, DROP participation shall cease unless the
712 employer verifies a continuation of the employment relationship
713 for such participant pursuant to s. 121.021(39)(b).

714 b. Such participant and new employer shall notify the
715 division of the identity of the new employer on forms required by
716 the division ~~as to the identity of the new employer~~.

717 c. The new employer shall acknowledge, in writing, the
718 participant's DROP termination date, which may be extended but
719 not beyond the maximum participation ~~original 60-month or, with~~
720 ~~respect to members who are instructional personnel employed by~~
721 ~~the Florida School for the Deaf and the Blind and who have~~
722 ~~received authorization by the Board of Trustees of the Florida~~
723 ~~School for the Deaf and the Blind to participate in the DROP~~
724 ~~beyond 60 months, or who are instructional personnel as defined~~
725 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~
726 ~~authorization by the district school superintendent to~~
727 ~~participate in the DROP beyond 60 months, the 96-month period~~
728 provided in subparagraph (b)1., shall acknowledge liability for
729 any additional retirement contributions and interest required if
730 the participant fails to timely terminate employment, and is
731 ~~shall be~~ subject to the adjustment required in sub-subparagraph
732 (c)5.d.



407502

733 6. Effective July 1, 2001, for instructional personnel as
734 defined in s. 1012.01(2), election to participate in ~~the~~ DROP may
735 ~~shall~~ be made at any time following the date on which the member
736 first reaches normal retirement date. The member shall advise his
737 or her employer and the division in writing of the date on which
738 DROP begins ~~the Deferred Retirement Option Program shall begin.~~
739 When establishing eligibility of the member to participate in ~~the~~
740 DROP for the 60-month ~~or, with respect to members who are~~
741 ~~instructional personnel employed by the Florida School for the~~
742 ~~Deaf and the Blind and who have received authorization by the~~
743 ~~Board of Trustees of the Florida School for the Deaf and the~~
744 ~~Blind to participate in the DROP beyond 60 months, or who are~~
745 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~
746 ~~grades K-12 and who have received authorization by the district~~
747 ~~school superintendent to participate in the DROP beyond 60~~
748 ~~months, the 96-month maximum participation period, as provided in~~
749 subparagraph (b)1., the member may elect to include or exclude
750 any optional service credit purchased by the member from the
751 total service used to establish the normal retirement date. A
752 member who has ~~with~~ dual normal retirement dates is ~~shall be~~
753 eligible to elect to participate in either class.

754 (b) Participation in ~~the~~ DROP.--

755 1.a. An eligible member may elect to participate in ~~the~~
756 DROP for a period not to exceed a maximum of 60 calendar months
757 ~~or, except as provided in subparagraph b.~~

758 b. ~~Members with respect to members~~ who are instructional
759 personnel employed by the Florida School for the Deaf and the
760 Blind and who are authorized ~~have received authorization~~ by the
761 Board of Trustees of the Florida School for the Deaf and the
762 Blind ~~to participate in the DROP beyond 60 months, or who are~~



407502

763 instructional personnel as defined in s. 1012.01(2)(a)-(d) in
764 grades K-12 and who are authorized ~~have received authorization~~ by
765 the district school superintendent ~~to participate in the DROP~~
766 ~~beyond 60 calendar months,~~ or who are instructional personnel as
767 defined in s. 1012.01(2)(a)-(d) employed by a developmental
768 research school and who are authorized by the school's director,
769 or if the school has no director, by the school's principal, to
770 participate in DROP beyond the original 60-month period, for up
771 to 36 ~~96~~ calendar months immediately following the DROP
772 termination date selected for participation in sub-subparagraph
773 a. date on which the member first reaches his or her normal
774 retirement date or the date to which he or she is eligible to
775 defer his or her election to participate as provided in
776 subparagraph (a)2. However, a member who has reached normal
777 retirement date prior to the effective date of the DROP shall be
778 eligible to participate in the DROP for a period of time not to
779 exceed 60 calendar months or, with respect to members who are
780 instructional personnel employed by the Florida School for the
781 Deaf and the Blind and who have received authorization by the
782 Board of Trustees of the Florida School for the Deaf and the
783 Blind to participate in the DROP beyond 60 months, or who are
784 instructional personnel as defined in s. 1012.01(2)(a)-(d) in
785 grades K-12 and who have received authorization by the district
786 school superintendent to participate in the DROP beyond 60
787 calendar months, ~~96 calendar months immediately following the~~
788 ~~effective date of the DROP, except a member of the Special Risk~~
789 ~~Class who has reached normal retirement date prior to the~~
790 ~~effective date of the DROP and whose total accrued value exceeds~~
791 ~~75 percent of average final compensation as of his or her~~
792 ~~effective date of retirement shall be eligible to participate in~~



407502

793 ~~the DROP for no more than 36 calendar months immediately~~
794 ~~following the effective date of the DROP.~~

795 2. Upon deciding to participate in ~~the~~ DROP, the member
796 shall submit, on forms required by the division:

797 a. A written election to participate in ~~the~~ DROP;

798 b. Selection of ~~the~~ DROP participation and termination
799 dates, which satisfy the limitations stated in paragraph (a) and
800 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a
801 binding letter of resignation to ~~with~~ the employer, establishing
802 a deferred termination date. The member may change the
803 termination date within the limitations of subparagraph 1., but
804 only with the written approval of the ~~his or her~~ employer;

805 c. A properly completed DROP application for service
806 retirement as provided in this section; and

807 d. Any other information required by the division.

808 3. The DROP participant is ~~shall be~~ a retiree under the
809 Florida Retirement System for all purposes, except for paragraph
810 (5) (f) and subsection (9) and ss. 112.3173, 112.363, 121.053, and
811 121.122. DROP participation is final and cannot be canceled by
812 the participant after the first payment is credited during the
813 DROP participation period. However, participation in ~~the~~ DROP
814 does not alter the participant's employment status and the member
815 is ~~such employee shall not be~~ deemed retired from employment
816 until his or her deferred resignation is effective and
817 termination occurs as provided in s. 121.021(39).

818 4. Elected officers are ~~shall be~~ eligible to participate in
819 ~~the~~ DROP subject to the following:

820 a. An elected officer who reaches normal retirement date
821 during a term of office may defer the election to participate in
822 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~



407502

823 | elected officer who exercises this option may participate in ~~the~~
824 | DROP for up to 60 calendar months or a period of no longer than
825 | ~~the such~~ succeeding term of office, whichever is less.

826 | b. An elected or a nonelected participant may run for a
827 | term of office while participating in DROP and, if elected,
828 | extend the DROP termination date accordingly, except, however, if
829 | such additional term of office exceeds the 60-month limitation
830 | established in subparagraph 1., and the officer does not resign
831 | from office within such 60-month limitation, the retirement and
832 | the participant's DROP is ~~shall be~~ null and void as provided in
833 | sub-subparagraph (c)5.d.

834 | c. (I) For DROP participation ending before January 1, 2009,
835 | an elected officer who is dually employed and elects to
836 | participate in DROP must ~~shall be required to~~ satisfy the
837 | definition of termination within the original 60-month period or
838 | maximum participation, ~~with respect to members who are~~
839 | ~~instructional personnel employed by the Florida School for the~~
840 | ~~Deaf and the Blind and who have received authorization by the~~
841 | ~~Board of Trustees of the Florida School for the Deaf and the~~
842 | ~~Blind to participate in the DROP beyond 60 months, or who are~~
843 | ~~instructional personnel as defined in s. 1012.01(2) (a)-(d) in~~
844 | ~~grades K-12 and who have received authorization by the district~~
845 | ~~school superintendent to participate in the DROP beyond 60~~
846 | ~~months, the 96-month limitation~~ period as provided in
847 | subparagraph 1. for the nonelected position and may continue
848 | employment as an elected officer as provided in s. 121.053. The
849 | elected officer shall ~~will~~ be enrolled as a renewed member in the
850 | Elected Officers' Class or the Regular Class, as provided in ss.
851 | 121.053 and 121.122, on the first day of the month after
852 | termination of employment in the nonelected position and



407502

853 termination of DROP. Distribution of ~~the~~ DROP benefits shall be
854 made as provided in paragraph (c).

855 (II) For DROP participation ending on or after January 1,
856 2009, an elected officer who is dually employed and elects to
857 participate in DROP must satisfy the definition of termination in
858 s. 121.021(39) within the original 60-month period or maximum
859 period as provided in subparagraph 1.

860 (c) Benefits payable under ~~the~~ DROP.--

861 1. Effective on ~~with~~ the date of DROP participation, the
862 member's initial normal monthly benefit, including creditable
863 service, optional form of payment, and average final
864 compensation, and the effective date of retirement are ~~shall be~~
865 fixed. The beneficiary established under the Florida Retirement
866 System shall be the beneficiary eligible to receive any DROP
867 benefits payable if the DROP participant dies prior to the
868 completion of the period of DROP participation. If ~~In the event~~ a
869 joint annuitant predeceases the member, the member may name a
870 beneficiary to receive accumulated DROP benefits payable. The
871 ~~Such~~ retirement benefit, the annual cost of living adjustments
872 provided in s. 121.101, and interest shall accrue monthly in the
873 System Trust Fund. The ~~Such~~ interest shall accrue at an effective
874 annual rate of 6.5 percent compounded monthly, on the prior
875 month's accumulated ending balance, up to the month of
876 termination or death.

877 2. Each employee who elects to participate in ~~the~~ DROP may
878 ~~shall be allowed to~~ elect to receive a lump-sum payment for
879 accrued annual leave earned in accordance with agency policy upon
880 beginning participation in ~~the~~ DROP. The ~~Such~~ accumulated leave
881 payment certified to the division upon commencement of DROP shall
882 be included in the calculation of the member's average final



407502

883 compensation. The employee electing the ~~such~~ lump-sum payment is
884 ~~upon beginning participation in DROP~~ will not be eligible to
885 receive a second lump-sum payment upon termination, except to the
886 extent the employee has earned additional annual leave which
887 combined with the original payment does not exceed the maximum
888 lump-sum payment allowed by the employing agency's policy or
889 rules. An ~~Such~~ early lump-sum payment shall be based on the
890 hourly wage of the employee at the time he or she begins
891 participation in ~~the~~ DROP. If the member elects to wait and
892 receive such lump-sum payment upon termination of DROP and
893 termination of employment with the employer, any accumulated
894 leave payment made at that time may not ~~cannot~~ be included in the
895 member's retirement benefit, which was determined and fixed by
896 law when the employee elected to participate in ~~the~~ DROP.

897 3. The effective date of DROP participation and the
898 effective date of retirement of a DROP participant shall be the
899 first day of the month selected by the member to begin
900 participation in ~~the~~ DROP, provided such date is properly
901 established, with the written confirmation of the employer, and
902 the approval of the division, on forms required by the division.

903 4. Normal retirement benefits and any interest ~~thereon~~
904 shall continue to accrue in ~~the~~ DROP until the established
905 termination date of ~~the~~ DROP, or until the participant terminates
906 employment or dies prior to such date. Although individual DROP
907 accounts shall not be established, a separate accounting of each
908 participant's accrued benefits under ~~the~~ DROP shall be calculated
909 and provided to participants.

910 5. At the conclusion of the participant's DROP, the
911 division shall distribute the participant's total accumulated
912 DROP benefits, subject to the following provisions:



407502

913 a. The division shall receive verification by the
914 participant's employer or employers that the ~~such~~ participant has
915 terminated employment as provided in s. 121.021(39)(b).

916 b. The terminated DROP participant or, if deceased, the
917 ~~such~~ participant's named beneficiary, shall elect on forms
918 provided by the division to receive payment of the DROP benefits
919 in accordance with one of the options listed below. If ~~For~~ a
920 participant or beneficiary ~~who~~ fails to elect a method of payment
921 within 60 days of termination of ~~the~~ DROP, the division shall
922 ~~will~~ pay a lump sum as provided in sub-sub-subparagraph (I).

923 (I) Lump sum.--All accrued DROP benefits, plus interest,
924 less withholding taxes remitted to the Internal Revenue Service,
925 shall be paid to the DROP participant or surviving beneficiary.

926 (II) Direct rollover.--All accrued DROP benefits, plus
927 interest, shall be paid from ~~the~~ DROP directly to the custodian
928 of an eligible retirement plan as defined in s. 402(c)(8)(B) of
929 the Internal Revenue Code. However, in the case of an eligible
930 rollover distribution to the surviving spouse of a deceased
931 participant, an eligible retirement plan is an individual
932 retirement account or an individual retirement annuity as
933 described in s. 402(c)(9) of the Internal Revenue Code.

934 (III) Partial lump sum.--A portion of the accrued DROP
935 benefits shall be paid to the DROP participant or surviving
936 spouse, less withholding taxes remitted to the Internal Revenue
937 Service, and the remaining DROP benefits shall be transferred
938 directly to the custodian of an eligible retirement plan as
939 defined in s. 402(c)(8)(B) of the Internal Revenue Code. However,
940 in the case of an eligible rollover distribution to the surviving
941 spouse of a deceased participant, an eligible retirement plan is
942 an individual retirement account or an individual retirement



407502

943 annuity as described in s. 402(c)(9) of the Internal Revenue
944 Code. The proportions shall be specified by the DROP participant
945 or surviving beneficiary.

946 c. The form of payment selected by the DROP participant or
947 surviving beneficiary must comply ~~complies~~ with the minimum
948 distribution requirements of the Internal Revenue Code.

949 d. A DROP participant who fails to terminate employment as
950 defined in s. 121.021(39)(b) shall be deemed not to be retired,
951 and the DROP election is ~~shall be~~ null and void. Florida
952 Retirement System membership shall be reestablished retroactively
953 to the date of the commencement of ~~the~~ DROP, and each employer
954 with whom the participant continues employment must ~~shall be~~
955 ~~required to~~ pay to the Florida Retirement System Trust Fund the
956 difference between the DROP contributions paid in paragraph (i)
957 and the contributions required for the applicable Florida
958 Retirement System class of membership during the period the
959 member participated in ~~the~~ DROP, plus 6.5 percent interest
960 compounded annually.

961 6. The retirement benefits of any DROP participant who
962 meets the definition of termination in s. 121.021(39)(b), but is
963 in violation of the reemployment provisions as provided in
964 subsection (9), shall be suspended during those months in which
965 the member is in violation. Any member employed in violation of
966 this subparagraph and any employing agency that knowingly employs
967 or appoints such member without notifying the Division of
968 Retirement to suspend retirement benefits are jointly and
969 severally liable for any benefits paid during the reemployment
970 limitation period. To avoid liability, the employing agency must
971 have a written statement from the retiree that he or she is not
972 retired from a state-administered retirement system. Any



407502

973 retirement benefits received by a retired member while employed
974 in violation of the reemployment limitations during the first 12
975 months after meeting termination must be repaid to the Florida
976 Retirement System Trust Fund, and his or her retirement benefits
977 shall remain suspended until payment is made. Benefits suspended
978 beyond the end of the retired member's first 12 calendar months
979 after meeting the definition of termination in s. 121.021(39)(b)
980 shall apply toward repayment of benefits received in violation of
981 the reemployment limitations.

982 ~~7.6.~~ The accrued benefits of any DROP participant, and any
983 contributions accumulated under the ~~such~~ program, are ~~shall~~ not
984 ~~be~~ subject to assignment, execution, attachment, or to any legal
985 process whatsoever, except for qualified domestic relations
986 orders by a court of competent jurisdiction, income deduction
987 orders as provided in s. 61.1301, and federal income tax levies.

988 ~~8.7.~~ DROP participants are ~~shall~~ not ~~be~~ eligible for
989 disability retirement benefits as provided in subsection (4).

990 (d) Death benefits under ~~the~~ DROP.--

991 1. Upon the death of a DROP participant, the named
992 beneficiary shall be entitled to apply for and receive the
993 accrued benefits in ~~the~~ DROP as provided in sub-subparagraph
994 (c)5.b.

995 2. The normal retirement benefit accrued to ~~the~~ DROP during
996 the month of a participant's death shall be the final monthly
997 benefit credited for such DROP participant.

998 3. Eligibility to participate in ~~the~~ DROP terminates upon
999 death of the participant. If the participant dies on or after the
1000 effective date of enrollment in ~~the~~ DROP, but prior to the first
1001 monthly benefit being credited to ~~the~~ DROP, Florida Retirement



407502

1002 System benefits shall be paid in accordance with subparagraph
1003 (7) (c)1. or subparagraph 2.

1004 4. A DROP participants' survivors shall not be eligible to
1005 receive Florida Retirement System death benefits as provided in
1006 paragraph (7) (d).

1007 (e) Cost-of-living adjustment.--On each July 1, the
1008 participants' normal retirement benefit shall be increased as
1009 provided in s. 121.101.

1010 (f) Retiree health insurance subsidy.--DROP participants
1011 are not eligible to apply for the retiree health insurance
1012 subsidy payments as provided in s. 112.363 until such
1013 participants have terminated employment and participation in ~~the~~
1014 DROP.

1015 (g) Renewed membership.--DROP participants must meet the
1016 definition of termination in s. 121.021(39) (b) and must meet
1017 eligibility requirements ~~shall not be eligible~~ for renewed
1018 membership in the Florida Retirement System under ss. 121.053 and
1019 121.122 ~~until termination of employment is effectuated as~~
1020 ~~provided in s. 121.021(39) (b).~~

1021 (h) Employment limitation after DROP participation.--Upon
1022 satisfying the definition of termination of employment as
1023 provided in s. 121.021(39) (b), DROP participants shall be subject
1024 to such reemployment limitations as other retirees. Reemployment
1025 restrictions applicable to retirees as provided in subsection (9)
1026 shall not apply to DROP participants until their employment and
1027 participation in ~~the~~ DROP are terminated.

1028 (i) Contributions.--

1029 1. All employers paying the salary of a DROP participant
1030 filling a regularly established position shall contribute 8.0
1031 percent of such participant's gross compensation for the period



407502

1032 of July 1, 2002, through June 30, 2003, and 11.56 percent of such
1033 compensation thereafter, which shall constitute the entire
1034 employer DROP contribution with respect to such participant. Such
1035 contributions, payable to the System Trust Fund in the same
1036 manner as required in s. 121.071, shall be made as appropriate
1037 for each pay period and are in addition to contributions required
1038 for social security and the Retiree Health Insurance Subsidy
1039 Trust Fund. Such employer, social security, and health insurance
1040 subsidy contributions are not included in ~~the~~ DROP.

1041 2. The employer shall, in addition to subparagraph 1., also
1042 withhold one-half of the entire social security contribution
1043 required for the participant. Contributions for social security
1044 by each participant and each employer, in the amount required for
1045 social security coverage as now or hereafter provided by the
1046 federal Social Security Act, shall be in addition to
1047 contributions specified in subparagraph 1.

1048 3. All employers paying the salary of a DROP participant
1049 filling a regularly established position shall contribute the
1050 percent of such participant's gross compensation required in s.
1051 121.071(4), which shall constitute the employer's health
1052 insurance subsidy contribution with respect to such participant.
1053 Such contributions shall be deposited by the administrator in the
1054 Retiree Health Insurance Subsidy Trust Fund.

1055 (j) Forfeiture of retirement benefits.--Nothing in this
1056 section shall be construed to remove DROP participants from the
1057 scope of s. 8(d), Art. II of the State Constitution, s. 112.3173,
1058 and paragraph (5)(f). DROP participants who commit a specified
1059 felony offense while employed will be subject to forfeiture of
1060 all retirement benefits, including DROP benefits, pursuant to
1061 those provisions of law.



407502

1062 (k) Administration of program.--The division shall make
1063 such rules as are necessary for the effective and efficient
1064 administration of this subsection. The division shall not be
1065 required to advise members of the federal tax consequences of an
1066 election related to ~~the~~ DROP but may advise members to seek
1067 independent advice.

1068 (14) PAYMENT OF BENEFITS.--This subsection applies to the
1069 payment of benefits to a payee (retiree or beneficiary) under the
1070 Florida Retirement System:

1071 (a) Federal income tax shall be withheld in accordance with
1072 federal law, unless the payee elects otherwise on Form W-4P. The
1073 division shall prepare and distribute to each recipient of
1074 monthly retirement benefits an appropriate income tax form that
1075 reflects the recipient's income and federal income tax withheld
1076 for the calendar year just ended.

1077 (b) Subject to approval by the division in accordance with
1078 rule 60S-4.015, Florida Administrative Code, a payee receiving
1079 retirement benefits under the ~~Florida Retirement~~ system may also
1080 have the following payments deducted from his or her monthly
1081 benefit:

1082 1. Premiums for life and health-related insurance policies
1083 from approved companies.

1084 2. Life insurance premiums for the State Group Life
1085 Insurance Plan, if authorized in writing by the payee and by the
1086 department ~~of Management Services~~.

1087 3. Repayment of overpayments from the Florida Retirement
1088 System Trust Fund, the State Employees' Health Insurance Trust
1089 Fund, or the State Employees' Life Insurance Trust Fund, upon
1090 notification of the payee.



407502

1091 4. Payments to an alternate payee for alimony ~~or~~ child
1092 support pursuant to an income deduction order under s. 61.1301,
1093 or division of marital assets pursuant to a qualified domestic
1094 relations order under s. 222.21 ~~or an income deduction order~~
1095 ~~under s. 61.1301.~~

1096 5. Payments to the Internal Revenue Service for federal
1097 income tax levies, upon notification of the division by the
1098 Internal Revenue Service.

1099 (c) A payee must ~~shall~~ notify the division of any change in
1100 his or her address. The division may suspend benefit payments to
1101 a payee if correspondence sent to the payee's mailing address is
1102 returned due to an incorrect address. Benefit payments shall be
1103 resumed upon notification to the division of the payee's new
1104 address.

1105 (d) A payee whose retirement benefits are reduced by the
1106 application of maximum benefit limits under s. 415(b) of the
1107 Internal Revenue Code, as specified in s. 121.30(5), shall have
1108 the portion of his or her calculated benefit in the Florida
1109 Retirement System defined benefit plan which exceeds such federal
1110 limitation paid through the Florida Retirement System
1111 Preservation of Benefits Plan, as provided in s. 121.1001.

1112 (e) The division may issue retirement benefits payable for
1113 division of marital assets pursuant to a qualified domestic
1114 relations order directly to the alternate payee, any court order
1115 to the contrary notwithstanding, in order to meet Internal
1116 Revenue Code requirements.

1117 (f) ~~(e)~~ A ~~Ne~~ benefit may not be reduced for the purpose of
1118 preserving the member's eligibility for a federal program.

1119 (g) ~~(f)~~ The division shall adopt rules establishing
1120 procedures for determining that ~~the~~ persons to whom benefits are



407502

1121 | being paid are still living. The division shall suspend the
1122 | benefits being paid to any payee if ~~when~~ it is unable to contact
1123 | such payee and to confirm that he or she is still living.

1124 | Section 6. Effective January 1, 2009, sections 121.093 and
1125 | 121.094, Florida Statutes, are repealed.

1126 | Section 7. Effective January 1, 2009, section 121.122,
1127 | Florida Statutes, is amended to read:

1128 | 121.122 Renewed membership in system.--

1129 | (1) Any retiree of a state-administered retirement system
1130 | who is initially reemployed on or after January 1, 2009, shall
1131 | not be eligible for renewed membership.

1132 | (2) Except as provided in s. 121.053, effective July 1,
1133 | 1991, through December 31, 2008, any retiree of a state-
1134 | administered retirement system who is initially reemployed
1135 | ~~employed~~ in a regularly established position with a covered
1136 | employer shall be enrolled as a compulsory member of the Regular
1137 | Class of the Florida Retirement System or, effective July 1,
1138 | 1997, through December 31, 2008, any retiree of a state-
1139 | administered retirement system who is initially reemployed
1140 | ~~employed~~ in a position included in the Senior Management Service
1141 | Class shall be enrolled as a compulsory member of the Senior
1142 | Management Service Class of the Florida Retirement System as
1143 | provided in s. 121.055, and shall be entitled to receive an
1144 | additional retirement benefit, subject to the following
1145 | conditions:

1146 | ~~(1)~~(a) Such member shall resatisfy the age and service
1147 | requirements as provided in this chapter for initial membership
1148 | under the system, unless such member elects to participate in the
1149 | Senior Management Service Optional Annuity Program in lieu of the
1150 | Senior Management Service Class, as provided in s. 121.055(6).



407502

1151 (b) Such member shall not be entitled to disability
1152 benefits as provided in s. 121.091(4).

1153 (c) Such member must meet the reemployment after retirement
1154 limitations as provided in s. 121.091(9), as applicable.

1155 ~~(3)(2)~~ Upon renewed membership or reemployment of a
1156 retiree, the employer of such member shall pay the applicable
1157 employer contributions as required by ss. 121.71, 121.74, 121.76,
1158 and 112.363 ~~121.055(3) and 121.071(1)(a) and (4)~~.

1159 ~~(4)(3)~~ The retiree of a state-administered retirement
1160 system who is initially reemployed before January 1, 2009, Such
1161 ~~member~~ shall be entitled to purchase additional retirement credit
1162 in the Regular Class or the Senior Management Service Class, as
1163 applicable, for any postretirement service performed in a
1164 regularly established position as follows:

1165 (a) For regular class service prior to July 1, 1991, by
1166 paying the Regular Class applicable employee and employer
1167 contributions for the period being claimed, plus 4 percent
1168 interest compounded annually from first year of service claimed
1169 until July 1, 1975, and 6.5 percent interest compounded
1170 thereafter, until full payment is made to the Florida Retirement
1171 System Trust Fund; or

1172 (b) For Senior Management Service Class prior to June 1,
1173 1997, as provided in s. 121.055(1)(j).

1174
1175 The contribution for postretirement service between July 1, 1985,
1176 and July 1, 1991, for which the reemployed retiree contribution
1177 was paid, shall be the difference between such contribution and
1178 the total applicable contribution for the period being claimed,
1179 plus interest. The employer of such member may pay the applicable
1180 employer contribution in lieu of the member. If a member does not



407502

1181 wish to claim credit for all of the postretirement service for
1182 which he or she is eligible, the service the member claims must
1183 be the most recent service.

1184 (5)~~(4)~~ No creditable service for which credit was received,
1185 or which remained unclaimed, at retirement may be claimed or
1186 applied toward service credit earned following renewed
1187 membership. However, for retirees initially reemployed before
1188 January 1, 2009, service earned as an elected officer with
1189 renewed membership in the Elected Officers' Class may be used in
1190 conjunction with creditable service earned under this section,
1191 provided the applicable vesting requirements and other existing
1192 statutory conditions required by this chapter are met.

1193 (6)~~(5)~~ Notwithstanding any other limitations provided in
1194 this section, a participant of the State University System
1195 Optional Retirement Program or the Senior Management Service
1196 Optional Annuity Program who terminated employment and received a
1197 distribution ~~commenced receiving an annuity~~ under the provisions
1198 of the optional program, who initially renews membership before
1199 January 1, 2009, ~~in the Regular Class~~ as required by this section
1200 upon reemployment after retirement, and who had previously earned
1201 creditable Florida Retirement System service that was not
1202 included in any retirement benefit may include such previous
1203 service toward vesting and service credit in the second career
1204 benefit provided under renewed membership.

1205 (7)~~(6)~~ Any renewed member who is not receiving the maximum
1206 health insurance subsidy provided in s. 112.363 shall be entitled
1207 to earn additional credit toward the maximum health insurance
1208 subsidy. Any additional subsidy due because of such additional
1209 credit shall be received only at the time of payment of the
1210 second career retirement benefit. In no case shall the total



407502

1211 health insurance subsidy received by a retiree receiving benefits
1212 from initial and renewed membership exceed the maximum allowed in
1213 s. 112.363.

1214 Section 8. Paragraph (a) of subsection (4) of section
1215 121.35, Florida Statutes, is amended, paragraph (g) is added to
1216 that subsection, and effective January 1, 2009, paragraph (e) of
1217 subsection (5) is amended, to read:

1218 121.35 Optional retirement program for the State University
1219 System.--

1220 (4) CONTRIBUTIONS.--

1221 (a) Through June 30, 2001, each employer shall contribute
1222 on behalf of each participant in the optional retirement program
1223 an amount equal to the normal cost portion of the employer
1224 retirement contribution which would be required if the
1225 participant were a regular member of the Florida Retirement
1226 System defined benefit program, plus the portion of the
1227 contribution rate required in s. 112.363(8) that would otherwise
1228 be assigned to the Retiree Health Insurance Subsidy Trust Fund.
1229 Effective July 1, 2001, each employer shall contribute on behalf
1230 of each participant in the optional program an amount equal to
1231 10.43 percent of the participant's gross monthly compensation.
1232 The department shall deduct an amount approved by the Legislature
1233 to provide for the administration of this program. The payment of
1234 the contributions to the optional program which is required by
1235 this paragraph for each participant shall be made by the employer
1236 to the department, which shall forward the contributions to the
1237 designated company or companies contracting for payment of
1238 benefits for the participant under the program. However, such
1239 contributions paid on behalf of an employee described in
1240 paragraph (3)(c) shall not be forwarded to a company and shall



407502

1241 not begin to accrue interest until the employee has executed a ~~an~~
1242 ~~annuity~~ contract and notified the department.

1243 (g) Effective July 1, 2008, for purposes of paragraph (a)
1244 and notwithstanding s. 121.021(22)(b)1., the term "participant's
1245 gross monthly compensation" includes salary payments made to
1246 eligible clinical faculty from a state university using funds
1247 provided by a faculty practice plan authorized by the Board of
1248 Governors of the State University System if:

1249 1. There is not any employer contribution from the state
1250 university to any other retirement program with respect to such
1251 salary payments; and

1252 2. The employer contribution on behalf of the participant
1253 in the optional retirement program with respect to such salary
1254 payments is made using funds provided by the faculty practice
1255 plan.

1256 (5) BENEFITS.--

1257 (e) A participant who chooses to receive his or her
1258 benefits upon termination of employment as defined in s.
1259 121.021(39) shall have responsibility to notify the provider
1260 company of the date on which he or she wishes benefits funded by
1261 employer contributions to begin. Benefits may be deferred until
1262 such time as the participant chooses to make such application.

1263
1264 ===== T I T L E A M E N D M E N T =====

1265 And the title is amended as follows:

1266 Delete line(s) 15-22

1267 and insert:

1268 amending s. 121.053, F.S.; revising provisions relating to
1269 participation in the Elected Officers' Class for retired
1270 members; amending s. 121.055, F.S.; revising provisions



407502

1271 relating to participation in the Senior Management Service
1272 Class; amending s. 121.091, F.S.; revising limitations on
1273 the payment of retirement benefits for certain retired
1274 persons who are reemployed by an employer participating in
1275 a state-administered retirement system; deleting a
1276 restriction on the reemployment of certain personnel by
1277 the Florida School for the Deaf and the Blind; prohibiting
1278 certain persons holding public office from electing to
1279 retire while continuing employment in that elected office;
1280 deleting a provision authorizing an employing agency to
1281 reemploy a retired member as a firefighter or paramedic
1282 after a specified period; providing certain limitations
1283 for DROP participants; clarifying that DROP participation
1284 cannot be canceled; providing for the suspension of DROP
1285 benefits to a participant who is reemployed; authorizing
1286 the Division of Retirement to issue benefits directly to
1287 the alternate payee pursuant to an income deduction order
1288 or a qualified domestic relations order; repealing s.
1289 121.093, F.S., authorizing a developmental research school
1290 and the Florida School for the Deaf and the Blind to
1291 reemploy instructional personnel after retirement;
1292 repealing s. 121.094, F.S., authorizing charter schools to
1293 reemploy instructional personnel after retirement;
1294 amending s. 121.122, F.S.; providing that certain persons
1295 are ineligible for renewed membership in the Florida
1296 Retirement System; amending s. 121.35, F.S.; requiring the
1297 participating employee in the optional retirement program
1298 to execute a contract, not just an annuity contract, with
1299 a designated company in order for employee contributions
1300 to be forwarded to the company and for interest to accrue;



407502

1301 | defining the term "participant's gross monthly
1302 | compensation" for purposes of the optional retirement
1303 | program for the State University System; providing a
1304 | cross-reference; creating s.