



686242

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
05/01/2017	.	
	.	
	.	
	.	

The Committee on Appropriations (Grimsley) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 112.1816, Florida Statutes, is created
to read:

112.1816 Firefighter disability or death from cancer
presumed contracted in the line of duty.-

(1) DEFINITION.—As used in this section, the term
“firefighter” has the same meaning as in s. 112.81.



686242

11 (2) PRESUMPTION; ELIGIBILITY CONDITIONS.—

12 (a) Any condition or impairment of the health of a
13 firefighter employed full time by the state or any municipality,
14 county, port authority, special tax district, or fire control
15 district which is caused by multiple myeloma, non-Hodgkin's
16 lymphoma, prostate cancer, or testicular cancer and results in
17 total or partial disability or death is presumed to have been
18 accidental and to have been contracted in the line of duty
19 unless the contrary is shown by competent evidence. In order to
20 be entitled to this presumption, the firefighter:

21 1. Must have successfully passed a physical examination
22 administered before the individual began service as a
23 firefighter and which failed to reveal any evidence of such a
24 health condition;

25 2. Must have been employed as a firefighter with his or her
26 current employer for at least 5 continuous years before becoming
27 totally or partially disabled or before his or her death;

28 3. Must not have used tobacco products for at least 5 years
29 before becoming totally or partially disabled or before his or
30 her death; and

31 4. Must not have been employed during the preceding 5 years
32 in any other position that is proven to create a higher risk for
33 multiple myeloma, non-Hodgkin's lymphoma, prostate cancer, or
34 testicular cancer. This includes any other employment as a
35 firefighter at another employing agency within the preceding 5
36 years.

37 (b) An employing agency must provide a physical examination
38 for a firefighter before he or she begins service or immediately
39 thereafter. Notwithstanding subparagraph (a)1., if the employing



686242

40 agency fails to provide a physical examination before the
41 firefighter begins service, or immediately thereafter, the
42 firefighter is entitled to the presumption, provided that he or
43 she meets the criteria specified in subparagraphs (a)2., (a)3.,
44 and (a)4.

45 (c) The presumption does not apply to benefits payable
46 under or granted in a life insurance or disability insurance
47 policy unless the insurer and insured have negotiated for the
48 additional benefits to be included in the policy contract.

49 (3) APPLICABILITY.—A firefighter employed on July 1, 2017,
50 is not required to meet the physical examination requirement in
51 subsection (2) in order to be entitled to the presumption set
52 forth in this section.

53 Section 2. Paragraph (a) of subsection (3) and subsection
54 (5) of section 121.053, Florida Statutes, are amended to read:

55 121.053 Participation in the Elected Officers' Class for
56 retired members.—

57 (3) On or after July 1, 2010:

58 (a) A retiree of a state-administered retirement system who
59 is initially reemployed in ~~elected or appointed for the first~~
60 ~~time to~~ an elective office in a regularly established position
61 with a covered employer may not reenroll in the Florida
62 Retirement System, except as provided in s. 121.122.

63 (5) Any renewed member, as described in s. 121.122(1), (3),
64 (4), or (5) ~~subsection (1) or subsection (2)~~, who is not
65 receiving the maximum health insurance subsidy provided in s.
66 112.363 is entitled to earn additional credit toward the maximum
67 health insurance subsidy. Any additional subsidy due because of
68 such additional credit may be received only at the time of



686242

69 payment of the second career retirement benefit. The total
70 health insurance subsidy received from initial and renewed
71 membership may not exceed the maximum allowed in s. 112.363.

72 Section 3. Paragraph (f) of subsection (1) and paragraph
73 (c) of subsection (6) of section 121.055, Florida Statutes, are
74 amended to read:

75 121.055 Senior Management Service Class.—There is hereby
76 established a separate class of membership within the Florida
77 Retirement System to be known as the "Senior Management Service
78 Class," which shall become effective February 1, 1987.

79 (1)

80 (f) Effective July 1, 1997:

81 1. Except as provided in subparagraph 3., an elected state
82 officer eligible for membership in the Elected Officers' Class
83 under s. 121.052(2)(a), (b), or (c) who elects membership in the
84 Senior Management Service Class under s. 121.052(3)(c) may,
85 within 6 months after assuming office or within 6 months after
86 this act becomes a law for serving elected state officers, elect
87 to participate in the Senior Management Service Optional Annuity
88 Program, as provided in subsection (6), in lieu of membership in
89 the Senior Management Service Class.

90 2. Except as provided in subparagraph 3., an elected
91 officer of a local agency employer eligible for membership in
92 the Elected Officers' Class under s. 121.052(2)(d) who elects
93 membership in the Senior Management Service Class under s.
94 121.052(3)(c) may, within 6 months after assuming office, or
95 within 6 months after this act becomes a law for serving elected
96 officers of a local agency employer, elect to withdraw from the
97 Florida Retirement System, as provided in subparagraph (b)2., in



686242

98 lieu of membership in the Senior Management Service Class.

99 3. A retiree of a state-administered retirement system who
100 is initially reemployed in a regularly established position on
101 or after July 1, 2010, through June 30, 2017, as an elected
102 official eligible for the Elected Officers' Class may not be
103 enrolled in renewed membership in the Senior Management Service
104 Class or in the Senior Management Service Optional Annuity
105 Program as provided in subsection (6), and may not withdraw from
106 the Florida Retirement System as a renewed member as provided in
107 subparagraph (b)2., as applicable, in lieu of membership in the
108 Senior Management Service Class. Effective July 1, 2017, a
109 retiree of the Senior Management Service Optional Annuity
110 Program who is reemployed in a regularly established position
111 with a covered employer shall be enrolled as a renewed member as
112 provided in s. 121.122.

113 (6)

114 (c) *Participation.*—

115 1. An eligible employee who is employed on or before
116 February 1, 1987, may elect to participate in the optional
117 annuity program in lieu of participating in the Senior
118 Management Service Class. Such election shall ~~must~~ be made in
119 writing and filed with the department and the personnel officer
120 of the employer on or before May 1, 1987. An eligible employee
121 who is employed on or before February 1, 1987, and who fails to
122 make an election to participate in the optional annuity program
123 by May 1, 1987, is ~~shall be~~ deemed to have elected membership in
124 the Senior Management Service Class.

125 2. Except as provided in subparagraph 6., an employee who
126 becomes eligible to participate in the optional annuity program



686242

127 by reason of initial employment commencing after February 1,
128 1987, may, within 90 days after the date of commencing
129 employment, elect to participate in the optional annuity
130 program. Such election shall ~~must~~ be made in writing and filed
131 with the personnel officer of the employer. An eligible employee
132 who does not within 90 days after commencing employment elect to
133 participate in the optional annuity program is ~~shall be~~ deemed
134 to have elected membership in the Senior Management Service
135 Class.

136 3. A person who is appointed to a position in the Senior
137 Management Service Class and who is a member of an existing
138 retirement system or the Special Risk or Special Risk
139 Administrative Support Classes of the Florida Retirement System
140 may elect to remain in such system or class in lieu of
141 participating in the Senior Management Service Class or optional
142 annuity program. Such election shall ~~must~~ be made in writing and
143 filed with the department and the personnel officer of the
144 employer within 90 days after such appointment. An eligible
145 employee who fails to make an election to participate in the
146 existing system, the Special Risk Class of the Florida
147 Retirement System, the Special Risk Administrative Support Class
148 of the Florida Retirement System, or the optional annuity
149 program is ~~shall be~~ deemed to have elected membership in the
150 Senior Management Service Class.

151 4. Except as provided in subparagraph 5., an employee's
152 election to participate in the optional annuity program is
153 irrevocable if the employee continues to be employed in an
154 eligible position and continues to meet the eligibility
155 requirements set forth in this paragraph.



686242

156 5. Effective from July 1, 2002, through September 30, 2002,
157 an active employee in a regularly established position who has
158 elected to participate in the Senior Management Service Optional
159 Annuity Program has one opportunity to choose to move from the
160 Senior Management Service Optional Annuity Program to the
161 Florida Retirement System Pension Plan.

162 a. The election shall ~~must~~ be made in writing and ~~must be~~
163 filed with the department and the personnel officer of the
164 employer before October 1, 2002, or, in the case of an active
165 employee who is on a leave of absence on July 1, 2002, within 90
166 days after the conclusion of the leave of absence. This election
167 is irrevocable.

168 b. The employee shall receive service credit under the
169 pension plan equal to his or her years of service under the
170 Senior Management Service Optional Annuity Program. The cost for
171 such credit is the amount representing the present value of that
172 employee's accumulated benefit obligation for the affected
173 period of service.

174 c. The employee shall ~~must~~ transfer the total accumulated
175 employer contributions and earnings on deposit in his or her
176 Senior Management Service Optional Annuity Program account. If
177 the transferred amount is not sufficient to pay the amount due,
178 the employee shall ~~must~~ pay a sum representing the remainder of
179 the amount due. The employee may not retain any employer
180 contributions or earnings from the Senior Management Service
181 Optional Annuity Program account.

182 6. A retiree of a state-administered retirement system who
183 is initially reemployed on or after July 1, 2010, through June
184 30, 2017, may not renew membership in the Senior Management



686242

185 Service Optional Annuity Program. Effective July 1, 2017, a
186 retiree of the Senior Management Service Optional Annuity
187 Program who is reemployed in a regularly established position
188 with a covered employer shall be enrolled as a renewed member as
189 provided in s. 121.122.

190 7. Effective July 1, 2017, the Senior Management Service
191 Optional Annuity Program is closed to new members. A member
192 enrolled in the Senior Management Service Optional Annuity
193 Program before July 1, 2017, may retain his or her membership in
194 the annuity program.

195 Section 4. Paragraphs (d) and (i) of subsection (7) and
196 paragraph (c) of subsection (9) of section 121.091, Florida
197 Statutes, are amended to read:

198 121.091 Benefits payable under the system.—Benefits may not
199 be paid under this section unless the member has terminated
200 employment as provided in s. 121.021(39) (a) or begun
201 participation in the Deferred Retirement Option Program as
202 provided in subsection (13), and a proper application has been
203 filed in the manner prescribed by the department. The department
204 may cancel an application for retirement benefits when the
205 member or beneficiary fails to timely provide the information
206 and documents required by this chapter and the department's
207 rules. The department shall adopt rules establishing procedures
208 for application for retirement benefits and for the cancellation
209 of such application when the required information or documents
210 are not received.

211 (7) DEATH BENEFITS.—

212 (d) Notwithstanding any other provision in this chapter to
213 the contrary, with the exception of the Deferred Retirement



686242

214 Option Program, as provided in subsection (13):

215 1. The surviving spouse of any member killed in the line of
216 duty may receive a monthly pension equal to one-half of the
217 monthly salary being received by the member at the time of death
218 for the rest of the surviving spouse's lifetime or, if the
219 member was vested, such surviving spouse may elect to receive a
220 benefit as provided in paragraph (b). Benefits provided by this
221 paragraph shall supersede any other distribution that may have
222 been provided by the member's designation of beneficiary.

223 2. If the surviving spouse of a member killed in the line
224 of duty dies, the monthly payments that would have been payable
225 to such surviving spouse had such surviving spouse lived shall
226 be paid for the use and benefit of such member's child or
227 children under 18 years of age and unmarried until the 18th
228 birthday of the member's youngest child. Beginning July 1, 2016,
229 such payments may be extended, for the surviving child of a
230 member in the Special Risk Class at the time he or she was
231 killed in the line of duty on or after July 1, 2013, until the
232 25th birthday of any child of the member if the child is
233 unmarried and enrolled as a full-time student. Beginning July 1,
234 2017, such payments may be extended, for the surviving child of
235 a member in the Special Risk Class at the time he or she was
236 killed in the line of duty on or after July 1, 2002, until the
237 25th birthday of any child of the member if the child is
238 unmarried and enrolled as a full-time student.

239 3. If a member killed in the line of duty leaves no
240 surviving spouse but is survived by a child or children under 18
241 years of age, the benefits provided by subparagraph 1., normally
242 payable to a surviving spouse, shall be paid for the use and



686242

243 benefit of such member's child or children under 18 years of age
244 and unmarried until the 18th birthday of the member's youngest
245 child. Beginning July 1, 2016, such monthly payments may be
246 extended, for the surviving child of a member in the Special
247 Risk Class at the time he or she was killed in the line of duty
248 on or after July 1, 2013, until the 25th birthday of any child
249 of the member if the child is unmarried and enrolled as a full-
250 time student. Beginning July 1, 2017, such monthly payments may
251 be extended, for the surviving child of a member in the Special
252 Risk Class at the time he or she was killed in the line of duty
253 on or after July 1, 2002, until the 25th birthday of any child
254 of the member if the child is unmarried and enrolled as a full-
255 time student.

256 4. The surviving spouse of a member whose benefit
257 terminated because of remarriage shall have the benefit
258 reinstated beginning July 1, 1993, at an amount that would have
259 been payable had the benefit not been terminated.

260 (i) ~~Effective July 1, 2016, and~~ Notwithstanding any
261 provision in this chapter to the contrary, if a member in the
262 Special Risk Class, other than a participant in the Deferred
263 Retirement Option Program under subsection (13), is killed in
264 the line of duty on or after July 1, 2002 ~~2013~~, the following
265 benefits are payable in addition to the benefits provided in
266 paragraph (d):

267 1. The surviving spouse may receive a monthly pension equal
268 to one-half of the monthly salary being received by the member
269 at the time of the member's death for the rest of the surviving
270 spouse's lifetime or, if the member was vested, such surviving
271 spouse may elect to receive a benefit as provided in paragraph



686242

272 (b). Benefits provided by this paragraph supersede any other
273 distribution that may have been provided by the member's
274 designation of beneficiary.

275 2. If the surviving spouse dies, the monthly payments that
276 otherwise would have been payable to such surviving spouse shall
277 be paid for the use and benefit of the member's child or
278 children under 18 years of age and unmarried until the 18th
279 birthday of the member's youngest child. Such monthly payments
280 may be extended until the 25th birthday of the member's child if
281 the child is unmarried and enrolled as a full-time student.

282 3. If the member leaves no surviving spouse but is survived
283 by a child or children under 18 years of age, the benefits
284 provided by subparagraph 1., normally payable to a surviving
285 spouse, shall be paid for the use and benefit of such member's
286 child or children under 18 years of age and unmarried until the
287 18th birthday of the member's youngest child. Such monthly
288 payments may be extended until the 25th birthday of any of the
289 member's children if the child is unmarried and enrolled as a
290 full-time student.

291 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

292 (c) Any person whose retirement is effective on or after
293 July 1, 2010, or whose participation in the Deferred Retirement
294 Option Program terminates on or after July 1, 2010, who is
295 retired under this chapter, except under the disability
296 retirement provisions of subsection (4) or as provided in s.
297 121.053, may be reemployed by an employer that participates in a
298 state-administered retirement system and receive retirement
299 benefits and compensation from that employer. However, a person
300 may not be reemployed by an employer participating in the



686242

301 Florida Retirement System before meeting the definition of
302 termination in s. 121.021 and may not receive both a salary from
303 the employer and retirement benefits for 6 calendar months after
304 meeting the definition of termination. However, a DROP
305 participant shall continue employment and receive a salary
306 during the period of participation in the Deferred Retirement
307 Option Program, as provided in subsection (13).

308 1. The reemployed retiree may not renew membership in the
309 Florida Retirement System, except as provided in s. 121.122.

310 2. The employer shall pay retirement contributions in an
311 amount equal to the unfunded actuarial liability portion of the
312 employer contribution that would be required for active members
313 of the Florida Retirement System in addition to the
314 contributions required by s. 121.76.

315 3. A retiree initially reemployed in violation of this
316 paragraph and an employer that employs or appoints such person
317 are jointly and severally liable for reimbursement of any
318 retirement benefits paid to the retirement trust fund from which
319 the benefits were paid, including the Florida Retirement System
320 Trust Fund and the Public Employee Optional Retirement Program
321 Trust Fund, as appropriate. The employer must have a written
322 statement from the employee that he or she is not retired from a
323 state-administered retirement system. Retirement benefits shall
324 remain suspended until repayment is made. Benefits suspended
325 beyond the end of the retiree's 6-month reemployment limitation
326 period shall apply toward the repayment of benefits received in
327 violation of this paragraph.

328 Section 5. Subsection (2) of section 121.122, Florida
329 Statutes, is amended, and subsections (3), (4), and (5) are



686242

330 added to that section, to read:

331 121.122 Renewed membership in system.—

332 (2) Except as otherwise provided in subsections (3), (4),
333 and (5), a retiree of a state-administered retirement system who
334 is initially reemployed in a regularly established position on
335 or after July 1, 2010, may not be enrolled as a renewed member.

336 (3) A retiree of the investment plan, the State University
337 System Optional Retirement Program, the Senior Management
338 Service Optional Annuity Program, or the State Community College
339 System Optional Retirement Program who is reemployed with a
340 covered employer in a regularly established position on or after
341 July 1, 2017, shall be enrolled as a renewed member of the
342 investment plan unless employed in a position eligible for
343 participation in the State University System Optional Retirement
344 Program as provided in subsection (4) or the State Community
345 College System Optional Retirement Program as provided in
346 subsection (5). The renewed member must satisfy the vesting
347 requirements and other provisions of this chapter.

348 (a) A renewed member of the investment plan shall be
349 enrolled in one of the following membership classes:

350 1. In the Regular Class, if the position does not meet the
351 requirements for membership under s. 121.0515, s. 121.053, or s.
352 121.055.

353 2. In the Special Risk Class, if the position meets the
354 requirements of s. 121.0515.

355 3. In the Elected Officers' Class, if the position meets
356 the requirements of s. 121.053.

357 4. In the Senior Management Service Class, if the position
358 meets the requirements of s. 121.055.



686242

359 (b) Creditable service, including credit toward the retiree
360 health insurance subsidy provided in s. 112.363, does not accrue
361 for a renewed member's employment in a regularly established
362 position with a covered employer from July 1, 2010, through June
363 30, 2017.

364 (c) Employer and employee contributions, interest,
365 earnings, or any other funds may not be paid into a renewed
366 member's investment plan account for any employment in a
367 regularly established position with a covered employer on or
368 after July 1, 2010, through June 30, 2017, by the renewed member
369 or the employer on behalf of the renewed member.

370 (d) To be eligible to receive a retirement benefit, the
371 renewed member must satisfy the vesting requirements in s.
372 121.4501(6).

373 (e) The renewed member is ineligible to receive disability
374 benefits as provided in s. 121.091(4) or s. 121.591(2).

375 (f) The renewed member is subject to the limitations on
376 reemployment after retirement provided in s. 121.091(9), as
377 applicable.

378 (g) The renewed member must satisfy the requirements for
379 termination from employment provided in s. 121.021(39).

380 (h) Upon renewed membership or reemployment of a retiree,
381 the employer and the renewed member shall pay the applicable
382 employer and employee contributions required under ss. 112.363,
383 121.71, 121.74, and 121.76. The contributions are payable only
384 for employment and salary earned in a regularly established
385 position with a covered employer on or after July 1, 2017. The
386 employer and employee contributions shall be transferred to the
387 investment plan and placed in a default fund as designated by



686242

388 the state board. The renewed member may move the contributions
389 once an account is activated in the investment plan.

390 (i) A renewed member who earns creditable service under the
391 investment plan and who is not receiving the maximum health
392 insurance subsidy provided in s. 112.363 is entitled to earn
393 additional credit toward the subsidy. Such credit may be earned
394 only for employment in a regularly established position with a
395 covered employer on or after July 1, 2017. Any additional
396 subsidy due because of additional credit may be received only at
397 the time of paying the second career retirement benefit. The
398 total health insurance subsidy received by a retiree receiving
399 benefits from initial and renewed membership may not exceed the
400 maximum allowed under s. 112.363.

401 (j) Notwithstanding s. 121.4501(4)(f), the renewed member
402 is not eligible to elect membership in the pension plan.

403 (4) A retiree of the investment plan, the State University
404 System Optional Retirement Program, the Senior Management
405 Service Optional Annuity Program, or the State Community College
406 System Optional Retirement Program who is reemployed on or after
407 July 1, 2017, in a regularly established position eligible for
408 participation in the State University System Optional Retirement
409 Program shall become a renewed member of the optional retirement
410 program. The renewed member must satisfy the vesting
411 requirements and other provisions of this chapter. Once
412 enrolled, a renewed member remains enrolled in the optional
413 retirement program while employed in an eligible position for
414 the optional retirement program. If employment in a different
415 covered position results in the renewed member's enrollment in
416 the investment plan, the renewed member is no longer eligible to



686242

417 participate in the optional retirement program unless employed
418 in a mandatory position under s. 121.35.

419 (a) The renewed member is subject to the limitations on
420 reemployment after retirement provided in s. 121.091(9), as
421 applicable.

422 (b) The renewed member must satisfy the requirements for
423 termination from employment provided in s. 121.021(39).

424 (c) Upon renewed membership or reemployment of a retiree,
425 the employer and the renewed member shall pay the applicable
426 employer and employee contributions required under s. 121.35.

427 (d) Employer and employee contributions, interest,
428 earnings, or any other funds may not be paid into a renewed
429 member's optional retirement program account for any employment
430 in a regularly established position with a covered employer on or
431 after July 1, 2010, through June 30, 2017, by the renewed member
432 or the employer on behalf of the renewed member.

433 (e) Notwithstanding s. 121.4501(4)(f), the renewed member
434 is not eligible to elect membership in the pension plan.

435 (5) A retiree of the investment plan, the State University
436 System Optional Retirement Program, the Senior Management
437 Service Optional Annuity Program, or the State Community College
438 System Optional Retirement Program who is reemployed on or after
439 July 1, 2017, in a regularly established position eligible for
440 participation in the State Community College System Optional
441 Retirement Program shall become a renewed member of the optional
442 retirement program. The renewed member must satisfy the
443 eligibility requirements of this chapter and s. 1012.875 for the
444 optional retirement program. Once enrolled, a renewed member
445 remains enrolled in the optional retirement program while



686242

446 employed in an eligible position for the optional retirement
447 program. If employment in a different covered position results
448 in the renewed member's enrollment in the investment plan, the
449 renewed member is no longer eligible to participate in the
450 optional retirement program.

451 (a) The renewed member is subject to the limitations on
452 reemployment after retirement provided in s. 121.091(9), as
453 applicable.

454 (b) The renewed member must satisfy the requirements for
455 termination from employment provided in s. 121.021(39).

456 (c) Upon renewed membership or reemployment of a retiree,
457 the employer and the renewed member shall pay the applicable
458 employer and employee contributions required under ss.
459 121.051(2)(c) and 1012.875.

460 (d) Employer and employee contributions, interest,
461 earnings, or any other funds may not be paid into a renewed
462 member's optional retirement program account for any employment
463 in a regularly established position with a covered employer on
464 or after July 1, 2010, through June 30, 2017, by the renewed
465 member or the employer on behalf of the renewed member.

466 (e) Notwithstanding s. 121.4501(4)(f), the renewed member
467 is not eligible to elect membership in the pension plan.

468 Section 6. Paragraphs (e) and (i) of subsection (2),
469 paragraph (b) of subsection (3), subsection (4), paragraph (c)
470 of subsection (5), and paragraphs (a) and (h) of subsection (10)
471 of section 121.4501, Florida Statutes, are amended to read:

472 121.4501 Florida Retirement System Investment Plan.—

473 (2) DEFINITIONS.—As used in this part, the term:

474 (e) "Eligible employee" means an officer or employee, as



686242

475 defined in s. 121.021, who:

476 1. Is a member of, or is eligible for membership in, the
477 Florida Retirement System, including any renewed member of the
478 Florida Retirement System initially enrolled before July 1,
479 2010; ~~or~~

480 2. Participates in, or is eligible to participate in, the
481 Senior Management Service Optional Annuity Program as
482 established under s. 121.055(6), the State Community College
483 System Optional Retirement Program as established under s.
484 121.051(2)(c), or the State University System Optional
485 Retirement Program established under s. 121.35; or

486 3. Is a retired member of the investment plan, the State
487 University System Optional Retirement Program, the Senior
488 Management Service Optional Annuity Program, or the State
489 Community College System Optional Retirement Program who is
490 reemployed in a regularly established position on or after July
491 1, 2017, and enrolled as a renewed member as provided in s.
492 121.122.

493
494 The term does not include any member participating in the
495 Deferred Retirement Option Program established under s.
496 121.091(13), a retiree of the pension plan who is reemployed in
497 a regularly established position on or after July 1, 2010, a
498 retiree of a state-administered retirement system initially
499 reemployed in a regularly established position on or after July
500 1, 2010, through June 30, 2017, or a mandatory participant of
501 the State University System Optional Retirement Program
502 established under s. 121.35.

503 (i) "Member" or "employee" means an eligible employee who



686242

504 enrolls in, or who defaults into, the investment plan as
505 provided in subsection (4), a terminated Deferred Retirement
506 Option Program member as described in subsection (21), or a
507 beneficiary or alternate payee of a member or employee.

508 (3) RETIREMENT SERVICE CREDIT; TRANSFER OF BENEFITS.—

509 (b) Notwithstanding paragraph (a), an eligible employee who
510 elects to participate in, or who defaults into, the investment
511 plan and establishes one or more individual member accounts may
512 elect to transfer to the investment plan a sum representing the
513 present value of the employee's accumulated benefit obligation
514 under the pension plan, except as provided in paragraph (4)(b).
515 Upon transfer, all service credit earned under the pension plan
516 is nullified for purposes of entitlement to a future benefit
517 under the pension plan. A member may not transfer the
518 accumulated benefit obligation balance from the pension plan
519 after the time period for enrolling in the investment plan has
520 expired.

521 1. For purposes of this subsection, the present value of
522 the member's accumulated benefit obligation is based upon the
523 member's estimated creditable service and estimated average
524 final compensation under the pension plan, subject to
525 recomputation under subparagraph 2. For state employees, initial
526 estimates shall be based upon creditable service and average
527 final compensation as of midnight on June 30, 2002; for district
528 school board employees, initial estimates shall be based upon
529 creditable service and average final compensation as of midnight
530 on September 30, 2002; and for local government employees,
531 initial estimates shall be based upon creditable service and
532 average final compensation as of midnight on December 31, 2002.



686242

533 The dates specified are the "estimate date" for these employees.
534 The actuarial present value of the employee's accumulated
535 benefit obligation shall be based on the following:

536 a. The discount rate and other relevant actuarial
537 assumptions used to value the Florida Retirement System Trust
538 Fund at the time the amount to be transferred is determined,
539 consistent with the factors provided in sub-subparagraphs b. and
540 c.

541 b. A benefit commencement age, based on the member's
542 estimated creditable service as of the estimate date.

543 c. Except as provided under sub-subparagraph d., for a
544 member initially enrolled:

545 (I) Before July 1, 2011, the benefit commencement age is
546 the younger of the following, but may not be younger than the
547 member's age as of the estimate date:

548 (A) Age 62; or

549 (B) The age the member would attain if the member completed
550 30 years of service with an employer, assuming the member worked
551 continuously from the estimate date, and disregarding any
552 vesting requirement that would otherwise apply under the pension
553 plan.

554 (II) On or after July 1, 2011, the benefit commencement age
555 is the younger of the following, but may not be younger than the
556 member's age as of the estimate date:

557 (A) Age 65; or

558 (B) The age the member would attain if the member completed
559 33 years of service with an employer, assuming the member worked
560 continuously from the estimate date, and disregarding any
561 vesting requirement that would otherwise apply under the pension



686242

562 plan.

563 d. For members of the Special Risk Class and for members of
564 the Special Risk Administrative Support Class entitled to retain
565 the special risk normal retirement date:

566 (I) Initially enrolled before July 1, 2011, the benefit
567 commencement age is the younger of the following, but may not be
568 younger than the member's age as of the estimate date:

569 (A) Age 55; or

570 (B) The age the member would attain if the member completed
571 25 years of service with an employer, assuming the member worked
572 continuously from the estimate date, and disregarding any
573 vesting requirement that would otherwise apply under the pension
574 plan.

575 (II) Initially enrolled on or after July 1, 2011, the
576 benefit commencement age is the younger of the following, but
577 may not be younger than the member's age as of the estimate
578 date:

579 (A) Age 60; or

580 (B) The age the member would attain if the member completed
581 30 years of service with an employer, assuming the member worked
582 continuously from the estimate date, and disregarding any
583 vesting requirement that would otherwise apply under the pension
584 plan.

585 e. The calculation must disregard vesting requirements and
586 early retirement reduction factors that would otherwise apply
587 under the pension plan.

588 2. For each member who elects to transfer moneys from the
589 pension plan to his or her account in the investment plan, the
590 division shall recompute the amount transferred under



686242

591 subparagraph 1. within 60 days after the actual transfer of
592 funds based upon the member's actual creditable service and
593 actual final average compensation as of the initial date of
594 participation in the investment plan. If the recomputed amount
595 differs from the amount transferred by \$10 or more, the division
596 shall:

597 a. Transfer, or cause to be transferred, from the Florida
598 Retirement System Trust Fund to the member's account the excess,
599 if any, of the recomputed amount over the previously transferred
600 amount together with interest from the initial date of transfer
601 to the date of transfer under this subparagraph, based upon the
602 effective annual interest equal to the assumed return on the
603 actuarial investment which was used in the most recent actuarial
604 valuation of the system, compounded annually.

605 b. Transfer, or cause to be transferred, from the member's
606 account to the Florida Retirement System Trust Fund the excess,
607 if any, of the previously transferred amount over the recomputed
608 amount, together with interest from the initial date of transfer
609 to the date of transfer under this subparagraph, based upon 6
610 percent effective annual interest, compounded annually, pro rata
611 based on the member's allocation plan.

612 3. If contribution adjustments are made as a result of
613 employer errors or corrections, including plan corrections,
614 following recomputation of the amount transferred under
615 subparagraph 1., the member is entitled to the additional
616 contributions or is responsible for returning any excess
617 contributions resulting from the correction. However, a ~~any~~
618 return of such erroneous excess pretax contribution by the plan
619 must be made within the period allowed by the Internal Revenue



686242

620 Service. The present value of the member's accumulated benefit
621 obligation may ~~shall~~ not be recalculated.

622 4. As directed by the member, the state board shall
623 transfer or cause to be transferred the appropriate amounts to
624 the designated accounts within 30 days after the effective date
625 of the member's participation in the investment plan unless the
626 major financial markets for securities available for a transfer
627 are seriously disrupted by an unforeseen event that causes the
628 suspension of trading on a ~~any~~ national securities exchange in
629 the country where the securities were issued. In that event, the
630 30-day period may be extended by a resolution of the state
631 board. Transfers are not commissionable or subject to other fees
632 and may be in the form of securities or cash, as determined by
633 the state board. Such securities are valued as of the date of
634 receipt in the member's account.

635 5. If the state board or the division receives notification
636 from the United States Internal Revenue Service that this
637 paragraph or any portion of this paragraph will cause the
638 retirement system, or a portion thereof, to be disqualified for
639 tax purposes under the Internal Revenue Code, the portion that
640 will cause the disqualification does not apply. Upon such
641 notice, the state board and the division shall notify the
642 presiding officers of the Legislature.

643 (4) PARTICIPATION; ENROLLMENT.—

644 (a)1. Effective June 1, 2002, through February 28, 2003, a
645 90-day election period was provided to each eligible employee
646 participating in the Florida Retirement System, preceded by a
647 90-day education period, permitting each eligible employee to
648 elect membership in the investment plan. An employee who failed



686242

649 to elect the investment plan during the election period remained
650 in the pension plan. An eligible employee who was employed in a
651 regularly established position during the election period was
652 granted the option to make one subsequent election, as provided
653 in paragraph (f). With respect to an eligible employee who did
654 not participate in the initial election period or who is
655 initially employed in a regularly established position after the
656 close of the initial election period but before January 1, 2018,
657 on June 1, 2002, by a state employer:

658 ~~a. Any such employee may elect to participate in the~~
659 ~~investment plan in lieu of retaining his or her membership in~~
660 ~~the pension plan. The election must be made in writing or by~~
661 ~~electronic means and must be filed with the third party~~
662 ~~administrator by August 31, 2002, or, in the case of an active~~
663 ~~employee who is on a leave of absence on April 1, 2002, by the~~
664 ~~last business day of the 5th month following the month the leave~~
665 ~~of absence concludes. This election is irrevocable, except as~~
666 ~~provided in paragraph (g). Upon making such election, the~~
667 ~~employee shall be enrolled as a member of the investment plan,~~
668 ~~the employee's membership in the Florida Retirement System is~~
669 ~~governed by the provisions of this part, and the employee's~~
670 ~~membership in the pension plan terminates. The employee's~~
671 ~~enrollment in the investment plan is effective the first day of~~
672 ~~the month for which a full month's employer contribution is made~~
673 ~~to the investment plan.~~

674 ~~b. Any such employee who fails to elect to participate in~~
675 ~~the investment plan within the prescribed time period is deemed~~
676 ~~to have elected to retain membership in the pension plan, and~~
677 ~~the employee's option to elect to participate in the investment~~



686242

678 ~~plan is forfeited.~~

679 ~~2. With respect to employees who become eligible to~~
680 ~~participate in the investment plan by reason of employment in a~~
681 ~~regularly established position with a state employer commencing~~
682 ~~after April 1, 2002:~~

683 ~~a. Any~~ such employee shall, by default, be enrolled in the
684 pension plan at the commencement of employment, and may, by the
685 last business day of the 5th month following the employee's
686 month of hire, elect to participate in the investment plan. The
687 employee's election must be made in writing or by electronic
688 means and must be filed with the third-party administrator. The
689 election to participate in the investment plan is irrevocable,
690 except as provided in paragraph (f) ~~(g)~~.

691 ~~a.b.~~ If the employee files such election within the
692 prescribed time period, enrollment in the investment plan is
693 effective on the first day of employment. The retirement
694 contributions paid through the month of the employee plan change
695 shall be transferred to the investment program, and, effective
696 the first day of the next month, the employer and employee must
697 pay the applicable contributions based on the employee
698 membership class in the program.

699 ~~b.e.~~ An employee who fails to elect to participate in the
700 investment plan within the prescribed time period is deemed to
701 have elected to retain membership in the pension plan, and the
702 employee's option to elect to participate in the investment plan
703 is forfeited.

704 ~~2.3.~~ With respect to employees who become eligible to
705 participate in the investment plan pursuant to s.
706 121.051(2)(c)3. or s. 121.35(3)(i), the employee may elect to



686242

707 participate in the investment plan in lieu of retaining his or
708 her membership in the State Community College System Optional
709 Retirement Program or the State University System Optional
710 Retirement Program. The election must be made in writing or by
711 electronic means and must be filed with the third-party
712 administrator. This election is irrevocable, except as provided
713 in paragraph (f) ~~(g)~~. Upon making such election, the employee
714 shall be enrolled as a member in the investment plan, the
715 employee's membership in the Florida Retirement System is
716 governed by the provisions of this part, and the employee's
717 participation in the State Community College System Optional
718 Retirement Program or the State University System Optional
719 Retirement Program terminates. The employee's enrollment in the
720 investment plan is effective on the first day of the month for
721 which a full month's employer and employee contribution is made
722 to the investment plan.

723 (b)1. With respect to employees who become eligible to
724 participate in the investment plan by reason of employment in a
725 regularly established position commencing on or after January 1,
726 2018, or who did not complete an election window before January
727 1, 2018, any such employee shall be enrolled in the pension plan
728 at the commencement of employment and may, by the last business
729 day of the eighth month following the employee's month of hire,
730 elect to participate in the pension plan or the investment plan.
731 Eligible employees may make a plan election only if they are
732 earning service credit in an employer-employee relationship
733 consistent with s. 121.021(17)(b), excluding leaves of absence
734 without pay.

735 2. The employee's election must be made in writing or by



686242

736 electronic means and must be filed with the third-party
737 administrator. The election to participate in the pension plan
738 or investment plan is irrevocable, except as provided in
739 paragraph (f).

740 3.a. Except as provided in sub-subparagraph b., if the
741 employee fails to make an election to either the pension plan or
742 the investment plan during the 8-month period following the
743 month of hire, the employee is deemed to have elected the
744 investment plan and shall default into the investment plan
745 retroactively to the employee's date of employment. The
746 employee's option to participate in the pension plan is
747 forfeited, except as provided in paragraph (f).

748 b. If the employee is employed in a position included in
749 the Special Risk Class and fails to make an election to either
750 the pension plan or the investment plan during the 8-month
751 period following the month of hire, the employee is deemed to
752 have elected the pension plan and shall default into the pension
753 plan retroactively to the employee's date of employment. The
754 employee's option to participate in the investment plan is
755 forfeited, except as provided in paragraph (f).

756 4. The amount of the employee and employer contributions
757 paid through the date of default to the investment plan shall be
758 transferred to the investment plan and shall be placed in a
759 default fund as designated by the State Board of Administration.
760 The employee may move the contributions once an account is
761 activated in the investment plan.

762 5. Effective the first day of the month after an eligible
763 employee makes a plan election of the pension plan or the
764 investment plan, or the first day of the month after default to



686242

765 the investment plan, the employee and employer shall pay the
766 applicable contributions based on the employee membership class
767 in the program.

768 ~~4. For purposes of this paragraph, "state employer" means~~
769 ~~any agency, board, branch, commission, community college,~~
770 ~~department, institution, institution of higher education, or~~
771 ~~water management district of the state, which participates in~~
772 ~~the Florida Retirement System for the benefit of certain~~
773 ~~employees.~~

774 ~~(b)1. With respect to an eligible employee who is employed~~
775 ~~in a regularly established position on September 1, 2002, by a~~
776 ~~district school board employer:~~

777 ~~a. Any such employee may elect to participate in the~~
778 ~~investment plan in lieu of retaining his or her membership in~~
779 ~~the pension plan. The election must be made in writing or by~~
780 ~~electronic means and must be filed with the third party~~
781 ~~administrator by November 30, or, in the case of an active~~
782 ~~employee who is on a leave of absence on July 1, 2002, by the~~
783 ~~last business day of the 5th month following the month the leave~~
784 ~~of absence concludes. This election is irrevocable, except as~~
785 ~~provided in paragraph (g). Upon making such election, the~~
786 ~~employee shall be enrolled as a member of the investment plan,~~
787 ~~the employee's membership in the Florida Retirement System is~~
788 ~~governed by the provisions of this part, and the employee's~~
789 ~~membership in the pension plan terminates. The employee's~~
790 ~~enrollment in the investment plan is effective the first day of~~
791 ~~the month for which a full month's employer contribution is made~~
792 ~~to the investment program.~~

793 ~~b. Any such employee who fails to elect to participate in~~



686242

794 ~~the investment plan within the prescribed time period is deemed~~
795 ~~to have elected to retain membership in the pension plan, and~~
796 ~~the employee's option to elect to participate in the investment~~
797 ~~plan is forfeited.~~

798 ~~2. With respect to employees who become eligible to~~
799 ~~participate in the investment plan by reason of employment in a~~
800 ~~regularly established position with a district school board~~
801 ~~employer commencing after July 1, 2002:~~

802 ~~a. Any such employee shall, by default, be enrolled in the~~
803 ~~pension plan at the commencement of employment, and may, by the~~
804 ~~last business day of the 5th month following the employee's~~
805 ~~month of hire, elect to participate in the investment plan. The~~
806 ~~employee's election must be made in writing or by electronic~~
807 ~~means and must be filed with the third-party administrator. The~~
808 ~~election to participate in the investment plan is irrevocable,~~
809 ~~except as provided in paragraph (g).~~

810 ~~b. If the employee files such election within the~~
811 ~~prescribed time period, enrollment in the investment plan is~~
812 ~~effective on the first day of employment. The employer~~
813 ~~retirement contributions paid through the month of the employee~~
814 ~~plan change shall be transferred to the investment plan, and,~~
815 ~~effective the first day of the next month, the employer shall~~
816 ~~pay the applicable contributions based on the employee~~
817 ~~membership class in the investment plan.~~

818 ~~e. Any such employee who fails to elect to participate in~~
819 ~~the investment plan within the prescribed time period is deemed~~
820 ~~to have elected to retain membership in the pension plan, and~~
821 ~~the employee's option to elect to participate in the investment~~
822 ~~plan is forfeited.~~



686242

823 ~~3. For purposes of this paragraph, "district school board~~
824 ~~employer" means any district school board that participates in~~
825 ~~the Florida Retirement System for the benefit of certain~~
826 ~~employees, or a charter school or charter technical career~~
827 ~~center that participates in the Florida Retirement System as~~
828 ~~provided in s. 121.051(2) (d).~~

829 ~~(c)1. With respect to an eligible employee who is employed~~
830 ~~in a regularly established position on December 1, 2002, by a~~
831 ~~local employer:~~

832 ~~a. Any such employee may elect to participate in the~~
833 ~~investment plan in lieu of retaining his or her membership in~~
834 ~~the pension plan. The election must be made in writing or by~~
835 ~~electronic means and must be filed with the third party~~
836 ~~administrator by February 28, 2003, or, in the case of an active~~
837 ~~employee who is on a leave of absence on October 1, 2002, by the~~
838 ~~last business day of the 5th month following the month the leave~~
839 ~~of absence concludes. This election is irrevocable, except as~~
840 ~~provided in paragraph (g). Upon making such election, the~~
841 ~~employee shall be enrolled as a participant of the investment~~
842 ~~plan, the employee's membership in the Florida Retirement System~~
843 ~~is governed by the provisions of this part, and the employee's~~
844 ~~membership in the pension plan terminates. The employee's~~
845 ~~enrollment in the investment plan is effective the first day of~~
846 ~~the month for which a full month's employer contribution is made~~
847 ~~to the investment plan.~~

848 ~~b. Any such employee who fails to elect to participate in~~
849 ~~the investment plan within the prescribed time period is deemed~~
850 ~~to have elected to retain membership in the pension plan, and~~
851 ~~the employee's option to elect to participate in the investment~~



686242

852 ~~plan is forfeited.~~

853 ~~2. With respect to employees who become eligible to~~
854 ~~participate in the investment plan by reason of employment in a~~
855 ~~regularly established position with a local employer commencing~~
856 ~~after October 1, 2002:~~

857 ~~a. Any such employee shall, by default, be enrolled in the~~
858 ~~pension plan at the commencement of employment, and may, by the~~
859 ~~last business day of the 5th month following the employee's~~
860 ~~month of hire, elect to participate in the investment plan. The~~
861 ~~employee's election must be made in writing or by electronic~~
862 ~~means and must be filed with the third-party administrator. The~~
863 ~~election to participate in the investment plan is irrevocable,~~
864 ~~except as provided in paragraph (g).~~

865 ~~b. If the employee files such election within the~~
866 ~~prescribed time period, enrollment in the investment plan is~~
867 ~~effective on the first day of employment. The employer~~
868 ~~retirement contributions paid through the month of the employee~~
869 ~~plan change shall be transferred to the investment plan, and,~~
870 ~~effective the first day of the next month, the employer shall~~
871 ~~pay the applicable contributions based on the employee~~
872 ~~membership class in the investment plan.~~

873 ~~c. Any such employee who fails to elect to participate in~~
874 ~~the investment plan within the prescribed time period is deemed~~
875 ~~to have elected to retain membership in the pension plan, and~~
876 ~~the employee's option to elect to participate in the investment~~
877 ~~plan is forfeited.~~

878 ~~3. For purposes of this paragraph, "local employer" means~~
879 ~~any employer not included in paragraph (a) or paragraph (b).~~

880 ~~(c)(d) Contributions available for self-direction by a~~



686242

881 member who has not selected one or more specific investment
882 products shall be allocated as prescribed by the state board.
883 The third-party administrator shall notify the member at least
884 quarterly that the member should take an affirmative action to
885 make an asset allocation among the investment products.

886 (d)~~(e)~~ On or after July 1, 2011, a member of the pension
887 plan who obtains a refund of employee contributions retains his
888 or her prior plan choice upon return to employment in a
889 regularly established position with a participating employer.

890 (e)1.~~(f)~~ A member of the investment plan who takes a
891 distribution of any contributions from his or her investment
892 plan account is considered a retiree. A retiree who is initially
893 reemployed in a regularly established position on or after July
894 1, 2010, through June 30, 2017, is not eligible for ~~to be~~
895 ~~enrolled in~~ renewed membership, except as provided in s.
896 121.122.

897 2. A retiree who is reemployed on or after July 1, 2017,
898 shall be enrolled as a renewed member as provided in s. 121.122.

899 (f)~~(g)~~ After the period during which an eligible employee
900 had the choice to elect the pension plan or the investment plan,
901 or the month following the receipt of the eligible employee's
902 plan election, if sooner, the employee shall have one
903 opportunity, at the employee's discretion, to choose to move
904 from the pension plan to the investment plan or from the
905 investment plan to the pension plan. Eligible employees may
906 elect to move between plans only if they are earning service
907 credit in an employer-employee relationship consistent with s.
908 121.021(17)(b), excluding leaves of absence without pay.
909 Effective July 1, 2005, such elections are effective on the



686242

910 first day of the month following the receipt of the election by
911 the third-party administrator and are not subject to the
912 requirements regarding an employer-employee relationship or
913 receipt of contributions for the eligible employee in the
914 effective month, except when the election is received by the
915 third-party administrator. This paragraph is contingent upon
916 approval by the Internal Revenue Service.

917 1. If the employee chooses to move to the investment plan,
918 the provisions of subsection (3) govern the transfer.

919 2. If the employee chooses to move to the pension plan, the
920 employee must transfer from his or her investment plan account,
921 and from other employee moneys as necessary, a sum representing
922 the present value of that employee's accumulated benefit
923 obligation immediately following the time of such movement,
924 determined assuming that attained service equals the sum of
925 service in the pension plan and service in the investment plan.
926 Benefit commencement occurs on the first date the employee is
927 eligible for unreduced benefits, using the discount rate and
928 other relevant actuarial assumptions that were used to value the
929 pension plan liabilities in the most recent actuarial valuation.
930 For any employee who, at the time of the second election,
931 already maintains an accrued benefit amount in the pension plan,
932 the then-present value of the accrued benefit is deemed part of
933 the required transfer amount. The division must ensure that the
934 transfer sum is prepared using a formula and methodology
935 certified by an enrolled actuary. A refund of any employee
936 contributions or additional member payments made which exceed
937 the employee contributions that would have accrued had the
938 member remained in the pension plan and not transferred to the



686242

939 investment plan is not permitted.

940 3. Notwithstanding subparagraph 2., an employee who chooses
941 to move to the pension plan and who became eligible to
942 participate in the investment plan by reason of employment in a
943 regularly established position with a state employer after June
944 1, 2002; a district school board employer after September 1,
945 2002; or a local employer after December 1, 2002, must transfer
946 from his or her investment plan account, and from other employee
947 moneys as necessary, a sum representing the employee's actuarial
948 accrued liability. A refund of any employee contributions or
949 additional member ~~participant~~ payments made which exceed the
950 employee contributions that would have accrued had the member
951 remained in the pension plan and not transferred to the
952 investment plan is not permitted.

953 4. An employee's ability to transfer from the pension plan
954 to the investment plan pursuant to paragraphs (a) and (b) ~~(a)~~
955 ~~(d)~~, and the ability of a current employee to have an option to
956 later transfer back into the pension plan under subparagraph 2.,
957 shall be deemed a significant system amendment. Pursuant to s.
958 121.031(4), any resulting unfunded liability arising from actual
959 original transfers from the pension plan to the investment plan
960 must be amortized within 30 plan years as a separate unfunded
961 actuarial base independent of the reserve stabilization
962 mechanism defined in s. 121.031(3)(f). For the first 25 years, a
963 direct amortization payment may not be calculated for this base.
964 During this 25-year period, the separate base shall be used to
965 offset the impact of employees exercising their second program
966 election under this paragraph. The actuarial funded status of
967 the pension plan will not be affected by such second program



686242

968 elections in any significant manner, after due recognition of
969 the separate unfunded actuarial base. Following the initial 25-
970 year period, any remaining balance of the original separate base
971 shall be amortized over the remaining 5 years of the required
972 30-year amortization period.

973 5. If the employee chooses to transfer from the investment
974 plan to the pension plan and retains an excess account balance
975 in the investment plan after satisfying the buy-in requirements
976 under this paragraph, the excess may not be distributed until
977 the member retires from the pension plan. The excess account
978 balance may be rolled over to the pension plan and used to
979 purchase service credit or upgrade creditable service in the
980 pension plan.

981 (5) CONTRIBUTIONS.—

982 (c) The state board, acting as plan fiduciary, must ensure
983 that all plan assets are held in a trust, pursuant to s. 401 of
984 the Internal Revenue Code. The fiduciary must ensure that such
985 contributions are allocated as follows:

986 1. The employer and employee contribution portion earmarked
987 for member accounts shall be used to purchase interests in the
988 appropriate investment vehicles as specified by the member, or
989 in accordance with paragraph (4)(c) ~~(4)(d)~~.

990 2. The employer contribution portion earmarked for
991 administrative and educational expenses shall be transferred to
992 the state board's Administrative Trust Fund.

993 3. The employer contribution portion earmarked for
994 disability benefits and line-of-duty death benefits shall be
995 transferred to the Florida Retirement System Trust Fund.

996 (10) EDUCATION COMPONENT.—



686242

997 (a) The state board, in coordination with the department,
998 shall provide for an education component for eligible employees
999 ~~system members~~ in a manner consistent with ~~the provisions of~~
1000 this subsection ~~section~~. ~~The education component must be~~
1001 ~~available to eligible employees at least 90 days prior to the~~
1002 ~~beginning date of the election period for the employees of the~~
1003 ~~respective types of employers.~~

1004 ~~(h) Pursuant to subsection (8), all Florida Retirement~~
1005 ~~System employers have an obligation to regularly communicate the~~
1006 ~~existence of the two Florida Retirement System plans and the~~
1007 ~~plan choice in the natural course of administering their~~
1008 ~~personnel functions, using the educational materials supplied by~~
1009 ~~the state board and the Department of Management Services.~~

1010 Section 7. Subsection (4) of section 121.591, Florida
1011 Statutes, is amended to read:

1012 121.591 Payment of benefits.—Benefits may not be paid under
1013 the Florida Retirement System Investment Plan unless the member
1014 has terminated employment as provided in s. 121.021(39) (a) or is
1015 deceased and a proper application has been filed as prescribed
1016 by the state board or the department. Benefits, including
1017 employee contributions, are not payable under the investment
1018 plan for employee hardships, unforeseeable emergencies, loans,
1019 medical expenses, educational expenses, purchase of a principal
1020 residence, payments necessary to prevent eviction or foreclosure
1021 on an employee's principal residence, or any other reason except
1022 a requested distribution for retirement, a mandatory de minimis
1023 distribution authorized by the administrator, or a required
1024 minimum distribution provided pursuant to the Internal Revenue
1025 Code. The state board or department, as appropriate, may cancel



686242

1026 an application for retirement benefits if the member or
1027 beneficiary fails to timely provide the information and
1028 documents required by this chapter and the rules of the state
1029 board and department. In accordance with their respective
1030 responsibilities, the state board and the department shall adopt
1031 rules establishing procedures for application for retirement
1032 benefits and for the cancellation of such application if the
1033 required information or documents are not received. The state
1034 board and the department, as appropriate, are authorized to cash
1035 out a de minimis account of a member who has been terminated
1036 from Florida Retirement System covered employment for a minimum
1037 of 6 calendar months. A de minimis account is an account
1038 containing employer and employee contributions and accumulated
1039 earnings of not more than \$5,000 made under the provisions of
1040 this chapter. Such cash-out must be a complete lump-sum
1041 liquidation of the account balance, subject to the provisions of
1042 the Internal Revenue Code, or a lump-sum direct rollover
1043 distribution paid directly to the custodian of an eligible
1044 retirement plan, as defined by the Internal Revenue Code, on
1045 behalf of the member. Any nonvested accumulations and associated
1046 service credit, including amounts transferred to the suspense
1047 account of the Florida Retirement System Investment Plan Trust
1048 Fund authorized under s. 121.4501(6), shall be forfeited upon
1049 payment of any vested benefit to a member or beneficiary, except
1050 for de minimis distributions or minimum required distributions
1051 as provided under this section. If any financial instrument
1052 issued for the payment of retirement benefits under this section
1053 is not presented for payment within 180 days after the last day
1054 of the month in which it was originally issued, the third-party



686242

1055 administrator or other duly authorized agent of the state board
1056 shall cancel the instrument and credit the amount of the
1057 instrument to the suspense account of the Florida Retirement
1058 System Investment Plan Trust Fund authorized under s.
1059 121.4501(6). Any amounts transferred to the suspense account are
1060 payable upon a proper application, not to include earnings
1061 thereon, as provided in this section, within 10 years after the
1062 last day of the month in which the instrument was originally
1063 issued, after which time such amounts and any earnings
1064 attributable to employer contributions shall be forfeited. Any
1065 forfeited amounts are assets of the trust fund and are not
1066 subject to chapter 717.

1067 (4) LINE-OF-DUTY DEATH BENEFITS FOR INVESTMENT PLAN ~~SPECIAL~~
1068 ~~RISK CLASS MEMBERS.~~—Benefits are provided under this subsection
1069 to the spouse and child or children of members in the investment
1070 plan ~~Special Risk Class~~ when such members are killed in the line
1071 of duty and are payable in lieu of the benefits that would
1072 otherwise be payable under subsection (1) or subsection (3).
1073 Benefits provided by this subsection supersede any other
1074 distribution that may have been provided by the member's
1075 designation of beneficiary. Such benefits must be funded from
1076 employer contributions made under s. 121.571, transferred
1077 employee contributions and funds accumulated pursuant to
1078 paragraph (a), and interest and earnings thereon.

1079 (a) *Transfer of funds.*—To qualify to receive monthly
1080 benefits under this subsection:

1081 1. All moneys accumulated in the member's account,
1082 including vested and nonvested accumulations as described in s.
1083 121.4501(6), must be transferred from such individual accounts



686242

1084 to the division for deposit in the survivor benefit account of
1085 the Florida Retirement System Trust Fund. Moneys in the survivor
1086 benefit account must be accounted for separately. Earnings must
1087 be credited on an annual basis for amounts held in the survivor
1088 benefit account of the Florida Retirement System Trust Fund
1089 based on actual earnings of the trust fund.

1090 2. If the member has retained retirement credit earned
1091 under the pension plan as provided in s. 121.4501(3), a sum
1092 representing the actuarial present value of such credit within
1093 the Florida Retirement System Trust Fund shall be transferred by
1094 the division from the pension plan to the survivor benefit
1095 retirement program as implemented under this subsection and
1096 shall be deposited in the survivor benefit account of the trust
1097 fund.

1098 (b) *Survivor retirement; entitlement.*—An investment plan
1099 member who is ~~in the Special Risk Class at the time the member~~
1100 ~~is~~ killed in the line of duty on or after July 1, 2002 ~~2013~~,
1101 regardless of length of creditable service, may have survivor
1102 benefits paid as provided in s. 121.091(7) (d) and (i) to:

- 1103 1. The surviving spouse for the spouse's lifetime; or
1104 2. If there is no surviving spouse or the surviving spouse
1105 dies, the member's child or children under 18 years of age and
1106 unmarried until the 18th birthday of the member's youngest
1107 child. Such payments may be extended until the 25th birthday of
1108 any child of the member if the child is unmarried and enrolled
1109 as a full-time student as provided in s. 121.091(7) (d) and (i).

1110 (c) *Survivor benefit retirement effective date.*—

- 1111 1. The effective retirement date for the surviving spouse
1112 or eligible child of a Special Risk Class member who is killed



686242

1113 in the line of duty is:

1114 a.1. The first day of the month following the member's
1115 death if the member dies on or after July 1, 2016.

1116 b.2. July 1, 2016, for a member of the Special Risk Class
1117 when killed in the line of duty on or after July 1, 2013, but
1118 before July 1, 2016, if the application is received before July
1119 1, 2016; or the first day of the month following the receipt of
1120 such application.

1121 2. Except as provided in subparagraph 1., the effective
1122 retirement date for the surviving spouse or eligible child of an
1123 investment plan member who is killed in the line of duty is:

1124 a. The first day of the month following the member's death
1125 if the member dies on or after July 1, 2017.

1126 b. July 1, 2017, if the member is killed in the line of
1127 duty on or after July 1, 2002, but before July 1, 2017, if the
1128 application is received before July 1, 2017; or the first day of
1129 the month following the receipt of such application.

1130
1131 If the investment plan account balance has already been paid out
1132 to the surviving spouse or the eligible unmarried dependent
1133 child or children, the benefit payable shall be actuarially
1134 reduced by the amount of the payout.

1135 (d) *Line-of-duty death benefit.*—

1136 1. The following individuals are eligible to receive a
1137 retirement benefit under s. 121.091(7)(d) and (i) if the
1138 member's account balance is surrendered and an application is
1139 received and approved:

1140 a. The surviving spouse.

1141 b. If there is no surviving spouse or the surviving spouse



686242

1142 dies, the member's child or children under 18 years of age and
1143 unmarried until the 18th birthday of the member's youngest
1144 child, or until the 25th birthday of the member's child if the
1145 child is unmarried and enrolled as a full-time student.

1146 2. Such surviving spouse or such child or children shall
1147 receive a monthly survivor benefit that begins accruing on the
1148 first day of the month of survivor benefit retirement, as
1149 approved by the division, and is payable on the last day of that
1150 month and each month thereafter during the surviving spouse's
1151 lifetime or on behalf of the unmarried children of the member
1152 until the 18th birthday of the youngest child, or until the 25th
1153 birthday of any of the member's unmarried children who are
1154 enrolled as full-time students. Survivor benefits must be paid
1155 out of the survivor benefit account of the Florida Retirement
1156 System Trust Fund established under this subsection.

1157
1158 If the investment plan account balance has already been paid out
1159 to the surviving spouse or the eligible unmarried dependent
1160 child or children, the benefit payable shall be actuarially
1161 reduced by the amount of the payout.

1162 (e) *Computation of survivor benefit retirement benefit.*—The
1163 amount of each monthly payment must be calculated as provided
1164 under s. 121.091(7)(d) and (i).

1165 (f) *Death of the surviving spouse or children.*—

1166 1. Upon the death of a surviving spouse, the monthly
1167 benefits shall be paid through the last day of the month of
1168 death and shall terminate or be paid on behalf of the unmarried
1169 child or children until the 18th birthday of the youngest child,
1170 or the 25th birthday of any of the member's unmarried children



686242

1171 who are enrolled as full-time students.

1172 2. If the surviving spouse dies and the benefits are being
1173 paid on behalf of the member's unmarried children as provided in
1174 subparagraph 1., benefits shall be paid through the last day of
1175 the month until the later of the month the youngest child
1176 reaches his or her 18th birthday, the month of the 25th birthday
1177 of any of the member's unmarried children enrolled as full-time
1178 students, or the month of the death of the youngest child.

1179 Section 8. Section 121.5912, Florida Statutes, is amended
1180 to read:

1181 121.5912 Survivor benefit retirement program; qualified
1182 status; rulemaking authority.—It is the intent of the
1183 Legislature that the survivor benefit retirement program for
1184 ~~Special Risk Class~~ members of the Florida Retirement System
1185 Investment Plan meet all applicable requirements for a qualified
1186 plan. If the state board or the division receives notification
1187 from the Internal Revenue Service that this program or any
1188 portion of this program will cause the retirement system, or any
1189 portion thereof, to be disqualified for tax purposes under the
1190 Internal Revenue Code, the portion that will cause the
1191 disqualification does not apply. Upon such notice, the state
1192 board or the division shall notify the presiding officers of the
1193 Legislature. The state board and the department may adopt any
1194 rules necessary to maintain the qualified status of the survivor
1195 benefit retirement program.

1196 Section 9. Subsections (1) and (3) of section 121.735,
1197 Florida Statutes, are amended to read:

1198 121.735 Allocations for member line-of-duty death benefits;
1199 percentage amounts.—



686242

1200 (1) The allocations established in subsection (3) shall be
1201 used to provide line-of-duty death benefit coverage for ~~Special~~
1202 ~~Risk Class~~ members in the investment plan and shall be
1203 transferred monthly by the division from the Florida Retirement
1204 System Contributions Clearing Trust Fund to the survivor benefit
1205 account of the Florida Retirement System Trust Fund.

1206 (3) Effective July 1, 2017 ~~2016~~, allocations from the
1207 Florida Retirement System Contributions Clearing Trust Fund to
1208 provide line-of-duty death benefits for ~~Special Risk Class~~
1209 members in the investment plan and to offset the costs of
1210 administering said coverage, are as follows:

1211	Membership Class	Percentage of Gross Compensation
1212		
1213		
1214	<u>Regular Class</u>	<u>0.05%</u>
1215	Special Risk Class	<u>1.15%</u> 0.82%
	<u>Special Risk Administrative</u>	
	<u>Support Class</u>	<u>0.03%</u>
1216	<u>Elected Officers' Class-</u>	
	<u>Legislators, Governor,</u>	
	<u>Lt. Governor, Cabinet</u>	
	<u>Officers,</u>	
	<u>State Attorneys, Public</u>	<u>0.15%</u>



686242

Defenders

1217

Elected Officers' Class-

Justices, Judges

0.09%

1218

Elected Officers' Class-

County Elected Officers

0.20%

1219

Senior Management Service

Class

0.05%

1220

1221

1222

1223

1224

1225

1226

1227

1228

1229

1230

1231

1232

1233

1234

1235

1236

1237

1238

Section 10. The Legislature shall review the current status of research programs, funded wholly or in part by the General Appropriations Act, which study the incidence of cancer in firefighters. This review must be conducted before the convening of the 2018 Regular Session of the Legislature to determine whether any further statutory changes are necessary as a result of the enactment of s. 112.1816, Florida Statutes, by this act.

Section 11. (1) In order to fund the benefit changes provided in this act, the required employer contribution rate for members of the Florida Retirement System established in s. 121.71(4), Florida Statutes, are adjusted as follows:

(a) The Regular Class is increased by 0.01 percentage point.

(b) The Special Risk Class is increased by 0.06 percentage point.

(c) The Special Risk Administrative Support Class is increased by 0.02 percentage point.



686242

1239 (d) The Elected Officers' Class—Legislators, Governor, Lt.
1240 Governor, Cabinet Officers, State Attorneys, and Public
1241 Defenders is increased by 0.04 percentage point.

1242 (e) The Elected Officers' Class—Justices, Judges is
1243 increased by 0.01 percentage point.

1244 (f) The Elected Officers' Class—County Elected Officers is
1245 increased by 0.06 percentage point.

1246 (g) The Senior Management Service Class is increased by
1247 0.01 percentage point.

1248 (2) In order to fund the benefit changes provided in this
1249 act, the required employer contribution rate for the unfunded
1250 actuarial liability of the Florida Retirement System established
1251 in s. 121.71(5), Florida Statutes, for the Special Risk Class is
1252 increased by 0.12 percentage point.

1253 (3) The adjustments provided in subsections (1) and (2) are
1254 in addition to any other changes to such contribution rates
1255 which may be enacted into law to take effect on July 1, 2017.
1256 The Division of Law Revision and Information is directed to
1257 adjust accordingly the contribution rates provided in s. 121.71,
1258 Florida Statutes.

1259 Section 12. The Legislature finds that a proper and
1260 legitimate state purpose is served when employees and retirees
1261 of the state and its political subdivisions, and the dependents,
1262 survivors, and beneficiaries of such employees and retirees, are
1263 extended the basic protections afforded by governmental
1264 retirement systems. These persons must be provided benefits that
1265 are fair and adequate and that are managed, administered, and
1266 funded in an actuarially sound manner, as required by s. 14,
1267 Article X of the State Constitution and part VII of chapter 112,



686242

1268 Florida Statutes. Therefore, the Legislature determines and
1269 declares that this act fulfills an important state interest.

1270 Section 13. Subsection (2) and paragraphs (b), (f), (h),
1271 and (j) of subsection (3) of section 110.123, Florida Statutes,
1272 are amended, and paragraph (k) is added to subsection (3) of
1273 that section, to read:

1274 110.123 State group insurance program.—

1275 (2) DEFINITIONS.—As used in ss. 110.123-110.1239 ~~this~~
1276 ~~section~~, the term:

1277 (a) "Department" means the Department of Management
1278 Services.

1279 (b) "Enrollee" means all state officers and employees,
1280 retired state officers and employees, surviving spouses of
1281 deceased state officers and employees, and terminated employees
1282 or individuals with continuation coverage who are enrolled in an
1283 insurance plan offered by the state group insurance program.

1284 "Enrollee" includes all state university officers and employees,
1285 retired state university officers and employees, surviving
1286 spouses of deceased state university officers and employees, and
1287 terminated state university employees or individuals with
1288 continuation coverage who are enrolled in an insurance plan
1289 offered by the state group insurance program.

1290 (c) "Full-time state employees" means employees of all
1291 branches or agencies of state government holding salaried
1292 positions who are paid by state warrant or from agency funds and
1293 who work or are expected to work an average of at least 30 or
1294 more hours per week; employees paid from regular salary
1295 appropriations for 8 months' employment, including university
1296 personnel on academic contracts; and employees paid from other-



686242

1297 personal-services (OPS) funds as described in subparagraphs 1.
1298 and 2. The term includes all full-time employees of the state
1299 universities. The term does not include seasonal workers who are
1300 paid from OPS funds.

1301 1. For persons hired before April 1, 2013, the term
1302 includes any person paid from OPS funds who:

1303 a. Has worked an average of at least 30 hours or more per
1304 week during the initial measurement period from April 1, 2013,
1305 through September 30, 2013; or

1306 b. Has worked an average of at least 30 hours or more per
1307 week during a subsequent measurement period.

1308 2. For persons hired after April 1, 2013, the term includes
1309 any person paid from OPS funds who:

1310 a. Is reasonably expected to work an average of at least 30
1311 hours or more per week; or

1312 b. Has worked an average of at least 30 hours or more per
1313 week during the person's measurement period.

1314 (d) "Health maintenance organization" or "HMO" means an
1315 entity certified under part I of chapter 641.

1316 (e) "Health plan member" means any person participating in
1317 a state group health insurance plan, a TRICARE supplemental
1318 insurance plan, or a health maintenance organization plan under
1319 the state group insurance program, including enrollees and
1320 covered dependents thereof.

1321 (f) "Part-time state employee" means an employee of any
1322 branch or agency of state government paid by state warrant from
1323 salary appropriations or from agency funds, and who is employed
1324 for less than an average of 30 hours per week or, if on academic
1325 contract or seasonal or other type of employment which is less



686242

1326 than year-round, is employed for less than 8 months during any
1327 12-month period, but does not include a person paid from other-
1328 personal-services (OPS) funds. The term includes all part-time
1329 employees of the state universities.

1330 (g) "Plan year" means a calendar year.

1331 (h)~~(g)~~ "Retired state officer or employee" or "retiree"
1332 means any state or state university officer or employee who
1333 retires under a state retirement system or a state optional
1334 annuity or retirement program or is placed on disability
1335 retirement, and who was insured under the state group insurance
1336 program at the time of retirement, and who begins receiving
1337 retirement benefits immediately after retirement from state or
1338 state university office or employment. The term also includes
1339 any state officer or state employee who retires under the
1340 Florida Retirement System Investment Plan established under part
1341 II of chapter 121 if he or she:

1342 1. Meets the age and service requirements to qualify for
1343 normal retirement as set forth in s. 121.021(29); or

1344 2. Has attained the age specified by s. 72(t)(2)(A)(i) of
1345 the Internal Revenue Code and has 6 years of creditable service.

1346 (i)~~(h)~~ "State agency" or "agency" means any branch,
1347 department, or agency of state government. "State agency" or
1348 "agency" includes any state university for purposes of this
1349 section only.

1350 (j)~~(i)~~ "Seasonal workers" has the same meaning as provided
1351 under 29 C.F.R. s. 500.20(s)(1).

1352 (k)~~(j)~~ "State group health insurance plan or plans" or
1353 "state plan or plans" mean the state self-insured health
1354 insurance plan or plans offered to state officers and employees,



686242

1355 retired state officers and employees, and surviving spouses of
1356 deceased state officers and employees pursuant to this section.

1357 (l)~~(k)~~ "State-contracted HMO" means any health maintenance
1358 organization under contract with the department to participate
1359 in the state group insurance program.

1360 (m)~~(l)~~ "State group insurance program" or "programs" means
1361 the package of insurance plans offered to state officers and
1362 employees, retired state officers and employees, and surviving
1363 spouses of deceased state officers and employees pursuant to
1364 this section, including the state group health insurance plan or
1365 plans, health maintenance organization plans, TRICARE
1366 supplemental insurance plans, and other plans required or
1367 authorized by law.

1368 (n)~~(m)~~ "State officer" means any constitutional state
1369 officer, any elected state officer paid by state warrant, or any
1370 appointed state officer who is commissioned by the Governor and
1371 who is paid by state warrant.

1372 (o)~~(n)~~ "Surviving spouse" means the widow or widower of a
1373 deceased state officer, full-time state employee, part-time
1374 state employee, or retiree if such widow or widower was covered
1375 as a dependent under the state group health insurance plan,~~a~~
1376 TRICARE supplemental insurance plan, or a health maintenance
1377 organization plan established pursuant to this section at the
1378 time of the death of the deceased officer, employee, or retiree.
1379 "Surviving spouse" also means any widow or widower who is
1380 receiving or eligible to receive a monthly state warrant from a
1381 state retirement system as the beneficiary of a state officer,
1382 full-time state employee, or retiree who died prior to July 1,
1383 1979. For the purposes of this section, any such widow or



686242

1384 widower shall cease to be a surviving spouse upon his or her
1385 remarriage.

1386 (p) ~~(e)~~ "TRICARE supplemental insurance plan" means the
1387 Department of Defense Health Insurance Program for eligible
1388 members of the uniformed services authorized by 10 U.S.C. s.
1389 1097.

1390 (3) STATE GROUP INSURANCE PROGRAM.—

1391 (b) It is the intent of the Legislature to offer a
1392 comprehensive package of health insurance and retirement
1393 benefits and a personnel system for state employees which are
1394 provided in a cost-efficient and prudent manner, and to allow
1395 state employees the option to choose benefit plans which best
1396 suit their individual needs. ~~Therefore,~~ The state group
1397 insurance program ~~is established which~~ may include the state
1398 group health insurance plan or plans, health maintenance
1399 organization plans, group life insurance plans, TRICARE
1400 supplemental insurance plans, group accidental death and
1401 dismemberment plans, ~~and~~ group disability insurance plans, ~~and~~
1402 ~~Furthermore, the department is additionally authorized to~~
1403 ~~establish and provide as part of the state group insurance~~
1404 ~~program any other group insurance plans or coverage choices, and~~
1405 other benefits authorized by law that are consistent with the
1406 provisions of s. 125 of the Internal Revenue Code ~~this section.~~

1407 (f) Except as provided for in subparagraph (h)2., the state
1408 contribution toward the cost of any plan in the state group
1409 insurance program shall be uniform with respect to all state
1410 employees in a state collective bargaining unit participating in
1411 the same coverage tier in the same plan. This section does not
1412 prohibit the development of separate benefit plans for officers



686242

1413 and employees exempt from the career service or the development
1414 of separate benefit plans for each collective bargaining unit.
1415 For the 2020 plan year and each plan year thereafter, if the
1416 state's contribution is more than the premium cost of the health
1417 plan selected by the employee, subject to federal limitation,
1418 the employee may elect to have the balance:

- 1419 1. Credited to the employee's flexible spending account;
1420 2. Credited to the employee's health savings account;
1421 3. Used to purchase additional benefits offered through the
1422 state group insurance program; or
1423 4. Used to increase the employee's salary.

1424 (h)1. A person eligible to participate in the state group
1425 insurance program may be authorized by rules adopted by the
1426 department, in lieu of participating in the state group health
1427 insurance plan, to exercise an option to elect membership in a
1428 health maintenance organization plan which is under contract
1429 with the state in accordance with criteria established by this
1430 section and by said rules. The offer of optional membership in a
1431 health maintenance organization plan permitted by this paragraph
1432 may be limited or conditioned by rule as may be necessary to
1433 meet the requirements of state and federal laws.

1434 2. The department shall contract with health maintenance
1435 organizations seeking to participate in the state group
1436 insurance program through a request for proposal or other
1437 procurement process, as developed by the Department of
1438 Management Services and determined to be appropriate.

1439 a. The department shall establish a schedule of minimum
1440 benefits for health maintenance organization coverage, and that
1441 schedule shall include: physician services; inpatient and



686242

1442 outpatient hospital services; emergency medical services,
1443 including out-of-area emergency coverage; diagnostic laboratory
1444 and diagnostic and therapeutic radiologic services; mental
1445 health, alcohol, and chemical dependency treatment services
1446 meeting the minimum requirements of state and federal law;
1447 skilled nursing facilities and services; prescription drugs;
1448 age-based and gender-based wellness benefits; and other benefits
1449 as may be required by the department. Additional services may be
1450 provided subject to the contract between the department and the
1451 HMO. As used in this paragraph, the term "age-based and gender-
1452 based wellness benefits" includes aerobic exercise, education in
1453 alcohol and substance abuse prevention, blood cholesterol
1454 screening, health risk appraisals, blood pressure screening and
1455 education, nutrition education, program planning, safety belt
1456 education, smoking cessation, stress management, weight
1457 management, and women's health education.

1458 b. The department may establish uniform deductibles,
1459 copayments, coverage tiers, or coinsurance schedules for all
1460 participating HMO plans.

1461 c. The department may require detailed information from
1462 each health maintenance organization participating in the
1463 procurement process, including information pertaining to
1464 organizational status, experience in providing prepaid health
1465 benefits, accessibility of services, financial stability of the
1466 plan, quality of management services, accreditation status,
1467 quality of medical services, network access and adequacy,
1468 performance measurement, ability to meet the department's
1469 reporting requirements, and the actuarial basis of the proposed
1470 rates and other data determined by the director to be necessary



686242

1471 for the evaluation and selection of health maintenance
1472 organization plans and negotiation of appropriate rates for
1473 these plans. Upon receipt of proposals by health maintenance
1474 organization plans and the evaluation of those proposals, the
1475 department may enter into negotiations with all of the plans or
1476 a subset of the plans, as the department determines appropriate.
1477 Nothing shall preclude the department from negotiating regional
1478 or statewide contracts with health maintenance organization
1479 plans when this is cost-effective and when the department
1480 determines that the plan offers high value to enrollees.

1481 d. The department may limit the number of HMOs that it
1482 contracts with in each service area based on the nature of the
1483 bids the department receives, the number of state employees in
1484 the service area, or any unique geographical characteristics of
1485 the service area. The department shall establish by rule service
1486 areas throughout the state.

1487 e. All persons participating in the state group insurance
1488 program may be required to contribute towards a total state
1489 group health premium that may vary depending upon the plan,
1490 benefit level, and coverage tier selected by the enrollee and
1491 the level of state contribution authorized by the Legislature.

1492 3. The department is authorized to negotiate and to
1493 contract with specialty psychiatric hospitals for mental health
1494 benefits, on a regional basis, for alcohol, drug abuse, and
1495 mental and nervous disorders. The department may establish,
1496 subject to the approval of the Legislature pursuant to
1497 subsection (5), any such regional plan upon completion of an
1498 actuarial study to determine any impact on plan benefits and
1499 premiums.



686242

1500 4. In addition to contracting pursuant to subparagraph 2.,
1501 the department may enter into contract with any HMO to
1502 participate in the state group insurance program which:
1503 a. Serves greater than 5,000 recipients on a prepaid basis
1504 under the Medicaid program;
1505 b. Does not currently meet the 25-percent non-Medicare/non-
1506 Medicaid enrollment composition requirement established by the
1507 Department of Health excluding participants enrolled in the
1508 state group insurance program;
1509 c. Meets the minimum benefit package and copayments and
1510 deductibles contained in sub-subparagraphs 2.a. and b.;
1511 d. Is willing to participate in the state group insurance
1512 program at a cost of premiums that is not greater than 95
1513 percent of the cost of HMO premiums accepted by the department
1514 in each service area; and
1515 e. Meets the minimum surplus requirements of s. 641.225.
1516
1517 The department is authorized to contract with HMOs that meet the
1518 requirements of sub-subparagraphs a.-d. prior to the open
1519 enrollment period for state employees. The department is not
1520 required to renew the contract with the HMOs as set forth in
1521 this paragraph more than twice. Thereafter, the HMOs shall be
1522 eligible to participate in the state group insurance program
1523 only through the request for proposal or invitation to negotiate
1524 process described in subparagraph 2.
1525 5. All enrollees in a state group health insurance plan, a
1526 TRICARE supplemental insurance plan, or any health maintenance
1527 organization plan have the option of changing to any other
1528 health plan that is offered by the state within any open



686242

1529 enrollment period designated by the department. Open enrollment
1530 shall be held at least once each calendar year.

1531 6. When a contract between a treating provider and the
1532 state-contracted health maintenance organization is terminated
1533 for any reason other than for cause, each party shall allow any
1534 enrollee for whom treatment was active to continue coverage and
1535 care when medically necessary, through completion of treatment
1536 of a condition for which the enrollee was receiving care at the
1537 time of the termination, until the enrollee selects another
1538 treating provider, or until the next open enrollment period
1539 offered, whichever is longer, but no longer than 6 months after
1540 termination of the contract. Each party to the terminated
1541 contract shall allow an enrollee who has initiated a course of
1542 prenatal care, regardless of the trimester in which care was
1543 initiated, to continue care and coverage until completion of
1544 postpartum care. This does not prevent a provider from refusing
1545 to continue to provide care to an enrollee who is abusive,
1546 noncompliant, or in arrears in payments for services provided.
1547 For care continued under this subparagraph, the program and the
1548 provider shall continue to be bound by the terms of the
1549 terminated contract. Changes made within 30 days before
1550 termination of a contract are effective only if agreed to by
1551 both parties.

1552 7. Any HMO participating in the state group insurance
1553 program shall submit health care utilization and cost data to
1554 the department, in such form and in such manner as the
1555 department shall require, as a condition of participating in the
1556 program. The department shall enter into negotiations with its
1557 contracting HMOs to determine the nature and scope of the data



686242

1558 submission and the final requirements, format, penalties
1559 associated with noncompliance, and timetables for submission.
1560 These determinations shall be adopted by rule.

1561 8. The department may establish and direct, with respect to
1562 collective bargaining issues, a comprehensive package of
1563 insurance benefits that may include supplemental health and life
1564 coverage, dental care, long-term care, vision care, and other
1565 benefits it determines necessary to enable state employees to
1566 select from among benefit options that best suit their
1567 individual and family needs. Beginning with the 2018 plan year,
1568 the package of benefits may also include products and services
1569 described in s. 110.12303.

1570 a. Based upon a desired benefit package, the department
1571 shall issue a request for proposal or invitation to negotiate
1572 for ~~health insurance~~ providers interested in participating in
1573 the state group insurance program, and the department shall
1574 issue a request for proposal or invitation to negotiate for
1575 ~~insurance~~ providers interested in participating in the non-
1576 health-related components of the state group insurance program.
1577 Upon receipt of all proposals, the department may enter into
1578 contract negotiations with ~~insurance~~ providers submitting bids
1579 or negotiate a specially designed benefit package. ~~Insurance~~
1580 Providers offering or providing supplemental coverage as of May
1581 30, 1991, which qualify for pretax benefit treatment pursuant to
1582 s. 125 of the Internal Revenue Code of 1986, with 5,500 or more
1583 state employees currently enrolled may be included by the
1584 department in the supplemental insurance benefit plan
1585 established by the department without participating in a request
1586 for proposal, submitting bids, negotiating contracts, or



686242

1587 negotiating a specially designed benefit package. These
1588 contracts shall provide state employees with the most cost-
1589 effective and comprehensive coverage available; however, except
1590 as provided in subparagraph (f)3., no state or agency funds
1591 shall be contributed toward the cost of any part of the premium
1592 of such supplemental benefit plans. With respect to dental
1593 coverage, the division shall include in any solicitation or
1594 contract for any state group dental program made after July 1,
1595 2001, a comprehensive indemnity dental plan option which offers
1596 enrollees a completely unrestricted choice of dentists. If a
1597 dental plan is endorsed, or in some manner recognized as the
1598 preferred product, such plan shall include a comprehensive
1599 indemnity dental plan option which provides enrollees with a
1600 completely unrestricted choice of dentists.

1601 b. Pursuant to the applicable provisions of s. 110.161, and
1602 s. 125 of the Internal Revenue Code of 1986, the department
1603 shall enroll in the pretax benefit program those state employees
1604 who voluntarily elect coverage in any of the supplemental
1605 insurance benefit plans as provided by sub-subparagraph a.

1606 c. Nothing herein contained shall be construed to prohibit
1607 insurance providers from continuing to provide or offer
1608 supplemental benefit coverage to state employees as provided
1609 under existing agency plans.

1610 (j)1. For the 2020 plan year and each plan year thereafter,
1611 health plans shall be offered in the following benefit levels:

1612 a. Platinum level, which shall have an actuarial value of
1613 at least 90 percent.

1614 b. Gold level, which shall have an actuarial value of at
1615 least 80 percent.



686242

1616 c. Silver level, which shall have an actuarial value of at
1617 least 70 percent.

1618 d. Bronze level, which shall have an actuarial value of at
1619 least 60 percent.

1620 2. For purposes of this paragraph, the term "actuarial
1621 value" means the percentage paid by a health plan of the
1622 percentage of the total allowed costs of benefits
1623 ~~Notwithstanding paragraph (f) requiring uniform contributions,~~
1624 ~~and for the 2011-2012 fiscal year only, the state contribution~~
1625 ~~toward the cost of any plan in the state group insurance plan is~~
1626 ~~the difference between the overall premium and the employee~~
1627 ~~contribution. This subsection expires June 30, 2012.~~

1628 (k) In consultation with the independent benefits
1629 consultant described in s. 110.12304, the department shall
1630 develop a plan for implementation of the benefit levels
1631 described in paragraph (j). The plan shall be submitted to the
1632 Governor, the President of the Senate, and the Speaker of the
1633 House of Representatives by January 1, 2019, and must include an
1634 actuarial study of the trends, costs, and savings over the next
1635 15 years which are associated with the implementation of benefit
1636 levels for employers and enrollees. The plan must also include
1637 recommendations for:

1638 1. Employer and enrollee contribution policies.

1639 2. Steps necessary for maintaining or improving total
1640 employee compensation levels.

1641 3. An education strategy to inform employees of the
1642 additional choices available in the state group insurance
1643 program.

1644



686242

1645 This paragraph expires July 1, 2019.

1646 Section 14. Section 110.12303, Florida Statutes, is created
1647 to read:

1648 110.12303 State group insurance program; additional
1649 benefits; price transparency program; reporting.—Beginning with
1650 the 2018 plan year:

1651 (1) In addition to the comprehensive package of health
1652 insurance and other benefits required or authorized to be
1653 included in the state group insurance program, the package of
1654 benefits may also include products and services consistent with
1655 the provisions of s. 125 of the Internal Revenue Code which are
1656 offered by:

1657 (a) Prepaid limited health service organizations authorized
1658 pursuant to part I of chapter 636.

1659 (b) Discount medical plan organizations authorized pursuant
1660 to part II of chapter 636.

1661 (c) Prepaid health clinics licensed under part II of
1662 chapter 641.

1663 (d) Licensed health care providers, including hospitals and
1664 other health care facilities, health care clinics, and health
1665 professionals, who sell service contracts and arrangements for a
1666 specified amount and type of health services.

1667 (e) Provider organizations, including service networks,
1668 group practices, professional associations, and other
1669 incorporated organizations of providers, who sell service
1670 contracts and arrangements for a specified amount and type of
1671 health services.

1672 (f) Entities that provide specific health services in
1673 accordance with applicable state law and sell service contracts



686242

1674 and arrangements for a specified amount and type of health
1675 services.

1676 (g) Entities that provide health services or treatments
1677 through a bidding process.

1678 (h) Entities that provide health services or treatments
1679 through the bundling or aggregating of health services or
1680 treatments.

1681 (i) Entities that provide other innovative and cost-
1682 effective health service delivery methods.

1683 (2) (a) The department shall contract with at least one
1684 entity that provides comprehensive pricing and inclusive
1685 services for surgery and other medical procedures which may be
1686 accessed at the option of the enrollee. The contract shall
1687 require the entity to:

1688 1. Have procedures and evidence-based standards to ensure
1689 the inclusion of only high-quality health care providers.

1690 2. Provide assistance to the enrollee in accessing and
1691 coordinating care.

1692 3. Provide cost savings to the state group insurance
1693 program to be shared equally with both the state and the
1694 enrollee. Cost savings payable to an enrollee may be:

1695 a. Credited to the enrollee's flexible spending account;

1696 b. Credited to the enrollee's health savings account;

1697 c. Credited to the enrollee's health reimbursement account;

1698 or

1699 d. Paid as additional health plan reimbursements not
1700 exceeding the amount of the enrollee's out-of-pocket medical
1701 expenses.

1702 4. Provide, subject to approval by the department, an



686242

1703 educational campaign for enrollees to learn about the services
1704 offered by the entity.

1705 (b)1. On or before February 1 of each year, the department
1706 shall report to the Governor, the President of the Senate, and
1707 the Speaker of the House of Representatives on the participation
1708 level and cost-savings to both the enrollee and the state
1709 resulting from the contract or contracts described in this
1710 subsection.

1711 2. In preparation of its report, the department must use
1712 the official information developed by the Self-Insurance
1713 Estimating Conference relating to the cost savings of the
1714 program.

1715 (3) The department shall contract with an entity that
1716 provides enrollees with online information on the cost and
1717 quality of health care services and providers, allows an
1718 enrollee to shop for health care services and providers, and
1719 rewards the enrollee by sharing savings generated by the
1720 enrollee's choice of services or providers. The contract shall
1721 require the entity to:

1722 (a) Establish an Internet-based, consumer-friendly platform
1723 that educates and informs enrollees about the price and quality
1724 of health care services and providers, including the average
1725 amount paid in each county for health care services and
1726 providers. The average amounts paid for such services and
1727 providers may be expressed for service bundles, which include
1728 all products and services associated with a particular treatment
1729 or episode of care, or for separate and distinct products and
1730 services.

1731 (b) Allow enrollees to shop for health care services and



686242

1732 providers using the price and quality information provided on
1733 the Internet-based platform.

1734 (c) Permit a certified bargaining agent of state employees
1735 to provide educational materials and counseling, subject to
1736 approval by the department, to enrollees regarding the Internet-
1737 based platform.

1738 (d) Identify the savings realized to the enrollee and state
1739 if the enrollee chooses high-quality, lower-cost health care
1740 services or providers, and facilitate a shared savings payment
1741 to the enrollee. The amount of shared savings shall be
1742 determined by a methodology approved by the department and shall
1743 maximize value-based purchasing by enrollees. The amount payable
1744 to the enrollee may be:

- 1745 1. Credited to the enrollee's flexible spending account;
1746 2. Credited to the enrollee's health savings account;
1747 3. Credited to the enrollee's health reimbursement account;

1748 or

- 1749 4. Paid as additional health plan reimbursements not
1750 exceeding the amount of the enrollee's out-of-pocket medical
1751 expenses.

1752 (e)1. On or before February 1 of each year, the department
1753 shall report to the Governor, the President of the Senate, and
1754 the Speaker of the House of Representatives on the participation
1755 level, amount paid to enrollees, and cost-savings to both the
1756 enrollees and the state resulting from the implementation of
1757 this subsection.

1758 2. In preparation of its report, the department must use
1759 the official information developed by the Self-Insurance
1760 Estimating Conference relating to the cost savings of the



686242

1761 program.

1762 (4) (a) The programs established pursuant to subsections (2)
1763 and (3) are limited to enrollees in the self-insured products
1764 offered through the state group insurance program.

1765 (b) The programs may be expanded to include enrollees in
1766 the fully insured products if the department and the state-
1767 contracted HMO execute an agreement on the implementation of the
1768 program, including a limited program, which does not result in
1769 additional costs to the state group insurance program.

1770 Section 15. Section 110.12304, Florida Statutes, is created
1771 to read:

1772 110.12304 Independent benefits consultant.-

1773 (1) The department shall competitively procure an
1774 independent benefits consultant.

1775 (2) The independent benefits consultant may not:

1776 (a) Be owned or controlled by a health maintenance
1777 organization or insurer.

1778 (b) Have an ownership interest in a health maintenance
1779 organization or insurer.

1780 (c) Have a direct or indirect financial interest in a
1781 health maintenance organization or insurer.

1782 (3) The independent benefits consultant must have
1783 substantial experience in consultation and design of employee
1784 benefit programs for large employers and public employers,
1785 including experience with plans that qualify as cafeteria plans
1786 under s. 125 of the Internal Revenue Code of 1986.

1787 (4) The independent benefits consultant shall:

1788 (a) Provide an ongoing assessment of trends in benefits and
1789 employer-sponsored insurance that affect the state group



686242

1790 insurance program.

1791 (b) Conduct a comprehensive analysis of the state group
1792 insurance program, including available benefits, coverage
1793 options, and claims experience.

1794 (c) Identify and establish appropriate adjustment
1795 procedures necessary to respond to any risk segmentation that
1796 may occur when increased choices are offered to employees.

1797 (d) Assist the department with the submission of any
1798 necessary plan revisions for federal review.

1799 (e) Assist the department in ensuring compliance with
1800 applicable federal and state regulations.

1801 (f) Assist the department in monitoring the adequacy of
1802 funding and reserves for the state self-insured plan.

1803 (g) Assist the department in preparing recommendations for
1804 any modifications to the state group insurance program which
1805 shall be submitted to the Governor, the President of the Senate,
1806 and the Speaker of the House of Representatives by January 1 of
1807 each year.

1808 Section 16. (1) For the 2017-2018 fiscal year, the sums of
1809 \$151,216 in recurring funds and \$507,546 in nonrecurring funds
1810 are appropriated from the State Employees Health Insurance Trust
1811 Fund to the Department of Management Services, and two full-time
1812 equivalent positions and associated salary rate of 120,000 are
1813 authorized, for the purpose of implementing this act.

1814 (2) (a) The recurring funds appropriated in this section
1815 shall be allocated to the following specific appropriation
1816 categories within the Insurance Benefits Administration Program:
1817 \$150,528 in Salaries and Benefits and \$688 in Special Categories
1818 Transfer to Department of Management Services-Human Resources



686242

1819 Purchased per Statewide Contract.

1820 (b) The nonrecurring funds appropriated in this section
1821 shall be allocated to the following specific appropriation
1822 categories: \$500,000 in Special Categories Contracted Services
1823 and \$7,546 in Expenses.

1824 Section 17. (1) PURPOSE.—This section provides instructions
1825 for implementing the 2017-2018 fiscal year salary and benefit
1826 adjustments provided in this act. All allocations,
1827 distributions, and uses of these funds are to be made in strict
1828 accordance with the provisions of this act and chapter 216,
1829 Florida Statutes.

1830 (2) LEGISLATIVE INTENT.—It is the intent of the Legislature
1831 that the minimum for each pay grade and pay band may not be
1832 adjusted during the 2017-2018 fiscal year and that the maximums
1833 for each pay grade and pay band shall be adjusted upward by 6
1834 percent, effective July 1, 2017. In addition, the Legislature
1835 intends that all eligible employees receive the increases
1836 specified in this section, even if the implementation of such
1837 increases results in an employee's salary exceeding the adjusted
1838 pay grade maximum. Salary increases provided under this section
1839 shall be prorated based on the full-time equivalency of the
1840 employee's position. Employees classified as other-personnel-
1841 services employees are not eligible for an increase based on the
1842 implementation of increases authorized in this section.

1843 (3) LAW ENFORCEMENT COMPENSATION ADJUSTMENTS.—

1844 (a) Effective July 1, 2017, funds are provided in section
1845 18 of this act to grant a competitive pay adjustment of 5
1846 percent of each eligible law enforcement employee's base rate of
1847 pay on June 30, 2017, in the Department of Legal Affairs, the



686242

1848 Department of Agriculture and Consumer Services, the Department
1849 of Financial Services, the Department of Law Enforcement, the
1850 Department of Highway Safety and Motor Vehicles, the Department
1851 of Business and Professional Regulation, and the Department of
1852 the Lottery; the Fish and Wildlife Conservation Commission; the
1853 offices of State Attorneys; and the Florida Commission on
1854 Offender Review.

1855 (b) For purposes of this subsection, the term "law
1856 enforcement employee" means:

1857 1. Sworn officers of the Law Enforcement, Florida Highway
1858 Patrol, Special Agent, and Lottery Law Enforcement bargaining
1859 units in the following classification codes: Law Enforcement
1860 Officer (8515); Law Enforcement Corporal (8517); Law Enforcement
1861 Sergeant (8519); Law Enforcement Investigator I (8540); Law
1862 Enforcement Investigator II (8541); Law Enforcement Airplane
1863 Pilot I (8532); Law Enforcement Airplane Pilot II (8534);
1864 Special Agent Trainee (8580); Special Agent (8581); Special
1865 Agent I (2724); Special Agent II (2608); Security Agent-FDLE
1866 (8593); and Security Agent Supervisor-FDLE (8596).

1867 2. Sworn officers in the following classification codes:
1868 Law Enforcement Lieutenant (8522); Law Enforcement Captain (8525
1869 and 8632); Law Enforcement Major (8526, 8626, and 8630); Special
1870 Agent Supervisor (1126 and 8584); Inspector-FDLE (8590); and
1871 Investigators I-VI (6661, 6662, 6663, 6664, 6665, and 6666).

1872 (4) DEPARTMENT OF CORRECTIONS COMPENSATION ADJUSTMENTS.—

1873 (a) Effective October 1, 2017, the Department of
1874 Corrections shall adjust the minimum base rate of pay for its
1875 positions in the correctional officer classification series as
1876 follows:



686242

1877 1. Correctional officer (8003) to \$33,500.
1878 2. Correctional officer sergeant (8005) to \$36,850.
1879 3. Correctional officer lieutenant (8011) to \$40,535.
1880 4. Correctional officer captain (8013) to \$44,589.
1881 (b) Effective October 1, 2017, funds are provided in
1882 section 18 of this act to fund the adjustments to the minimum
1883 base rates of pay authorized in paragraph (a) and to fund
1884 competitive pay adjustments to all other employees of the
1885 Department of Corrections filling a position in the correctional
1886 officer classification series (class codes 8003, 8005, 8011, and
1887 8013). The adjustments to the base rate of pay shall be the
1888 amount necessary to increase the employee's base rate of pay as
1889 of September 30, 2017, to the applicable class minimum specified
1890 in paragraph (a) or by \$2,500, whichever amount is greater.
1891 (5) ASSISTANT PUBLIC DEFENDER COMPENSATION ADJUSTMENTS.—
1892 Effective October 1, 2017, funds are provided in section 18 of
1893 this act to grant a competitive pay adjustment of 6 percent of
1894 each eligible employee's base rate of pay as of September 30,
1895 2017, eligible assistant public defender (class code 5901) and
1896 each eligible assistant public defender chief (class code 5909).
1897 For purposes of this subsection, an "eligible employee" means an
1898 employee filling a position as an assistant public defender
1899 (class code 5901) or as an assistant public defender chief
1900 (class code 5909) who has completed at least 3 years of service
1901 as an attorney in the judicial circuit in which the attorney is
1902 currently employed.
1903 (6) COMPENSATION ADJUSTMENTS FOR CERTAIN OFFICERS AND
1904 DESIGNATED EMPLOYEES.—
1905 (a) For the period July 1, 2017, through September 30,



686242

1906 2017, the following officers and designated employees shall be
1907 paid at the annual rate authorized in this paragraph:

1908 1. Supreme Court Justices at the annual rate of \$162,200.

1909 2. District Court of Appeal Judges at the annual rate of
1910 \$154,140.

1911 3. Circuit Court Judges at the annual rate of \$146,080.

1912 4. County Court Judges at the annual rate of \$138,020.

1913 5. State Attorneys at the annual rate of \$154,140.

1914 6. Public Defenders at the annual rate of \$154,140.

1915 7. Criminal Conflict and Civil Regional Counsels at the
1916 annual rate of \$105,000.

1917 (b) Beginning October 1, 2017, from the funds provided in
1918 section 18 of this act, the following officers and designated
1919 employees shall be paid at the annual rate authorized in this
1920 paragraph:

1921 1. Supreme Court Justices at the annual rate of \$178,420.

1922 2. District Court of Appeal Judges at the annual rate of
1923 \$169,554.

1924 3. Circuit Court Judges at the annual rate of \$160,688.

1925 4. County Court Judges at the annual rate of \$151,822.

1926 5. State Attorneys at the annual rate of \$169,554.

1927 6. Public Defenders at the annual rate of \$169,554.

1928 7. Criminal Conflict and Civil Regional Counsels at the
1929 annual rate of \$115,000.

1930
1931 None of the officers, commission members, or employees whose
1932 salaries have been fixed in this subsection shall receive any
1933 supplemental salary or benefits from any county or municipality.

1934 (7) EMPLOYEE AND OFFICER COMPENSATION ADJUSTMENTS.—



686242

1935 (a) For purposes of this subsection, the term "competitive
1936 pay adjustment" means:

1937 1. For employees with a base rate of pay of \$40,000 or less
1938 on September 30, 2017, an annual increase of \$1,400.

1939 2. For employees with a base rate of pay greater than
1940 \$40,000 on September 30, 2017, an annual increase of \$1,000;
1941 provided however, in no instance may an employee's base rate of
1942 pay be increased to an annual amount less than \$41,400.

1943
1944 For the purpose of determining the applicable increase for part-
1945 time employees, the full-time equivalent value of the base rate
1946 of pay on September 30, 2017, shall be used; but the amount of
1947 the annual increase for a part-time employee must be
1948 proportional to the full-time equivalency of the employee's
1949 position.

1950 (b) For purposes of this subsection, the term "eligible
1951 employees" means employees who are, at a minimum, meeting their
1952 required performance standards, if applicable. If an ineligible
1953 employee achieves performance standards subsequent to the salary
1954 increase implementation date but on or before the end of the
1955 2017-2018 fiscal year, the employee may receive an increase;
1956 however, such increase shall take effect on the date the
1957 employee becomes eligible and is not retroactive to the salary
1958 increase implementation date. In addition, the salary increase
1959 provided under this section shall be prorated based on the full-
1960 time equivalency of the employee's position. Employees
1961 classified as being other-personnel-services employees are not
1962 eligible for an increase.

1963 (c) Effective October 1, 2017, funds are provided in



686242

1964 section 18 of this act to grant competitive pay adjustments for
1965 all eligible employees in the Career Service, the Selected
1966 Exempt Service, the Senior Management Service, the lottery pay
1967 plan, the judicial branch pay plan, the legislative pay plan,
1968 and the pay plans administered by the Justice Administration
1969 Commission, except those officers and employees receiving
1970 compensation adjustments pursuant to subsections (3), (4), (5),
1971 and (6) and paragraphs (8)(c) and (8)(d).

1972 (8) SPECIAL PAY ISSUES.—

1973 (a) The Department of Highway Safety and Motor Vehicles is
1974 authorized to increase the minimum annual salaries of current
1975 and new employees hired to fill positions in the law enforcement
1976 officer class (class code 8515) to \$36,223. This paragraph is
1977 effective upon becoming a law.

1978 (b) From funds in section 18 of this act, the Department of
1979 Veterans' Affairs is authorized to implement its competitive pay
1980 plan proposed in the department's initial legislative budget
1981 request to address recruitment and retention of its employees
1982 who hold an active nursing assistant certification and fill a
1983 position in one of the following classification codes: certified
1984 nursing assistant (class code 5707); senior certified nursing
1985 assistant (class code 5708); therapy aide I (class code 5556);
1986 or therapy aide II (class code 5557).

1987 (c) From funds in section 18 of this act, and beginning
1988 October 1, 2017, the Justice Administrative Commission is
1989 authorized to implement the salary adjustment proposed in its
1990 initial legislative budget request for the Statewide Guardian Ad
1991 Lite Program. To be eligible to receive this competitive pay
1992 adjustment, the employee must be an employee of the Statewide



686242

1993 Guardian Ad Litem Program and must fill a position in one of the
1994 following classification codes: child advocate manager (class
1995 code 8401); senior child advocate manager (class code 8402);
1996 volunteer recruiter (class code 8403); program attorney (class
1997 code 8700); or senior program attorney (class code 8701).

1998 (d) From the funds in section 18 of this act, and beginning
1999 April 1, 2018, the Department of Legal Affairs is authorized to:

2000 1. Increase the starting salary of employees in the
2001 Attorney-Assistant Attorney General class (class code 7737) to
2002 \$43,900;

2003 2. Grant a competitive pay adjustment of \$6,000 to each
2004 employee employed as an Assistant Attorney General (class code
2005 7746) who has worked for the department for at least 2 years and
2006 meets or exceeds performance expectations; and

2007 3. Grant a competitive pay adjustment of \$3,000 to each
2008 employee employed as a Senior Assistant Attorney General (class
2009 code 7747); Attorney Supervisor-Assistant Attorney General
2010 (class code 7744); Special Counsel-Assistant Attorney General
2011 (class code 7165); Chief-Assistant Attorney General (class code
2012 7748); Assistant Statewide Prosecutor-Attorney (class code
2013 8681); Assistant Statewide Prosecutor-Senior Attorney (class
2014 code 8682); Assistant Statewide Prosecutor-Special Counsel
2015 (class code 6120); or Assistant Statewide Prosecutor-Chief
2016 (class code 9191) who has worked for the department for at least
2017 2 years and meets or exceeds performance expectations.

2018 (9) PAY ADDITIVES AND OTHER INCENTIVE PROGRAMS.—The
2019 following pay additives and other incentive programs are
2020 authorized for the 2017-2018 fiscal year from existing agency
2021 resources consistent with the provisions of ss. 110.2035 and



686242

2022 216.251, Florida Statutes, the applicable rules adopted by the
2023 Department of Management Services, and negotiated collective
2024 bargaining agreements.

2025 (a) Each agency is authorized to continue to pay, at the
2026 levels in effect on June 30, 2007, on-call fees and shift
2027 differentials as necessary to perform normal operations of the
2028 agency.

2029 (b) Each agency that had a training program in existence on
2030 June 30, 2006, which included granting pay additives to
2031 participating employees, is authorized to continue such training
2032 program for the 2017-2018 fiscal year. Such additives shall be
2033 granted in accordance with applicable law, administrative rules,
2034 and collective bargaining agreements.

2035 (c) Each agency is authorized to continue to grant
2036 temporary special duties pay additives to employees assigned
2037 additional duties as a result of another employee being absent
2038 from work pursuant to the federal Family Medical Leave Act or
2039 authorized military leave.

2040 (d) Contingent upon the availability of funds, and at the
2041 agency head's discretion, each agency is authorized to grant
2042 competitive pay adjustments to a cohort of 10 or fewer employees
2043 sharing the same job classification or job occupations to
2044 address retention, pay inequities, or other staffing issues. The
2045 agency is responsible for retaining sufficient documentation
2046 justifying any adjustments provided herein to an employee's
2047 compensation. The authority granted by this paragraph may be
2048 used only once by each agency during the 2017-2018 fiscal year.

2049 (e) Contingent upon the availability of funds, and at the
2050 agency head's discretion, each agency is authorized to grant a



686242

2051 competitive pay adjustment to an employee to address retention,
2052 pay inequities, or other staffing issues. The agency is
2053 responsible for retaining sufficient documentation justifying
2054 any adjustments provided herein to an employee's compensation.

2055 (f) Each agency is authorized to grant merit pay increases
2056 based on the employee's exemplary performance as evidenced by a
2057 performance evaluation conducted pursuant to chapter 60L-35,
2058 Florida Administrative Code, or a similar performance evaluation
2059 applicable to other pay plans. The Chief Justice may exempt
2060 judicial branch employees from the performance evaluation
2061 requirements of this paragraph.

2062 (g) Contingent upon the availability of funds and at the
2063 agency head's discretion, each agency is authorized to grant a
2064 temporary special duties pay additive, of up to 15 percent of
2065 the employee's base rate of pay, to each employee temporarily
2066 deployed to a facility or area closed due to emergency
2067 conditions from another area of the state that is not closed.

2068 (h) The Fish and Wildlife Conservation Commission may
2069 continue to grant temporary special duty pay additives to law
2070 enforcement officers who perform additional duties as K-9
2071 handlers, regional recruiters/media coordinators, and breath
2072 test operators/inspectors, and may grant temporary special duty
2073 pay additives to law enforcement officers who perform additional
2074 duties as offshore patrol vessel crew members, special
2075 operations group members, and long-term covert investigators.

2076 (i) The Fish and Wildlife Conservation Commission is
2077 authorized to grant critical market pay additives to employees
2078 residing in and assigned to Broward County, Collier County, Lee
2079 County, Miami-Dade County, or Monroe County, at the levels that



686242

2080 the employing agency granted salary increases for similar
2081 purposes before July 1, 2006. These critical market pay
2082 additives may be granted only during the time in which the
2083 employee resides in and is assigned to duties within those
2084 counties. The employee may not receive an adjustment to the
2085 employee's base rate of pay and a critical market pay additive
2086 based on the employee residing in and being assigned in the
2087 specified counties.

2088 (j) The Department of Highway Safety and Motor Vehicles is
2089 authorized to grant critical market pay additives to sworn law
2090 enforcement officers residing in and assigned to:

2091 1. Lee County, Collier County, or Monroe County, at the
2092 levels that the employing agency granted salary increases for
2093 similar purposes before July 1, 2006.

2094 2. Duval, Escambia, Hillsborough, Marion, Orange, and
2095 Pinellas Counties, at \$5,000, or, in lieu thereof, an equivalent
2096 salary adjustment that was made during the 2015-2016 fiscal
2097 year.

2098 3. Pasco County at \$5,000.

2099
2100 These critical market pay additives may be granted only during
2101 the time in which the employee resides in, and is assigned to
2102 duties within, those counties. The employee may not receive an
2103 adjustment to the employee's base rate of pay and a critical
2104 market pay additive based on the employee residing in and being
2105 assigned in the specified counties.

2106 (k) The Department of Highway Safety and Motor Vehicles may
2107 grant special duty pay additives of \$2,000 for law enforcement
2108 officers who perform additional duties as K-9 handlers; felony



686242

2109 officers; criminal interdiction officers; criminal investigation
2110 and intelligence officers; new recruit background checks and
2111 training, and technical support officers; drug recognition
2112 experts; hazardous material squad members; compliance
2113 investigation squad members; motorcycle squad members; Quick
2114 Response Force Team; or Florida Advanced Investigation and
2115 Reconstruction Teams.

2116 (l) The Department of Highway Safety and Motor Vehicles may
2117 provide a critical market pay additive of \$1,300 to non-sworn
2118 Florida Highway Patrol personnel working and residing in Broward
2119 and Miami-Dade Counties. These critical market pay additives
2120 shall be granted during the time the employee resides in, and is
2121 assigned duties within, those counties.

2122 (m) The Department of Highway Safety and Motor Vehicles is
2123 authorized to continue to grant a pay additive of \$162.50 per
2124 pay period for law enforcement officers assigned to the Office
2125 of Motor Carrier Compliance who maintain certification by the
2126 Commercial Vehicle Safety Alliance.

2127 (n) The Department of Transportation is authorized to
2128 continue its training program for employees in the areas of
2129 transportation engineering, right-of-way acquisition, relocation
2130 benefits administration, right-of-way property management, real
2131 estate appraisal, and business valuation under the same
2132 guidelines established for the training program before June 30,
2133 2006.

2134 (o) The Department of Corrections may continue to grant
2135 hazardous duty pay additives, as necessary, to those employees
2136 assigned to the Department of Corrections institutions' Rapid
2137 Response Teams, including the baton, shotgun, and chemical agent



686242

2138 teams, and the Correctional Emergency Response Teams.

2139 (p) The Department of Corrections is authorized to award a
2140 temporary special duties pay additive of up to 10 percent of the
2141 employee's base rate of pay for each certified correctional
2142 officer (class code 8003); certified correctional officer
2143 sergeant (class code 8005); certified correctional officer
2144 lieutenant (class code 8011); and certified correctional officer
2145 captain (class code 8013). For purposes of determining
2146 eligibility for this special pay additive, the term "certified"
2147 means the employee has obtained a correctional behavioral mental
2148 health certification as provided through the American
2149 Correctional Association. Such additive may be awarded only
2150 during the time the certified officer is employed in an assigned
2151 mental health unit post.

2152 (q) The Department of Corrections is authorized to award a
2153 one-time \$1,000 hiring bonus to newly-hired correctional
2154 officers (class code 8003) who are hired to fill positions at a
2155 correctional institution that had a vacancy rate for such
2156 positions of more than 10 percent for the preceding calendar
2157 quarter. The bonus may not be awarded before the officer
2158 obtaining his or her correctional officer certification. Current
2159 employees and former employees who have had a break in service
2160 with the Department of Corrections of 31 days or less, are not
2161 eligible for this bonus.

2162 Section 18. The sums of \$112,210,610 of recurring funds in
2163 the General Revenue Fund and \$73,949,000 of recurring funds from
2164 trust funds are appropriated for the salary adjustments
2165 authorized in section 17 of this act. The Office of Policy and
2166 Budget in the Executive Office of the Governor, in consultation



686242

2167 with the Legislature, shall distribute the funds and budget
2168 authority to the state agencies and the legislative and judicial
2169 branches in accordance with chapter 216, Florida Statutes.

2170 Section 19. Except as otherwise expressly provided in this
2171 act and except for this section, which shall take effect upon
2172 becoming a law, this act shall take effect July 1, 2017.

2173

2174 ===== T I T L E A M E N D M E N T =====

2175 And the title is amended as follows:

2176 Delete everything before the enacting clause
2177 and insert:

2178

A bill to be entitled

2179

An act relating to benefits and salaries for public
2180 employees; creating s. 112.1816, F.S.; defining the
2181 term "firefighter"; establishing a presumption as to a
2182 firefighter's condition or impairment of health caused
2183 by certain types of cancer that he or she contracts in
2184 the line of duty; specifying criteria a firefighter
2185 must meet to be entitled to the presumption; requiring
2186 an employing agency to provide a physical examination
2187 for a firefighter; specifying circumstances under
2188 which the presumption does not apply; providing for
2189 applicability; amending s. 121.053, F.S.; authorizing
2190 renewed membership in the Florida Retirement System
2191 for retirees who are reemployed in a position eligible
2192 for the Elected Officers' Class under certain
2193 circumstances; amending s. 121.055, F.S.; providing
2194 for renewed membership in the retirement system for
2195 retirees of the Senior Management Service Optional



686242

2196 Annuity Program who are reemployed on or after a
2197 specified date; closing the Senior Management Service
2198 Optional Annuity Program to new members after a
2199 specified date; amending s. 121.091, F.S.; revising
2200 criteria for eligibility of payment of death benefits
2201 to the surviving children of a Special Risk Class
2202 member killed in the line of duty under specified
2203 circumstances; conforming a provision to changes made
2204 by the act; amending s. 121.122, F.S.; requiring that
2205 certain retirees who are reemployed on or after a
2206 specified date be renewed members in the investment
2207 plan; providing exceptions; specifying that creditable
2208 service does not accrue for employment during a
2209 specified period; prohibiting certain funds from being
2210 paid into a renewed member's investment plan account
2211 for a specified period of employment; requiring the
2212 renewed member to satisfy vesting requirements;
2213 prohibiting a renewed member from receiving specified
2214 disability benefits; specifying limitations and
2215 requirements; requiring the employer and the retiree
2216 to make applicable contributions to the renewed
2217 member's investment plan account; providing for the
2218 transfer of contributions; authorizing a renewed
2219 member to receive additional credit toward the health
2220 insurance subsidy under certain circumstances;
2221 prohibiting participation in the pension plan;
2222 providing that a retiree reemployed on or after a
2223 specified date in a regularly established position
2224 eligible for the State University System Optional



686242

2225 Retirement Program or State Community College System
2226 Optional Retirement Program is a renewed member of
2227 that program; specifying limitations and requirements;
2228 requiring the employer and the retiree to make
2229 applicable contributions; amending s. 121.4501, F.S.;
2230 revising definitions; revising a provision relating to
2231 acknowledgement of an employee's election to
2232 participate in the investment plan; enrolling certain
2233 employees in the pension plan from their date of hire
2234 until they are automatically enrolled in the
2235 investment plan or timely elect enrollment in the
2236 pension plan; providing an exception for employees who
2237 are in positions in the Special Risk Class; providing
2238 certain members with a specified timeframe within
2239 which they may choose participation in the pension
2240 plan or the investment plan; conforming provisions to
2241 changes made by the act; amending s. 121.591, F.S.;
2242 authorizing payment of death benefits to the surviving
2243 spouse or surviving children of a member in the
2244 investment plan; establishing qualifications and
2245 eligibility requirements for receipt of such benefits;
2246 prescribing the method of calculating the benefit;
2247 specifying circumstances under which benefit payments
2248 are terminated; amending s. 121.5912, F.S.; revising a
2249 provision regarding program qualification under the
2250 Internal Revenue Code and rulemaking authority, to
2251 conform to changes made by the act; amending s.
2252 121.735, F.S.; revising allocations to fund line-of-
2253 duty death benefits for investment plan members, to



686242

2254 conform to changes made by the act; requiring the
2255 Legislature to review specified cancer research
2256 programs by a certain date; revising employer
2257 contribution rates to fund changes made by the act;
2258 providing a directive to the Division of Law Revision
2259 and Information; providing a declaration of important
2260 state interest; amending s. 110.123, F.S.; revising
2261 applicability of certain definitions; defining the
2262 term "plan year"; authorizing the state group
2263 insurance program to include additional benefits;
2264 authorizing an employee to use a specified portion of
2265 the state's contribution to purchase additional
2266 program benefits and supplemental benefits under
2267 certain circumstances; providing for the program to
2268 offer health plans in specified benefit levels;
2269 defining the term "actuarial value"; requiring the
2270 Department of Management Services to develop a plan
2271 for implementation of the benefit levels; providing
2272 reporting requirements; providing for expiration of
2273 the implementation plan; creating s. 110.12303, F.S.;
2274 authorizing additional benefits to be included in the
2275 state group insurance program; requiring the
2276 department to contract with at least one entity that
2277 provides comprehensive pricing and inclusive services
2278 for surgery and other medical procedures; providing
2279 contract and reporting requirements; requiring the
2280 department to contract with an entity to provide
2281 enrollees with online information on health care
2282 services and providers; providing contract and



686242

2283 reporting requirements; specifying applicability;
2284 creating s. 110.12304, F.S.; directing the department
2285 to competitively procure an independent benefits
2286 consultant; providing qualifications and duties of the
2287 independent benefits consultant; providing reporting
2288 requirements; providing an appropriation and
2289 authorizing positions; providing a purpose and
2290 legislative intent with respect to provisions
2291 governing salary and benefit adjustments for specified
2292 state employees; providing for compensation
2293 adjustments for law enforcement personnel, the
2294 Department of Corrections, Assistant Public Defenders,
2295 certain judicial officers and designated employees,
2296 and other state employees and officers; authorizing
2297 the use of specified pay additives and other incentive
2298 programs for the 2017-2018 fiscal year; providing
2299 appropriations to fund the salary and benefit
2300 adjustments; requiring the Office of Policy and Budget
2301 in the Executive Office of the Governor, in
2302 consultation with the Legislature, to distribute funds
2303 and budget authority; providing effective dates.