

By Senator Mayfield

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1                   A bill to be entitled  
2           An act relating to retirement of instructional  
3           personnel and administrative personnel; amending s.  
4           121.091, F.S.; revising limitations on the maximum  
5           length of participation in the Deferred Retirement  
6           Option Program for certain instructional personnel and  
7           administrative personnel; requiring an employer to  
8           notify the Division of Retirement of the Department of  
9           Management Services regarding any change in  
10          termination date and program participation for each  
11          affected member; providing a statement of important  
12          state interest; providing an effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

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16           Section 1. Paragraph (b) of subsection (13) of section  
17           121.091, Florida Statutes, is amended to read:

18           121.091 Benefits payable under the system.—Benefits may not  
19           be paid under this section unless the member has terminated  
20           employment as provided in s. 121.021(39)(a) or begun  
21           participation in the Deferred Retirement Option Program as  
22           provided in subsection (13), and a proper application has been  
23           filed in the manner prescribed by the department. The department  
24           may cancel an application for retirement benefits when the  
25           member or beneficiary fails to timely provide the information  
26           and documents required by this chapter and the department's  
27           rules. The department shall adopt rules establishing procedures  
28           for application for retirement benefits and for the cancellation  
29           of such application when the required information or documents

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30 are not received.

31 (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and  
32 subject to this section, the Deferred Retirement Option Program,  
33 hereinafter referred to as DROP, is a program under which an  
34 eligible member of the Florida Retirement System may elect to  
35 participate, deferring receipt of retirement benefits while  
36 continuing employment with his or her Florida Retirement System  
37 employer. The deferred monthly benefits shall accrue in the  
38 Florida Retirement System on behalf of the member, plus interest  
39 compounded monthly, for the specified period of the DROP  
40 participation, as provided in paragraph (c). Upon termination of  
41 employment, the member shall receive the total DROP benefits and  
42 begin to receive the previously determined normal retirement  
43 benefits. Participation in the DROP does not guarantee  
44 employment for the specified period of DROP. Participation in  
45 DROP by an eligible member beyond the initial 60-month period as  
46 authorized in this subsection shall be on an annual contractual  
47 basis for all participants.

48 (b) *Participation in DROP.*—Except as provided in this  
49 paragraph, an eligible member may elect to participate in DROP  
50 for a period not to exceed a maximum of 60 calendar months.

51 1.a. An eligible member may elect to participate in DROP  
52 for a period not to exceed a maximum of 60 calendar months.  
53 However, members who are instructional personnel employed by the  
54 Florida School for the Deaf and the Blind and authorized by the  
55 Board of Trustees of the Florida School for the Deaf and the  
56 Blind, who are instructional personnel as defined in s.  
57 1012.01(2)(a)-(d) in grades K-12 and authorized by the district  
58 school superintendent, or who are instructional personnel as

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59 defined in s. 1012.01(2) (a) employed by a developmental research  
60 school and authorized by the school's director, or if the school  
61 has no director, by the school's principal, may participate in  
62 DROP for up to 36 calendar months beyond the 60-month period.  
63 Effective July 1, 2018, instructional personnel who are  
64 authorized to extend DROP participation beyond the 60-month  
65 period must have a termination date that is the last day of the  
66 last calendar month of the school year within the DROP extension  
67 granted by the employer. If, on July 1, 2018, the member's DROP  
68 participation has already been extended for the maximum 36  
69 calendar months and the extension period concludes before the  
70 end of the school year, the member's DROP participation may be  
71 extended through the last day of the last calendar month of that  
72 school year. The employer shall notify the division of the  
73 change in termination date and the additional period of DROP  
74 participation for the affected instructional personnel.

75 b. Administrative personnel in grades K-12, as defined in  
76 s. 1012.01(3), who have a DROP termination date on or after July  
77 1, 2018, may be authorized to extend DROP participation beyond  
78 the initial 60 calendar month period if the administrative  
79 personnel's termination date is before the end of the school  
80 year. Such administrative personnel may have DROP participation  
81 extended until the last day of the last calendar month of the  
82 school year in which their original DROP termination date  
83 occurred if a date other than the last day of the last calendar  
84 month of the school year is designated. The employer shall  
85 notify the division of the change in termination date and the  
86 additional period of DROP participation for the affected  
87 administrative personnel.

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88           2. Upon deciding to participate in DROP, the member shall  
89 submit, on forms required by the division:

90           a. A written election to participate in DROP;

91           b. Selection of DROP participation and termination dates  
92 that satisfy the limitations stated in paragraph (a) and  
93 subparagraph 1. The termination date must be in a binding letter  
94 of resignation to the employer establishing a deferred  
95 termination date. The member may change the termination date  
96 within the limitations of subparagraph 1., but only with the  
97 written approval of the employer;

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

100           d. Any other information required by the division.

101           3. The DROP participant is a retiree under the Florida  
102 Retirement System for all purposes, except for paragraph (5) (f)  
103 and subsection (9) and ss. 112.3173, 112.363, 121.053, and  
104 121.122. DROP participation is final and may not be canceled by  
105 the participant after the first payment is credited during the  
106 DROP participation period. However, participation in DROP does  
107 not alter the participant's employment status, and the member is  
108 not deemed retired from employment until his or her deferred  
109 resignation is effective and termination occurs as defined in s.  
110 121.021.

111           4. Elected officers are eligible to participate in DROP  
112 subject to the following:

113           a. An elected officer who reaches normal retirement date  
114 during a term of office may defer the election to participate  
115 until the next succeeding term in that office. An elected  
116 officer who exercises this option may participate in DROP for up

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117 to 60 calendar months or no longer than the succeeding term of  
118 office, whichever is less.

119 b. An elected or a nonelected participant may run for a  
120 term of office while participating in DROP and, if elected,  
121 extend the DROP termination date accordingly; however, if such  
122 additional term of office exceeds the 60-month limitation  
123 established in subparagraph 1., and the officer does not resign  
124 from office within such 60-month limitation, the retirement and  
125 the participant's DROP is null and void as provided in sub-  
126 subparagraph (c)5.d.

127 c. An elected officer who is dually employed and elects to  
128 participate in DROP must terminate all employment relationships  
129 as provided in s. 121.021(39) for the nonelected position within  
130 the original 60-month period or maximum participation period as  
131 provided in subparagraph 1. For DROP participation ending:

132 (I) Before July 1, 2010, the officer may continue  
133 employment as an elected officer as provided in s. 121.053. The  
134 elected officer shall be enrolled as a renewed member in the  
135 Elected Officers' Class or the Regular Class, as provided in ss.  
136 121.053 and 121.122, on the first day of the month after  
137 termination of employment in the nonelected position and  
138 termination of DROP. Distribution of the DROP benefits shall be  
139 made as provided in paragraph (c).

140 (II) On or after July 1, 2010, the officer may continue  
141 employment as an elected officer but must defer termination as  
142 provided in s. 121.053.

143 Section 2. The Legislature finds that a proper and  
144 legitimate state purpose is served when employees and retirees  
145 of the state and its political subdivisions, and the dependents,

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146 survivors, and beneficiaries of such employees and retirees, are  
147 extended the basic protections afforded by governmental  
148 retirement systems. These persons must be provided benefits that  
149 are fair and adequate and that are managed, administered, and  
150 funded in an actuarially sound manner, as required by s. 14,  
151 Article X of the State Constitution and part VII of chapter 112,  
152 Florida Statutes. Therefore, the Legislature determines and  
153 declares that this act fulfills an important state interest.

154 Section 3. This act shall take effect July 1, 2018.