

By the Committee on Community Affairs; and Senator Brandes

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1 A bill to be entitled
2 An act relating to fire control districts and
3 firefighter pensions; amending s. 175.041, F.S.;
4 revising applicability of the Firefighters' Pension
5 Trust Fund; authorizing a municipality that provides
6 fire protection services to a municipal services
7 taxing unit under an interlocal agreement to receive
8 property insurance premium taxes; authorizing a county
9 to enact an ordinance levying a tax on behalf of a
10 municipal services taxing unit receiving fire
11 protection services; amending s. 175.101, F.S.;
12 authorizing a municipal services taxing unit that
13 enters into an interlocal agreement for fire
14 protection services with a municipality to impose an
15 excise tax on property insurance premiums; amending s.
16 175.111, F.S.; requiring a municipal services taxing
17 unit to provide the Division of Retirement of the
18 Department of Management Services with a certified
19 copy of an ordinance assessing and imposing certain
20 taxes; amending ss. 175.121, 175.122, and 175.351,
21 F.S.; revising provisions relating to the disbursement
22 of moneys by the division and the Department of
23 Revenue and the limitation of disbursement to conform
24 to changes made by the act; amending s. 175.411, F.S.;
25 authorizing a municipal services taxing unit to revoke
26 its participation and cease to receive property
27 insurance premium taxes under certain conditions;
28 amending s. 191.006, F.S.; requiring an independent
29 special fire control district to have, and authorizing

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30 the board of such district to exercise by majority
31 vote, specified powers; amending ss. 175.032, 175.071,
32 175.381, and 633.422, F.S.; conforming provisions to
33 changes made by the act; providing an effective date.
34

35 Be It Enacted by the Legislature of the State of Florida:
36

37 Section 1. Subsection (14) of section 175.032, Florida
38 Statutes, is amended to read:

39 175.032 Definitions.—For any municipality, special fire
40 control district, chapter plan, local law municipality, local
41 law special fire control district, or local law plan under this
42 chapter, the term:

43 (14) "Local law plan" means a retirement plan that includes
44 both a defined benefit plan component and a defined contribution
45 plan component for firefighters, or for firefighters and police
46 officers if both are included, as described in s. 175.351,
47 established by ~~municipal~~ ordinance, special district resolution,
48 or special act of the Legislature, which enactment sets forth
49 all plan provisions. Local law plan provisions may vary from the
50 provisions of this chapter if minimum benefits and minimum
51 standards are met. However, any such variance must provide a
52 greater benefit for firefighters, or firefighters and police
53 officers if both are included. Actuarial valuations of local law
54 plans shall be conducted by an enrolled actuary as provided in
55 s. 175.261(2).

56 Section 2. Section 175.041, Florida Statutes, is amended to
57 read:

58 175.041 Firefighters' Pension Trust Fund created;

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59 applicability of provisions.—For any municipality, municipal
60 services taxing unit, special fire control district, chapter
61 plan, local law municipality, local law special fire control
62 district, or local law plan under this chapter:

63 (1) There shall be established a special fund exclusively
64 for the purpose of this chapter, which ~~in the case of chapter~~
65 ~~plans~~ shall be known as the "Firefighters' Pension Trust Fund,"
66 in each municipality, municipal services taxing unit, and ~~each~~
67 special fire control district of this state ~~heretofore or~~
68 ~~hereafter created~~ which now has or which may hereafter have a
69 constituted fire department or an authorized volunteer fire
70 department, or any combination thereof.

71 (2) To qualify as a fire department or volunteer fire
72 department or combination thereof under ~~the provisions of this~~
73 chapter, the department shall own and use apparatus for the
74 fighting of fires that was in compliance with National Fire
75 Protection Association Standards for Automotive Fire Apparatus
76 at the time of purchase.

77 (3) ~~The provisions of This chapter applies shall apply~~ only
78 to municipalities organized and established under ~~pursuant to~~
79 the laws of the state and to special fire control districts.
80 This chapter does, ~~and said provisions shall~~ not apply to the
81 unincorporated areas of any county or counties except with
82 respect to municipal services taxing units established in
83 unincorporated areas for the purpose of receiving fire
84 protection services from a municipality and special fire control
85 districts that include unincorporated areas. This chapter also
86 does not, ~~nor shall the provisions hereof~~ apply to any
87 governmental entity whose firefighters are eligible to

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88 participate in the Florida Retirement System.

89 (a) Special fire control districts that include, or consist
90 exclusively of, unincorporated areas of one or more counties may
91 levy and impose the tax and participate in the retirement
92 programs created ~~enabled~~ by this chapter.

93 (b) With respect to the distribution of premium taxes, a
94 single consolidated government consisting of a former county and
95 one or more municipalities, consolidated under ~~pursuant to~~ s. 3
96 or s. 6(e), Art. VIII of the State Constitution, is also
97 eligible to participate under this chapter. The consolidated
98 government shall notify the division when it has entered into an
99 interlocal agreement to provide fire services to a municipality
100 within its boundaries. The municipality may enact an ordinance
101 levying the tax as provided in s. 175.101. Upon being provided
102 copies of the interlocal agreement and the municipal ordinance
103 levying the tax, the division may distribute any premium taxes
104 reported for the municipality to the consolidated government as
105 long as the interlocal agreement is in effect.

106 (c) Any municipality that has entered into an interlocal
107 agreement to provide fire protection services to any other
108 incorporated municipality, in its entirety, or a municipal
109 services taxing unit in an unincorporated area, ~~in its entirety,~~
110 for a period of 12 months or more may be eligible to receive the
111 premium taxes reported for such other municipality or municipal
112 services taxing unit. In order to be eligible for such premium
113 taxes, the municipality providing the fire services must notify
114 the division that it has entered into an interlocal agreement
115 with another municipality or a county on behalf of a municipal
116 services taxing unit. The municipality receiving the fire

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117 services, or a county on behalf of the municipal services taxing
118 unit receiving the fire services, may enact an ordinance levying
119 the tax as provided in s. 175.101. Upon being provided copies of
120 the interlocal agreement and the ~~municipal~~ ordinance levying the
121 tax, the division may distribute any premium taxes reported for
122 the municipality or municipal services taxing unit receiving the
123 fire services to the participating municipality providing the
124 fire services as long as the interlocal agreement is in effect.

125 (4) No municipality shall establish more than one
126 retirement plan for public safety officers which is supported in
127 whole or in part by the distribution of premium tax funds as
128 provided by this chapter or chapter 185, nor shall any
129 municipality establish a retirement plan for public safety
130 officers which receives premium tax funds from both this chapter
131 and chapter 185.

132 Section 3. Section 175.071, Florida Statutes, is amended to
133 read:

134 175.071 General powers and duties of board of trustees.—For
135 any municipality, municipal services taxing unit, special fire
136 control district, chapter plan, local law municipality, local
137 law special fire control district, or local law plan under this
138 chapter:

139 (1) The board of trustees, subject to the fiduciary
140 standards in ss. 112.656, 112.661, and 518.11 and the Code of
141 Ethics in ss. 112.311-112.3187, may:

142 (a) Invest and reinvest the assets of the firefighters'
143 pension trust fund in annuity and life insurance contracts of
144 life insurance companies in amounts sufficient to provide, in
145 whole or in part, the benefits to which all of the participants

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146 in the firefighters' pension trust fund are entitled under this
147 chapter and pay the initial and subsequent premiums thereon.

148 (b) Invest and reinvest the assets of the firefighters'
149 pension trust fund in:

150 1. Time or savings accounts of a national bank, a state
151 bank insured by the Bank Insurance Fund, or a savings, building,
152 and loan association insured by the Savings Association
153 Insurance Fund administered by the Federal Deposit Insurance
154 Corporation or a state or federal chartered credit union whose
155 share accounts are insured by the National Credit Union Share
156 Insurance Fund.

157 2. Obligations of the United States or obligations
158 guaranteed as to principal and interest by the government of the
159 United States.

160 3. Bonds issued by the State of Israel.

161 4. Bonds, stocks, or other evidences of indebtedness issued
162 or guaranteed by a corporation organized under the laws of the
163 United States, any state or organized territory of the United
164 States, or the District of Columbia, if:

165 a. The corporation is listed on any one or more of the
166 recognized national stock exchanges or on the National Market
167 System of the NASDAQ Stock Market and, in the case of bonds
168 only, holds a rating in one of the three highest classifications
169 by a major rating service; and

170 b. The board of trustees may not invest more than 5 percent
171 of its assets in the common stock or capital stock of any one
172 issuing company, nor may the aggregate investment in any one
173 issuing company exceed 5 percent of the outstanding capital
174 stock of that company or the aggregate of its investments under

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175 this subparagraph at cost exceed 50 percent of the assets of the
176 fund.

177
178 This paragraph applies to all boards of trustees and
179 participants. However, if a municipality, municipal services
180 taxing unit, or special fire control district has a duly enacted
181 pension plan under ~~pursuant to~~, and in compliance with, s.
182 175.351, and the trustees desire to vary the investment
183 procedures, the trustees of such plan must request a variance of
184 the investment procedures as outlined herein only through an a
185 ~~municipal~~ ordinance, special act of the Legislature, or
186 resolution by the governing body of the special fire control
187 district; if a special act, or a municipality by ordinance
188 adopted before July 1, 1998, permits a greater than 50-percent
189 equity investment, such municipality is not required to comply
190 with the aggregate equity investment provisions of this
191 paragraph. Notwithstanding any other provision of law, this
192 section may not be construed to take away any preexisting legal
193 authority to make equity investments that exceed the
194 requirements of this paragraph. Notwithstanding any other
195 provision of law, the board of trustees may invest up to 25
196 percent of plan assets in foreign securities on a market-value
197 basis. The investment cap on foreign securities may not be
198 revised, amended, increased, or repealed except as provided by
199 general law.

200 (c) Issue drafts upon the firefighters' pension trust fund
201 pursuant to this act and rules prescribed by the board of
202 trustees. All such drafts must be consecutively numbered, be
203 signed by the chair and secretary, or by two individuals

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204 designated by the board who are subject to the same fiduciary
205 standards as the board of trustees under this subsection, and
206 state upon their faces the purpose for which the drafts are
207 drawn. The treasurer or depository of each municipality or
208 special fire control district shall retain such drafts when
209 paid, as permanent vouchers for disbursements made, and no money
210 may be otherwise drawn from the fund.

211 (d) Convert into cash any securities of the fund.

212 (e) Keep a complete record of all receipts and
213 disbursements and the board's acts and proceedings.

214 (2) Any and all acts and decisions shall be effectuated by
215 vote of a majority of the members of the board; however, no
216 trustee shall take part in any action in connection with the
217 trustee's own participation in the fund, and no unfair
218 discrimination shall be shown to any individual firefighter
219 participating in the fund.

220 (3) The board's action on all claims for retirement under
221 this act shall be final, provided, however, that the rules and
222 regulations of the board have been complied with.

223 (4) The secretary of the board of trustees shall keep a
224 record of all persons receiving retirement payments under ~~the~~
225 ~~provisions of~~ this chapter, in which shall be noted the time
226 when the pension is allowed and the time when the pension shall
227 cease to be paid. In this record, the secretary shall keep a
228 list of all firefighters employed by the municipality, municipal
229 services taxing unit, or special fire control district. The
230 record shall show the name, address, and time of employment of
231 such firefighters and when they cease to be employed by the
232 municipality, municipal services taxing unit, or special fire

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233 control district.

234 (5) The sole and exclusive administration of, and the
235 responsibilities for, the proper operation of the firefighters'
236 pension trust fund and for making effective ~~the provisions of~~
237 this chapter are vested in the board of trustees; however,
238 nothing herein shall empower a board of trustees to amend ~~the~~
239 ~~provisions of~~ a retirement plan without the approval of the
240 municipality, municipal services taxing unit, or special fire
241 control district. The board of trustees shall keep in convenient
242 form such data as shall be necessary for an actuarial valuation
243 of the firefighters' pension trust fund and for checking the
244 actual experience of the fund.

245 (6) (a) At least once every 3 years, the board of trustees
246 shall retain a professionally qualified independent consultant
247 who shall evaluate the performance of any existing professional
248 money manager and shall make recommendations to the board of
249 trustees regarding the selection of money managers for the next
250 investment term. These recommendations shall be considered by
251 the board of trustees at its next regularly scheduled meeting.
252 The date, time, place, and subject of this meeting shall be
253 advertised in the same manner as for any meeting of the board.

254 (b) For purposes of this subsection, the term
255 "professionally qualified independent consultant" means a
256 consultant who, based on education and experience, is
257 professionally qualified to evaluate the performance of
258 professional money managers, and who, at a minimum:

- 259 1. Provides his or her services on a flat-fee basis.
- 260 2. Is not associated in any manner with the money manager
- 261 for the pension fund.

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262 3. Makes calculations according to the American Banking
263 Institute method of calculating time-weighted rates of return.
264 All calculations must be made net of fees.

265 4. Has 3 or more years of experience working in the public
266 sector.

267 (7) To assist the board in meeting its responsibilities
268 under this chapter, the board, if it so elects, may:

269 (a) Employ independent legal counsel at the pension fund's
270 expense.

271 (b) Employ an independent enrolled actuary, as defined in
272 s. 175.032, at the pension fund's expense.

273 (c) Employ such independent professional, technical, or
274 other advisers as it deems necessary at the pension fund's
275 expense.

276

277 If the board chooses to use the municipality's, municipal
278 services taxing unit's, or special district's legal counsel or
279 actuary, or chooses to use any of the municipality's, municipal
280 services taxing unit's, or special district's other
281 professional, technical, or other advisers, it must do so only
282 under terms and conditions acceptable to the board.

283 (8) Notwithstanding paragraph (1) (b) and as provided in s.
284 215.473, the board of trustees must identify and publicly report
285 any direct or indirect holdings it may have in any scrutinized
286 company, as defined in that section, and proceed to sell,
287 redeem, divest, or withdraw all publicly traded securities it
288 may have in that company beginning January 1, 2010. The
289 divestiture of any such security must be completed by September
290 30, 2010. The board and its named officers or investment

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291 advisors may not be deemed to have breached their fiduciary duty
292 in any action taken to dispose of any such security, and the
293 board shall have satisfactorily discharged the fiduciary duties
294 of loyalty, prudence, and sole and exclusive benefit to the
295 participants of the pension fund and their beneficiaries if the
296 actions it takes are consistent with the duties imposed by s.
297 215.473, and the manner of the disposition, if any, is
298 reasonable as to the means chosen. For the purposes of effecting
299 compliance with that section, the pension fund shall designate
300 terror-free plans that allocate their funds among securities not
301 subject to divestiture. No person may bring any civil, criminal,
302 or administrative action against the board of trustees or any
303 employee, officer, director, or advisor of such pension fund
304 based upon the divestiture of any security pursuant to this
305 subsection.

306 Section 4. Section 175.101, Florida Statutes, is amended to
307 read:

308 175.101 State excise tax on property insurance premiums
309 authorized; procedure.—For any municipality, municipal services
310 taxing unit, special fire control district, chapter plan, local
311 law municipality, local law special fire control district, or
312 local law plan under this chapter:

313 (1) Each municipality, municipal services taxing unit, or
314 special fire control district in this state described and
315 classified in s. 175.041, having a lawfully established
316 ~~firefighters'~~ pension trust fund, ~~or~~ municipal fund, or special
317 fire control district fund, by whatever name known, providing
318 pension benefits to firefighters, or firefighters and police
319 officers if both are included, as provided under this chapter,

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320 or receiving fire protection services from a municipality
321 participating under this chapter, may assess and impose on every
322 insurance company, corporation, or other insurer now engaged in
323 or carrying on, or who shall hereinafter engage in or carry on,
324 the business of property insurance as shown by the records of
325 the Office of Insurance Regulation of the Financial Services
326 Commission, an excise tax in addition to any lawful license or
327 excise tax now levied by each of the municipalities, municipal
328 services taxing units, or special fire control districts,
329 respectively, amounting to 1.85 percent of the gross amount of
330 receipts of premiums from policyholders on all premiums
331 collected on property insurance policies covering property
332 within the corporate limits of such municipalities or within the
333 legally defined boundaries of municipal services taxing units or
334 special fire control districts, respectively. Whenever the
335 boundaries of a special fire control district that has lawfully
336 established a firefighters' pension trust fund encompass a
337 portion of the corporate territory of a municipality that has
338 also lawfully established a firefighters' pension trust fund, or
339 a municipal services taxing unit receiving fire protection
340 services from a municipality participating under this chapter,
341 that portion of the tax receipts attributable to insurance
342 policies covering property situated both within the municipality
343 or municipal services taxing unit and the special fire control
344 district shall be given to the fire service provider. For the
345 purpose of this section, the boundaries of a special fire
346 control district include an area that has been annexed until the
347 completion of the 4-year period provided for in s. 171.093(4),
348 or other agreed-upon extension, or if a special fire control

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349 district is providing services under an interlocal agreement
350 executed in accordance with s. 171.093(3). The agent shall
351 identify the fire service provider on the property owner's
352 application for insurance. Remaining revenues collected under
353 ~~pursuant to~~ this chapter shall be distributed to the
354 municipality or special fire control district according to the
355 location of the insured property.

356 (2) In the case of multiple peril policies with a single
357 premium for both the property and casualty coverages in such
358 policies, 70 percent of such premium shall be used as the basis
359 for the 1.85-percent tax.

360 (3) This excise tax is ~~shall be~~ payable annually on March 1
361 of each year after the passage of an ordinance, in the case of a
362 municipality or municipal services taxing unit, or resolution,
363 in the case of a special fire control district, assessing and
364 imposing the tax authorized by this section. Installments of
365 taxes shall be paid according to ~~the provision of~~ s.
366 624.5092(2)(a), (b), and (c).

367
368 This section also applies to any municipality consisting of a
369 single consolidated government which is made up of a former
370 county and one or more municipalities, consolidated under
371 ~~pursuant to~~ the authority in s. 3 or s. 6(e), Art. VIII of the
372 State Constitution, and to property insurance policies covering
373 property within the boundaries of the consolidated government,
374 regardless of whether the properties are located within one or
375 more separately incorporated areas within the consolidated
376 government, provided the properties are being provided fire
377 protection services by the consolidated government. This section

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378 also applies to any municipality or municipal services taxing
379 unit in an unincorporated area, as provided in s. 175.041(3)(c),
380 which has entered into an interlocal agreement to receive fire
381 protection services from another municipality participating
382 under this chapter. The excise tax may be levied on all premiums
383 collected on property insurance policies covering property
384 located within the corporate limits of the municipality or
385 municipality services taxing unit receiving the fire protection
386 services, but will be available for distribution to the
387 municipality providing the fire protection services.

388 Section 5. Section 175.111, Florida Statutes, is amended to
389 read:

390 175.111 Certified copy of ordinance or resolution filed;
391 insurance companies' annual report of premiums; duplicate files;
392 book of accounts.—For any municipality, municipal services
393 taxing unit, special fire control district, chapter plan, local
394 law municipality, local law special fire control district, or
395 local law plan under this chapter, whenever any municipality, or
396 any county on behalf of a municipal services taxing unit, passes
397 an ordinance or whenever any special fire control district
398 passes a resolution establishing a chapter plan or local law
399 plan assessing and imposing the taxes authorized in s. 175.101,
400 a certified copy of such ordinance or resolution shall be
401 deposited with the division. Thereafter every insurance company,
402 association, corporation, or other insurer carrying on the
403 business of property insurance on real or personal property, on
404 or before the succeeding March 1 after the date of the passage
405 of the ordinance or resolution, shall report fully in writing
406 and under oath to the division and the Department of Revenue a

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407 just and true account of all premiums by such insurer received
408 for property insurance policies covering or insuring any real or
409 personal property located within the corporate limits of each
410 such municipality, municipal services taxing unit, or special
411 fire control district during the period of time elapsing between
412 the date of the passage of the ordinance or resolution and the
413 end of the calendar year. The report shall include the code
414 designation as prescribed by the division for each piece of
415 insured property, real or personal, located within the corporate
416 limits of each municipality and within the legally defined
417 boundaries of each special fire control district and municipal
418 services taxing unit. The ~~aforsaid~~ insurer shall annually
419 thereafter, on March 1, file with the Department of Revenue a
420 similar report covering the preceding year's premium receipts,
421 and every such insurer at the same time of making such reports
422 shall pay to the Department of Revenue the amount of the imposed
423 ~~tax hereinbefore mentioned~~. Every insurer engaged in carrying on
424 such insurance business in the state shall keep accurate books
425 of accounts of all such business done by it within the corporate
426 limits of each such municipality and within the legally defined
427 boundaries of each such special fire control district and
428 municipal services taxing unit, and in such manner as to be able
429 to comply with ~~the provisions of~~ this chapter. Based on the
430 insurers' reports of premium receipts, the division shall
431 prepare a consolidated premium report and shall furnish to any
432 municipality, municipal services taxing unit, or special fire
433 control district requesting the same a copy of the relevant
434 section of that report.

435 Section 6. Section 175.121, Florida Statutes, is amended to

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436 read:

437 175.121 Department of Revenue and Division of Retirement to
438 keep accounts of deposits; disbursements.—For any municipality,
439 municipal services taxing unit, or special fire control district
440 having a chapter or local law plan established under ~~pursuant to~~
441 this chapter:

442 (1) The Department of Revenue shall keep a separate account
443 of all moneys collected for each municipality, municipal
444 services taxing unit, and ~~each~~ special fire control district
445 ~~under the provisions of~~ this chapter. All moneys so collected
446 must be transferred to the Police and Firefighters' Premium Tax
447 Trust Fund and shall be separately accounted for by the
448 division. The moneys budgeted as necessary to pay the expenses
449 of the division for the daily oversight and monitoring of the
450 firefighters' pension plans under this chapter and for the
451 oversight and actuarial reviews conducted under part VII of
452 chapter 112 are annually appropriated from the interest and
453 investment income earned on the moneys collected for each
454 municipality, municipal services taxing unit, or special fire
455 control district and deposited in the Police and Firefighters'
456 Premium Tax Trust Fund. Interest and investment income remaining
457 thereafter in the trust fund which is unexpended and otherwise
458 unallocated by law shall revert to the General Revenue Fund on
459 June 30 of each year.

460 (2) The Chief Financial Officer shall, on or before July 1
461 of each year, and at such other times as authorized by the
462 division, draw his or her warrants on the full net amount of
463 money then on deposit in the Police and Firefighters' Premium
464 Tax Trust Fund under ~~pursuant to~~ this chapter, specifying the

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465 municipalities, municipal services taxing units, and special
466 fire control districts to which the moneys must be paid and the
467 net amount collected for and to be paid to each municipality,
468 municipal services taxing unit, or special fire control
469 district, respectively, subject to the limitation on
470 disbursement under s. 175.122. The sum payable to each
471 municipality, municipal services taxing unit, or special fire
472 control district is appropriated annually out of the Police and
473 Firefighters' Premium Tax Trust Fund. The warrants of the Chief
474 Financial Officer shall be payable to the respective
475 municipalities, municipal services taxing units, and special
476 fire control districts entitled to receive them and shall be
477 remitted annually by the division to the respective
478 municipalities, municipal services taxing units, and special
479 fire control districts. In lieu thereof, the municipality,
480 municipal services taxing unit, or special fire control district
481 may provide authorization to the division for the direct payment
482 of the premium tax to the board of trustees. In order for a
483 municipality, municipal services taxing unit, or special fire
484 control district and its pension fund to participate in the
485 distribution of premium tax moneys under this chapter, all the
486 provisions shall be complied with annually, including state
487 acceptance under ~~pursuant to~~ part VII of chapter 112.

488 (3) (a) All moneys not distributed to municipalities,
489 municipal services taxing units, and special fire control
490 districts under this section as a result of the limitation on
491 disbursement contained in s. 175.122, or as a result of any
492 municipality, municipal services taxing unit, or special fire
493 control district not having qualified in any given year, or

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494 portion thereof, shall be transferred to the Firefighters'
495 Supplemental Compensation Trust Fund administered by the
496 Department of Revenue, as provided in s. 633.422.

497 (b)1. Moneys transferred under paragraph (a) but not needed
498 to support the supplemental compensation program in a given year
499 shall be redistributed pro rata to those participating
500 municipalities, municipal services taxing units, and special
501 fire control districts that transfer any portion of their funds
502 to support the supplemental compensation program in that year.
503 Such additional moneys shall be used to cover or offset costs of
504 the retirement plan.

505 2. To assist the Department of Revenue, the division shall
506 identify those municipalities, municipal services taxing units,
507 and special fire control districts that are eligible for
508 redistribution as provided in s. 633.422(3)(c)2., by listing the
509 municipalities, municipal services taxing units, and special
510 fire control districts from which funds were transferred under
511 paragraph (a) and specifying the amount transferred by each.

512 Section 7. Section 175.122, Florida Statutes, is amended to
513 read:

514 175.122 Limitation of disbursement.—For any municipality,
515 municipal services taxing unit, special fire control district,
516 chapter plan, local law municipality, local law special fire
517 control district, or local law plan under this chapter, any
518 municipality, municipal services taxing unit, or special fire
519 control district participating in the firefighters' pension
520 trust fund under ~~pursuant to the provisions of~~ this chapter,
521 whether under a chapter plan or local law plan, is ~~shall be~~
522 limited to receiving any moneys from such fund in excess of that

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523 produced by one-half of the excise tax, as provided for in s.
524 175.101; however, any such municipality, municipal services
525 taxing unit, or special fire control district receiving less
526 than 6 percent of its fire department payroll from such fund is
527 ~~shall be~~ entitled to receive from such fund the amount
528 determined under s. 175.121, in excess of one-half of the excise
529 tax, not to exceed 6 percent of its fire department payroll.
530 Payroll amounts of members included in the Florida Retirement
531 System are ~~shall~~ not be included.

532 Section 8. Section 175.351, Florida Statutes, is amended to
533 read:

534 175.351 Municipalities, municipal services taxing units,
535 and special fire control districts that have their own
536 retirement plans for firefighters.—In order for a municipality,
537 municipal services taxing unit, or special fire control district
538 that has its own retirement plan for firefighters, or for
539 firefighters and police officers if both are included, to
540 participate in the distribution of the tax fund established
541 under s. 175.101, a local law plan must meet minimum benefits
542 and minimum standards, except as provided in the mutual consent
543 provisions in paragraph (1)(g) with respect to the minimum
544 benefits not met as of October 1, 2012.

545 (1) If a municipality, municipal services taxing unit, or
546 special fire control district has a retirement plan for
547 firefighters, or for firefighters and police officers if both
548 are included, which in the opinion of the division meets minimum
549 benefits and minimum standards, the board of trustees of the
550 retirement plan must place the income from the premium tax in s.
551 175.101 in such plan for the sole and exclusive use of its

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552 firefighters, or for firefighters and police officers if both
553 are included, where it shall become an integral part of that
554 plan and be used to fund benefits as provided herein. Effective
555 October 1, 2015, for noncollectively bargained service or upon
556 entering into a collective bargaining agreement on or after July
557 1, 2015:

558 (a) The base premium tax revenues must be used to fund
559 minimum benefits or other retirement benefits in excess of the
560 minimum benefits as determined by the municipality, municipal
561 services taxing unit, or special fire control district.

562 (b) Of the additional premium tax revenues received that
563 are in excess of the amount received for the 2012 calendar year,
564 50 percent must be used to fund minimum benefits or other
565 retirement benefits in excess of the minimum benefits as
566 determined by the municipality, municipal services taxing unit,
567 or special fire control district, and 50 percent must be placed
568 in a defined contribution plan to fund special benefits.

569 (c) Additional premium tax revenues not described in
570 paragraph (b) must be used to fund benefits that are not
571 included in the minimum benefits. If the additional premium tax
572 revenues subject to this paragraph exceed the full annual cost
573 of benefits provided through the plan which are in excess of the
574 minimum benefits, any amount in excess of the full annual cost
575 must be used as provided in paragraph (b).

576 (d) Of any accumulations of additional premium tax revenues
577 which have not been allocated to fund benefits in excess of the
578 minimum benefits, 50 percent of the amount of the accumulations
579 must be used to fund special benefits, and 50 percent must be
580 applied to fund any unfunded actuarial liabilities of the plan;

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581 provided that any amount of accumulations in excess of the
582 amount required to fund the unfunded actuarial liabilities must
583 be used to fund special benefits.

584 (e) For a plan created after March 1, 2015, 50 percent of
585 the insurance premium tax revenues must be used to fund defined
586 benefit plan component benefits, with the remainder used to fund
587 defined contribution plan component benefits.

588 (f) If a plan offers benefits in excess of the minimum
589 benefits, such benefits, excluding supplemental plan benefits in
590 effect as of September 30, 2014, may be reduced if the plan
591 continues to meet minimum benefits and minimum standards. The
592 amount of insurance premium tax revenues previously used to fund
593 benefits in excess of minimum benefits before the reduction,
594 excluding the amount of any additional premium tax revenues
595 distributed to a supplemental plan for the 2012 calendar year,
596 must be used as provided in paragraph (b). However, benefits in
597 excess of minimum benefits may not be reduced if a plan does not
598 meet the minimum percentage amount of 2.75 percent of the
599 average final compensation of a full-time firefighter, as
600 required by s. 175.162(2)(a)1., or provides an effective benefit
601 that is below 2.75 percent as a result of a maximum benefit
602 limitation as described in s. 175.162(2)(a)2.

603 (g) Notwithstanding paragraphs (a)-(f), the use of premium
604 tax revenues, including any accumulations of additional premium
605 tax revenues which have not been allocated to fund benefits in
606 excess of minimum benefits, may deviate from the provisions of
607 this subsection by mutual consent of the members' collective
608 bargaining representative or, if there is no representative, by
609 a majority of the firefighter members, or firefighter and police

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610 officer members if both are included, of the fund, and by
611 consent of the municipality, municipal services taxing unit, or
612 special fire control district, provided that the plan continues
613 to meet minimum benefits and minimum standards; however, a plan
614 that operates under ~~pursuant to~~ this paragraph and does not meet
615 minimum benefits as of October 1, 2012, may continue to provide
616 the benefits that do not meet the minimum benefits at the same
617 level as was provided as of October 1, 2012, and all other
618 benefit levels must continue to meet the minimum benefits. Such
619 mutually agreed deviation must continue until modified or
620 revoked by subsequent mutual consent of the members' collective
621 bargaining representative or, if none, by a majority of the
622 firefighter members, or firefighter and police officer members
623 if both are included, of the fund, and the municipality,
624 municipal services taxing unit, or special fire control
625 district. An existing arrangement for the use of premium tax
626 revenues contained within a special act plan or a plan within a
627 supplemental plan municipality is considered, as of July 1,
628 2015, to be a deviation for which mutual consent has been
629 granted.

630 (2) The premium tax provided by this chapter must be used
631 in its entirety to provide retirement benefits to firefighters,
632 or to firefighters and police officers if both are included.
633 Local law plans created by special act before May 27, 1939, are
634 deemed to comply with this chapter.

635 (3) A retirement plan or amendment to a retirement plan may
636 not be proposed for adoption unless the proposed plan or
637 amendment contains an actuarial estimate of the costs involved.
638 Such proposed plan or proposed plan change may not be adopted

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639 without the approval of the municipality, municipal services
640 taxing unit, special fire control district, or, if ~~where~~
641 required, the Legislature. Copies of the proposed plan or
642 proposed plan change and the actuarial impact statement of the
643 proposed plan or proposed plan change shall be furnished to the
644 division before the last public hearing on the proposal is held.
645 Such statement must also indicate whether the proposed plan or
646 proposed plan change is in compliance with s. 14, Art. X of the
647 State Constitution and those provisions of part VII of chapter
648 112 which are not expressly provided in this chapter.
649 Notwithstanding any other provision, only those local law plans
650 created by special act of legislation before May 27, 1939, are
651 deemed to meet minimum benefits and minimum standards.

652 (4) Notwithstanding any other provision, with respect to
653 any supplemental plan municipality:

654 (a) A local law plan and a supplemental plan may continue
655 to use their definition of compensation or salary in existence
656 on March 12, 1999.

657 (b) Section 175.061(1)(b) does not apply, and a local law
658 plan and a supplemental plan shall continue to be administered
659 by a board or boards of trustees numbered, constituted, and
660 selected as the board or boards were numbered, constituted, and
661 selected on December 1, 2000.

662 (5) The retirement plan setting forth the benefits and the
663 trust agreement, if any, covering the duties and
664 responsibilities of the trustees and the regulations of the
665 investment of funds must be in writing, and copies made
666 available to the participants and to the general public.

667 (6) In addition to the defined benefit plan component of

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668 the local law plan, each plan sponsor must have a defined
669 contribution plan component within the local law plan by October
670 1, 2015, for noncollectively bargained service, upon entering
671 into a collective bargaining agreement on or after July 1, 2015,
672 or upon the creation date of a new participating plan. Depending
673 upon the application of subsection (1), a defined contribution
674 plan component may or may not receive any funding.

675 (7) Notwithstanding any other provision of this chapter, a
676 municipality, municipal services taxing unit, or special fire
677 control district that has implemented or proposed changes to a
678 local law plan based on the municipality's, municipal services
679 taxing unit's, or district's reliance on an interpretation of
680 this chapter by the Department of Management Services on or
681 after August 14, 2012, and before March 3, 2015, may continue
682 the implemented changes or continue to implement proposed
683 changes. Such reliance must be evidenced by a written collective
684 bargaining proposal or agreement, or formal correspondence
685 between the municipality, municipal services taxing unit, or
686 district and the Department of Management Services which
687 describes the specific changes to the local law plan, with the
688 initial proposal, agreement, or correspondence from the
689 municipality, municipal services taxing unit, or district dated
690 before March 3, 2015. Changes to the local law plan which are
691 otherwise contrary to minimum benefits and minimum standards may
692 continue in effect until the earlier of October 1, 2018, or the
693 effective date of a collective bargaining agreement that is
694 contrary to the changes to the local law plan.

695 Section 9. Section 175.381, Florida Statutes, is amended to
696 read:

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697 175.381 Applicability.—This act shall apply to all
698 municipalities, municipal services taxing units, special fire
699 control districts, chapter plans, local law municipalities,
700 local law special fire control districts, or local law plans
701 presently existing or to be created under ~~pursuant to~~ this
702 chapter. Those plans presently existing under ~~pursuant to~~ s.
703 175.351 and not in compliance with ~~the provisions of~~ this act
704 must comply no later than December 31, 1999. However, the plan
705 sponsor of any plan established by special act of the
706 Legislature shall have until July 1, 2000, to comply with ~~the~~
707 ~~provisions of~~ this act, except as otherwise provided in this act
708 with regard to establishment and election of board members. ~~The~~
709 ~~provisions of~~ This act shall be construed to establish minimum
710 standards and minimum benefit levels, and nothing contained in
711 this act or in chapter 175 operates ~~shall operate~~ to reduce
712 presently existing rights or benefits of any firefighter,
713 directly, indirectly, or otherwise.

714 Section 10. Section 175.411, Florida Statutes, is amended
715 to read:

716 175.411 Optional participation.—A municipality, municipal
717 services taxing unit, or special fire control district may
718 revoke its participation under this chapter by rescinding the
719 legislative act, ordinance, or resolution which assesses and
720 imposes the taxes authorized in s. 175.101, and by furnishing a
721 certified copy of such legislative act, ordinance, or resolution
722 to the division. Thereafter, the municipality, municipal
723 services taxing unit, or special fire control district ~~is shall~~
724 ~~be~~ prohibited from participating under this chapter, and is
725 ~~shall~~ not ~~be~~ eligible for future premium tax moneys. Premium tax

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726 moneys previously received shall continue to be used for the
727 sole and exclusive benefit of firefighters, or firefighters and
728 police officers if both are ~~where~~ included, and no amendment,
729 legislative act, ordinance, or resolution shall be adopted which
730 has ~~shall have~~ the effect of reducing the then-vested accrued
731 benefits of the firefighters, or firefighters and police
732 officers if both are included, retirees, or their beneficiaries.
733 The municipality, municipal services taxing unit, or special
734 fire control district shall continue to furnish an annual report
735 to the division as provided in s. 175.261. If the municipality,
736 municipal services taxing unit, or special fire control district
737 subsequently terminates the defined benefit plan, they shall do
738 so in compliance with ~~the provisions of~~ s. 175.361.

739 Section 11. Subsection (13) of section 191.006, Florida
740 Statutes, is amended to read:

741 191.006 General powers.—The district shall have, and the
742 board may exercise by majority vote, the following powers:

743 (13) To cooperate or contract with other persons or
744 entities, including other governmental agencies, as necessary,
745 convenient, incidental, or proper in connection with providing
746 effective mutual aid and furthering any power, duty, or purpose
747 authorized by this act. The district shall have, and the board
748 may exercise, all powers and duties provided in s. 163.01,
749 chapter 189, and this chapter, including such powers within or
750 without the district's boundary in cooperation with another
751 governmental agency when such agency shares such powers in
752 common with the district.

753 Section 12. Paragraph (c) of subsection (3) of section
754 633.422, Florida Statutes, is amended to read:

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755 633.422 Firefighters; supplemental compensation.—

756 (3) FUNDING.—

757 (c) There is appropriated from the Police and Firefighter's
758 Premium Tax Trust Fund to the Firefighters' Supplemental
759 Compensation Trust Fund, which is created under the Department
760 of Revenue, all moneys which have not been distributed to
761 municipalities, municipal services taxing units, and special
762 fire control districts in accordance with s. 175.121 as a result
763 of the limitation contained in s. 175.122 on the disbursement of
764 revenues collected under ~~pursuant to~~ chapter 175 or as a result
765 of any municipality, municipal services taxing unit, or special
766 fire control district not having qualified in any given year, or
767 portion thereof, for participation in the distribution of the
768 revenues collected under ~~pursuant to~~ chapter 175. The total
769 required annual distribution from the Firefighters' Supplemental
770 Compensation Trust Fund shall equal the amount necessary to pay
771 supplemental compensation as provided in this section, provided
772 that:

773 1. Any deficit in the total required annual distribution
774 shall be made up from accrued surplus funds existing in the
775 Firefighters' Supplemental Compensation Trust Fund on June 30,
776 1990, for as long as such funds last. If the accrued surplus is
777 insufficient to cure the deficit in any given year, the
778 proration of the appropriation among the counties,
779 municipalities, municipal services taxing units, and special
780 fire service taxing districts shall equal the ratio of
781 compensation paid in the prior year to county, municipal,
782 municipal services taxing unit, and special fire service taxing
783 district firefighters under ~~pursuant to~~ this section. This ratio

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784 shall be provided annually to the Department of Revenue by the
785 division. Surplus funds that have accrued or accrue on or after
786 July 1, 1990, shall be redistributed to municipalities,
787 municipal services taxing units, and special fire control
788 districts as provided in subparagraph 2.

789 2. By October 1 of each year, any funds that have accrued
790 or accrue on or after July 1, 1990, and remain in the
791 Firefighters' Supplemental Compensation Trust Fund following the
792 required annual distribution shall be redistributed by the
793 Department of Revenue pro rata to those municipalities,
794 municipal services taxing units, and special fire control
795 districts identified by the Department of Management Services as
796 being eligible for additional funds under ~~pursuant to~~ s.
797 175.121(3) (b).

798 Section 13. This act shall take effect July 1, 2020.