

Committee Substitute for
Committee Substitute for House Bill No. 503

An act relating to trust funds; creating s. 121.4502, F.S.; creating the Public Employee Optional Retirement Program Trust Fund, to be administered by the State Board of Administration as a retirement trust fund not subject to termination pursuant to s. 19(f), Art. III of the State Constitution; providing for sources of moneys and purposes; providing for exemption from the general revenue service charges; amending s. 121.4501, F.S.; authorizing the board to adopt rules to maintain the qualified status of the Optional Retirement Program in compliance with the Internal Revenue Code; providing a contingent effective date.

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

Section 1. Section 121.4502, Florida Statutes, is created to read:

121.4502 Public Employee Optional Retirement Program Trust Fund.—

(1) The Public Employee Optional Retirement Program Trust Fund is created to hold the assets of the Public Employee Optional Retirement Program in trust for the exclusive benefit of such program's participants and beneficiaries, and for the payment of reasonable administrative expenses of the program, in accordance with s. 401 of the Internal Revenue Code, and shall be administered by the State Board of Administration as trustee. Funds shall be credited to the trust fund as provided in this part, to be used for the purposes of this part. The trust fund is exempt from the service charges imposed by s. 215.20.

(2) The Public Employee Optional Retirement Program Trust Fund is a retirement trust fund of the Florida Retirement System that accounts for retirement plan assets held by the state in a trustee capacity as a fiduciary for individual participants in the Public Employee Optional Retirement Program and, pursuant to s. 19(f), Art. III of the State Constitution, is not subject to termination.

Section 2. Paragraph (a) of subsection (13) of section 121.4501, Florida Statutes, is amended to read:

121.4501 Public Employee Optional Retirement Program.—

(13) FEDERAL REQUIREMENTS.—

(a) Provisions of this section shall be construed, and the Public Employee Optional Retirement Program shall be administered, so as to comply with the Internal Revenue Code, 26 U.S.C., and specifically with plan qualification requirements imposed on governmental plans under s. 401(a) of the Internal Revenue Code. The board shall have the power and authority to adopt rules reasonably necessary to establish or maintain the qualified status of the Optional Retirement Program under the Internal Revenue

Code and to implement and administer the Optional Retirement Program in compliance with the Internal Revenue Code and this part, provided however, that the board shall not have the authority to adopt any rule which makes a substantive change to the Optional Retirement Program as designed by this part.

Section 3. This act shall take effect July 1, 2001, if passed by a three-fifths vote of the membership of each house, and if HB 347 or similar legislation is adopted in the same legislative session or an extension thereof.

Approved by the Governor June 15, 2001.

Filed in Office Secretary of State June 15, 2001.