

Committee Substitute for House Bill No. 683

An act relating to firefighter pensions and police pensions; amending s. 175.032, F.S.; providing an extended time period for the recognition of supplemental firefighter plans; amending s. 185.02, F.S.; providing an extended time period for the recognition of supplemental police pension plans; amending ss. 175.061 and 185.05, F.S.; prescribing guidelines for selecting trustees for closed plans of specified size; amending ss. 175.371 and 185.38, F.S.; providing for termination of plans after distribution of final benefit payments; amending s. 175.351, F.S.; providing an extended time period for the recognition of certain municipal supplemental pension plans; amending s. 185.35, F.S.; providing an extended time period for the recognition of certain municipal supplemental pension plans; providing an effective date.

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

Section 1. Subsection (18) of section 175.032, Florida Statutes, is amended to read:

175.032 Definitions.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter, the following words and phrases have the following meanings:

(18) “Supplemental plan municipality” means any local law municipality in which there existed a supplemental plan, of any type or nature, as of December 1, 2000 ~~January 1, 1997~~.

Section 2. Subsection (16) of section 185.02, Florida Statutes, is amended to read:

185.02 Definitions.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter, the following words and phrases as used in this chapter shall have the following meanings, unless a different meaning is plainly required by the context:

(16) “Supplemental plan municipality” means any local law municipality in which there existed a supplemental plan as of December 1, 2000 ~~January 1, 1997~~.

Section 3. Paragraph (c) is added to subsection (1) of section 175.061, Florida Statutes, to read:

175.061 Board of trustees; members; terms of office; meetings; legal entity; costs; attorney’s fees.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(1) In each municipality and in each special fire control district there is hereby created a board of trustees of the firefighters’ pension trust fund,

which shall be solely responsible for administering the trust fund. Effective October 1, 1986, and thereafter:

(c) Whenever the active firefighter membership of a closed chapter plan or closed local law plan as provided in s. 175.371 falls below 10, an active firefighter member seat may be held by either a retired member or an active firefighter member of the plan who is elected by the active and retired members of the plan. If there are no active or retired firefighters remaining in the plan or capable of serving, the remaining board members may elect an individual to serve in the active firefighter seat. Upon receipt of such person's name, the legislative body of the municipality or special fire control district shall, as a ministerial duty, appoint such person to the board of trustees. This paragraph applies only to those plans that are closed to new members under s. 175.371(2), and does not apply to any other municipality or fire control district having a chapter or local law plan.

Section 4. Paragraph (b) of subsection (3) of section 175.351, Florida Statutes, is amended to read:

175.351 Municipalities and special fire control districts having their own pension plans for firefighters.—For any municipality, special fire control district, local law municipality, local law special fire control district, or local law plan under this chapter, in order for municipalities and special fire control districts with their own pension plans for firefighters, or for firefighters and police officers, where included, to participate in the distribution of the tax fund established pursuant to s. 175.101, local law plans must meet the minimum benefits and minimum standards set forth in this chapter.

(3) Notwithstanding any other provision, with respect to any supplemental plan municipality:

(b) Section 175.061(1)(b) shall not apply, and a local law plan and a supplemental plan shall continue to be administered by a board or boards of trustees numbered, constituted, and selected as the board or boards were numbered, constituted, and selected on December 1, 2000 ~~January 1, 1997~~.

Section 5. Subsection (2) of section 175.371, Florida Statutes, is amended to read:

175.371 Transfer to another state retirement system; benefits payable.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(2) When every active participant in any pension plan created pursuant to this chapter elects to transfer to another state retirement system, the pension plan created pursuant to this chapter shall be terminated and the assets distributed in accordance with s. 175.361. If some participants in a pension plan created pursuant to this chapter elect to transfer to another state retirement system and other participants elect to remain in the existing plan created pursuant to this chapter, the plan created pursuant to this chapter shall continue to receive state premium tax moneys until fully funded. If the plan is fully funded at a particular valuation date and not fully

funded at a later valuation date, the plan shall resume receipt of state premium tax moneys until the plan is once again fully funded. "Fully funded" means that the present value of all benefits, accrued and projected, is less than the available assets and the present value of future member contributions and future plan sponsor contributions on an actuarial entry age cost funding basis. Effective May 31, 1998, for plans discussed herein, the plan shall remain in effect until the final benefit payment has been made to the last active participant or beneficiary ~~has terminated~~ and shall then be terminated in accordance with s. 175.361.

Section 6. Paragraphs (c) and (d) are added to subsection (1) of section 185.05, Florida Statutes, to read:

185.05 Board of trustees; members; terms of office; meetings; legal entity; costs; attorney's fees.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter:

(1) In each municipality described in s. 185.03 there is hereby created a board of trustees of the municipal police officers' retirement trust fund, which shall be solely responsible for administering the trust fund. Effective October 1, 1986, and thereafter:

(c) Whenever the active police officer membership of a closed chapter plan or closed local law plan as provided in s. 185.38 falls below 10, an active police officer member seat may be held by either a retired police officer or an active police officer member of the plan who is elected by the active and retired members of the plan. If there are no active or retired police officers remaining in the plan or capable of serving, the remaining board members may elect an individual to serve in the active police officer member seat. Upon receipt of such person's name, the legislative body of the municipality shall, as a ministerial duty, appoint such person to the board of trustees. This paragraph applies only to those plans that are closed to new members under s. 185.38(2), and does not apply to any other municipality having a chapter or local law plan.

(d) If the chapter plan or local law plan with an active membership of 10 or more is closed to new members, the member seats may be held by either a retiree, as defined in s. 185.02, or an active police officer of the plan who has been elected by the active police officers. A closed plan means a plan that is closed to new members but continues to operate, pursuant to s. 185.38(2), for participants who elect to remain in the existing plan. This paragraph applies only to those plans that are closed to new members pursuant to s. 185.38(2) and does not apply to any other municipality that has a chapter plan or a local law plan.

Section 7. Paragraph (b) of subsection (3) of section 185.35, Florida Statutes, is amended to read:

185.35 Municipalities having their own pension plans for police officers.—For any municipality, chapter plan, local law municipality, or local law plan under this chapter, in order for municipalities with their own pension plans for police officers, or for police officers and firefighters where

included, to participate in the distribution of the tax fund established pursuant to s. 185.08, local law plans must meet the minimum benefits and minimum standards set forth in this chapter:

(3) Notwithstanding any other provision, with respect to any supplemental plan municipality:

(b) Section 185.05(1)(b) shall not apply, and a local law plan and a supplemental plan shall continue to be administered by a board or boards of trustees numbered, constituted, and selected as the board or boards were numbered, constituted, and selected on December 1, 2000 ~~January 1, 1997~~.

Section 8. Subsection (2) of section 185.38, Florida Statutes, is amended to read:

185.38 Transfer to another state retirement system; benefits payable.— For any municipality, chapter plan, local law municipality, or local law plan under this chapter:

(2) When every active participant in any pension plan created pursuant to this chapter elects to transfer to another state retirement system, the pension plan created pursuant to this chapter shall be terminated and the assets distributed in accordance with s. 185.37. If some participants in a pension plan created pursuant to this chapter elect to transfer to another state retirement system and other participants elect to remain in the existing plan created pursuant to this chapter, the plan created pursuant to this chapter shall continue to receive state premium tax moneys until fully funded. If the plan is fully funded at a particular valuation date and not fully funded at a later valuation date, the plan shall resume receipt of state premium tax moneys until the plan is once again determined to be fully funded. “Fully funded” means that the present value of all benefits, accrued and projected, is less than the available assets and the present value of future member contributions and future plan sponsor contributions on an actuarial entry age cost funding basis. Effective May 31, 1998, for plans discussed herein, the plan shall remain in effect until the final benefit payment has been made to the last active participant or beneficiary has ~~terminated~~ and shall then be terminated in accordance with s. 185.37.

Section 9. This act shall take effect October 1, 2002.

Approved by the Governor April 22, 2002.

Filed in Office Secretary of State April 22, 2002.