

House Bill No. 1243

An act relating to the City of Tampa, Hillsborough County; amending chapter 23559, Laws of Florida, 1945, as amended; revising the definition of “salaries or wages” to provide for an employer pickup so that the employees in Division A may make pension contributions on a pre-tax basis; revising longevity retirement provisions to provide for a multiplier of 1.15 percent for employees in Division B; providing an effective date.

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

Section 1. Subsection (A) of section 4 of chapter 23559, Laws of Florida, 1945, as last amended by chapter 2000-490, Laws of Florida, is amended to read:

Section 4. Definitions.

(A) Salaries or Wages. Salaries or Wages for the purpose of this act shall be the base amounts earned by the Employee, plus regular longevity bonuses, overtime, and shift premiums, but exclusive of other premiums, allowances, or special payments or any casual nonrecurring or unpredictable bonuses. In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for Plan Years beginning on or after January 1, 1996, the annual Salaries or Wages of each Employee taken into account under the Plan shall not exceed the annual compensation limit provided for in the Omnibus Budget Reconciliation Act of 1993 (the “OBRA 1993 Annual Compensation Limit”). The OBRA 1993 Annual Compensation Limit is \$150,000, as adjusted by the Commissioner of the Internal Revenue Service for increases in the cost-of-living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code of 1986, as amended (the “Code”). The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which Salaries or Wages are determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA 1993 Annual Compensation Limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12. For Plan Years beginning on or after January 1, 1996, any reference in this Plan to the limitation under Section 401(a)(17) of the Code shall mean the OBRA 1993 Annual Compensation Limit set forth in this provision. The limitation on Salaries or Wages for an “eligible Employee” shall not be less than the amount which was allowed to be taken into account hereunder as in effect on July 1, 1993. “Eligible Employee” is an individual who was a participant in the Plan before the first Plan Year beginning after December 31, 1995. Commencing for earnings paid the first pay date after October 1, 2005, all mandatory Employee Contributions to the Fund shall be picked up and paid by the City. Such contributions, although designated as Employee Contributions, shall be paid by the City in lieu of contributions by the Employee. The contributions so assumed shall be treated as tax-deferred Employer “pickup” contributions

pursuant to Section 414(h) of the Internal Revenue Code. Members shall not have the option of receiving the contributed amounts directly instead of having such contributions paid by the City to the Fund.

Section 2. Section 8 of chapter 23559, Laws of Florida, 1945, as last amended by chapter 81-497, Laws of Florida, is amended to read:

Section 8. Longevity Retirement Benefits.

(A) Division A Employees: An Employee in Division A whose employment terminates on or after his or her Normal Retirement Date shall receive a monthly pension benefit equal to 2 percent of his or her Average Monthly Salary multiplied by his or her Service, plus an additional .5 percent of his or her Average Monthly Salary for each additional year of Service for employment after 15 years for years served on or after January 1, 1975, until a maximum of 30 years of Service is reached.

(B) Division B Employees ~~Employee~~:

1. An Employee in Division B whose employment terminates on or after his or her Normal Retirement Date shall receive a monthly pension benefit equal to 1.15 ~~1.1~~ percent of his or her Average Monthly Salary multiplied by his or her Service.

2. An Employee in Division B who was previously a member of Division A whose employment terminates on or after his or her Normal Retirement Date shall receive a pension calculated as in subsection (B) 1. of this section subject to the following minimum benefits: said Employee shall not receive less than his or her Accrued Pension in Division A (calculated as in (A) ~~1.~~ above), plus 1.15 ~~1.1~~ percent of his or her Average Monthly Salary multiplied by his or her Service after his or her Date of Election. For the purposes of determining an Employee's Accrued Pension in Division A under this subsection, his or her Average Monthly Salary shall be calculated as of the Date of Election and his or her Service shall be Service prior to the Date of Election.

Section 3. This act shall take effect October 1, 2005.

Approved by the Governor June 8, 2005.

Filed in Office Secretary of State June 8, 2005.