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1 A bill to be entitled
2 An act relating to the Florida Retirement System; amending
3 s. 121.021, F.S.; redefining the terms "employer,"
4 "officer or employee," "past service," "normal retirement
5 date," "regularly established position," and temporary
6 position"; amending s. 121.031, F.S.; requiring
7 promotional materials that refer to the Florida Retirement
8 System to include a disclaimer unless approval is obtained
9 from the Department of Management Services; amending s.
10 121.051, F.S.; conforming a cross-reference; revising
11 provisions relating to participation in the system;
12 excluding the participation of entities under a lease
13 agreement; amending s. 121.052, F.S.; allowing local
14 government elected officials the opportunity to join the
15 FRS; amending s. 121.071, F.S.; expanding the mechanisms
16 for employees to pay contributions to the system; amending
17 s. 121.081, F.S.; revising provisions relating to
18 receiving credit for past or prior service; prohibiting a
19 member from receiving credit for service covered and
20 reported by both a public employer and a private employer;
21 amending s. 121.091, F.S.; revising provisions relating to
22 retirement benefits; deleting a restriction on the
23 reemployment of certain personnel by the Florida School
24 for the Deaf and the Blind; extending the period of time
25 that instructional personnel employed by a developmental
26 research school may participate in the Deferred Retirement
27 Option Program; clarifying that DROP participation cannot
28 be cancelled; providing for the suspension of DROP

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29 | benefits to a participant who is reemployed; deleting
 30 | obsolete provisions; authorizing the Division of
 31 | Retirement to issue benefits pursuant to a qualified
 32 | domestic relations order directly to the alternate payee;
 33 | amending s. 121.1115, F.S.; revising provisions relating
 34 | to receiving retirement credit for out-of-state service;
 35 | providing that a member is not eligible for and may not
 36 | receive a benefit based on that service; amending s.
 37 | 121.1122, F.S.; revising provisions relating to receiving
 38 | retirement credit for in-state service; providing that a
 39 | member may not be eligible for or receiving a benefit
 40 | based on service; amending s. 121.136, F.S.; revising
 41 | provisions relating to the annual statement of benefits
 42 | provided to certain active members of the Florida
 43 | Retirement System; amending s. 121.23, F.S.; requiring the
 44 | State Retirement Commission to use the same standard of
 45 | proof used by the Secretary of Management Services before
 46 | approving a disability retirement benefit; amending s.
 47 | 121.24, F.S.; requiring a quorum of three members for all
 48 | appeal hearings held by the State Retirement Commission;
 49 | amending s. 1012.33, F.S.; deleting the provision
 50 | preventing persons who have retired from the public school
 51 | system from renewing membership in the Florida Retirement
 52 | System upon reemployment by the school system; repealing
 53 | s. 121.093, F.S., relating to instructional personnel
 54 | reemployment after retirement from the developmental
 55 | research school or the Florida School for the Deaf and the
 56 | Blind; repealing s. 121.094, F.S., relating to

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57 | instructional personnel reemployment after retirement from
 58 | a charter school; repealing s. 121.45, F.S., relating to
 59 | interstate compacts relating to pension portability;
 60 | providing an effective date.

61 |
 62 | Be It Enacted by the Legislature of the State of Florida:
 63 |

64 | Section 1. Subsections (10), (11), (18), (29), (52), and
 65 | (53) of section 121.021, Florida Statutes, are amended, and
 66 | subsections (63) and (64) are created, to read:

67 | 121.021 Definitions.--The following words and phrases as
 68 | used in this chapter have the respective meanings set forth
 69 | unless a different meaning is plainly required by the context:

70 | (10) "Employer" means any agency, branch, department,
 71 | institution, university, institution of higher education, or
 72 | board of the state, or any county agency, branch, department,
 73 | board, district school board, or special district of the state,
 74 | or any city of the state which participates in the system for
 75 | the benefit of certain of its employees, or a charter school or
 76 | charter technical career center that participates as provided in
 77 | s. 121.051(2)(d). Employers are not agents of the state board,
 78 | department, or the Division of Retirement, and the state board,
 79 | department, and division are not responsible for erroneous
 80 | information provided by representatives of employers.

81 | (11) "Officer or employee" means any person receiving
 82 | salary payments for work performed in a regularly established
 83 | position and, if employed by a city, a metropolitan planning
 84 | organization, or a special district, employed in a covered

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85 group. The term does not apply to state employees covered by a
 86 leasing agreement under s. 110.191, other public employees
 87 covered by a leasing agreement, or to a co-employer
 88 relationship.

89 (18) "Past service" of any member, as provided in s.
 90 121.081(1), means the number of years and complete months and
 91 any fractional part of a month, recognized and credited by an
 92 employer and approved by the administrator, during which the
 93 member was in the active employ of a governmental ~~an~~ employer
 94 and for which the employee is not entitled to a benefit prior to
 95 his or her date of participation.

96 (29) "Normal retirement date" means the ~~first day of any~~
 97 ~~month following the~~ date a member attains normal retirement age
 98 and is vested, which is determined as follows ~~one of the~~
 99 ~~following~~ statuses:

100 (a) If a Regular Class member, ~~the member~~:

101 1. The first day of the month the member completes 6 or
 102 more years of creditable service and attains age 62; or

103 2. The first day of the month following the date the
 104 member completes 30 years of creditable service, regardless of
 105 age, which may include a maximum of 4 years of military service
 106 credit as long as such credit is not claimed under any other
 107 system.

108 (b) If a Special Risk Class member, ~~the member~~:

109 1. The first day of the month the member completes 6 or
 110 more years of creditable service in the Special Risk Class and
 111 attains age 55;

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112 2. The first day of the month following the date the
 113 member completes 25 years of creditable service in the Special
 114 Risk Class, regardless of age; or

115 3. The first day of the month following the date the
 116 member completes 25 years of creditable service and attains age
 117 52, which service may include a maximum of 4 years of military
 118 service credit as long as such credit is not claimed under any
 119 other system and the remaining years are in the Special Risk
 120 Class.

121 (c) If a Senior Management Service Class member,~~the~~
 122 ~~member~~:

123 1. The first day of the month the member completes 6 years
 124 of creditable service in the Senior Management Service Class and
 125 attains age 62; or

126 2. The first day of the month following the date the
 127 member completes 30 years of any creditable service, regardless
 128 of age, which may include a maximum of 4 years of military
 129 service credit as long as such credit is not claimed under any
 130 other system.

131 (d) If an Elected Officers' Class member,~~the member~~:

132 1. The first day of the month the member completes 6 years
 133 of creditable service in the Elected Officers' Class and attains
 134 age 62; or

135 2. The first day of the month following the date the
 136 member completes 30 years of any creditable service, regardless
 137 of age, which may include a maximum of 4 years of military
 138 service credit as long as such credit is not claimed under any
 139 other system.

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140
 141 "Normal retirement age" is attained on the "normal retirement
 142 date."

143 (52) "Regularly established position" is defined as
 144 follows:

145 (a) With respect to employment for ~~In~~ a state employer
 146 ~~agency~~, the term means a position that ~~which~~ is authorized and
 147 established pursuant to law and is compensated from a salaries
 148 appropriation pursuant to s. 216.011(1)(dd), or an established
 149 position which is authorized pursuant to s. 216.262(1)(a) and
 150 (b) and is compensated from a salaries account as provided by
 151 rule.

152 (b) With respect to employment for ~~In~~ a local agency
 153 (district school board, county agency, community college, city,
 154 metropolitan planning organization, or special district), the
 155 term means a regularly established position that ~~which~~ will be
 156 in existence for a period beyond 6 consecutive months, except as
 157 provided by rule.

158 (53) "Temporary position" is defined as follows:

159 (a) With respect to employment for ~~In~~ a state employer
 160 ~~agency~~, the term means an employment position that ~~which~~ is
 161 compensated from an other personal services (OPS) account, as
 162 provided for in s. 216.011(1)(dd).

163 (b) With respect to employment for ~~In~~ a local employer
 164 ~~agency~~, the term means an employment position that ~~which~~ will
 165 exist for less than 6 consecutive months, or other employment
 166 position as determined by rule of the division, regardless of
 167 whether it will exist for 6 consecutive months or longer.

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168 (63) "State board" or "board" means the State Board of
 169 Administration.

170 (64) "Trustees" means Trustees of the State Board of
 171 Administration.

172 Section 2. Subsection (6) is added to section 121.031,
 173 Florida Statutes, to read:

174 121.031 Administration of system; appropriation; oaths;
 175 actuarial studies; public records.--

176 (6) Unless prior written approval is obtained from the
 177 department or state board, any promotional materials or
 178 advertisements that, directly or indirectly, refer to the
 179 Florida Retirement System or the FRS, must contain a disclaimer
 180 that the information is not approved or endorsed by the Florida
 181 Retirement System.

182 Section 3. Paragraph (a) of subsection (1) and paragraph
 183 (f) of subsection (2) of section 121.051, Florida Statutes, are
 184 amended to read:

185 121.051 Participation in the system.--

186 (1) COMPULSORY PARTICIPATION.--

187 (a) The provisions of this law are ~~shall be~~ compulsory as
 188 to all officers and employees, except elected officers who meet
 189 the requirements of s. 121.052(3), who are employed on or after
 190 December 1, 1970, by ~~of~~ an employer other than those referred to
 191 in paragraph (2)(b), and each officer or employee, as a
 192 condition of employment, shall become a member of the system as
 193 of his or her date of employment, except that a person who is
 194 retired from any state retirement system and is reemployed on or
 195 after December 1, 1970, may ~~shall not be permitted to~~ renew his

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196 or her membership in any state retirement system except as
 197 provided in s. 121.091(4)(h) for a person who recovers from
 198 disability, and as provided in s. 121.091(9)(b)10. ~~s.~~
 199 ~~121.091(9)(b)8.~~ for a person who is elected to public office,
 200 and, effective July 1, 1991, as provided in s. 121.122 for all
 201 other retirees. Officers and employees of the University
 202 Athletic Association, Inc., a nonprofit association connected
 203 with the University of Florida, employed on and after July 1,
 204 1979, may ~~shall~~ not participate in any state-supported
 205 retirement system. Any person appointed on or after July 1,
 206 1989, to a faculty position in a college at the J. Hillis Miller
 207 Health Center at the University of Florida or the Medical Center
 208 at the University of South Florida which has a faculty practice
 209 plan adopted ~~provided~~ by rule may ~~adopted by the Board of~~
 210 ~~Regents shall~~ not participate in the Florida Retirement System.
 211 A faculty member so appointed shall participate in the optional
 212 retirement program on the basis of his or her state-funded
 213 compensation, notwithstanding the provisions of s. 121.35(2)(a).

214 (2) OPTIONAL PARTICIPATION.--

215 (f)1. If ~~Whenever~~ an employer that participates in the
 216 Florida Retirement System undertakes the transfer, merger, or
 217 consolidation of governmental services or assumes the functions
 218 and activities of an employing governmental entity that was not
 219 an employer under the system, the employer must notify the
 220 department at least 60 days prior to such action and ~~shall~~
 221 provide documentation as required by the department. The
 222 transfer, merger, or consolidation of governmental services or
 223 assumption of governmental functions and activities must occur

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224 between public employers. The current or former employer may pay
 225 the employees' past service cost unless prohibited under this
 226 chapter. This paragraph does not apply to the transfer, merger,
 227 or consolidation of governmental services or assumption of
 228 functions and activities of a public entity under a leasing
 229 agreement having a co-employer relationship. Employers and
 230 employees of a public governmental employer whose service is
 231 covered by a leasing agreement under s. 110.191 or other leasing
 232 agreement, or a co-employer relationship are not eligible to
 233 participate in the Florida Retirement System.

234 2. If ~~When~~ the agency to which a member's employing unit
 235 is transferred, merged, or consolidated does not participate in
 236 the Florida Retirement System, a member may ~~shall~~ elect in
 237 writing to remain in the Florida Retirement System or to
 238 transfer to the local retirement system operated by the ~~such~~
 239 agency. If such agency does not participate in a local
 240 retirement system, the member shall continue membership in the
 241 Florida Retirement System. In either case, ~~the~~ membership
 242 continues ~~shall continue~~ for as long as the member is employed
 243 by the agency to which his or her unit was transferred, merged,
 244 or consolidated.

245 Section 4. Paragraphs (d) and (e) of subsection (3) of
 246 section 121.052, Florida Statutes, are amended to read:

247 121.052 Membership class of elected officers.--

248 (3) PARTICIPATION AND WITHDRAWAL, GENERALLY.--Effective
 249 July 1, 1990, participation in the Elected Officers' Class shall
 250 be compulsory for elected officers listed in paragraphs (2)(a)-
 251 (d) and (f) assuming office on or after said date, unless the

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252 | elected officer elects membership in another class or withdraws
 253 | from the Florida Retirement System as provided in paragraphs
 254 | (3) (a) - (d) :

255 | (d)1. Any elected officer may elect to withdraw from
 256 | participating in the Florida Retirement System in any manner
 257 | whatsoever. Upon assuming office, the member shall have a period
 258 | of 6 months to notify the administrator of his or her decision
 259 | to withdraw from the Florida Retirement System altogether. Such
 260 | election shall be made in writing and a copy shall be filed with
 261 | the employer.

262 | 2. Upon receipt of a request from an elected officer to
 263 | withdraw from the Florida Retirement System pursuant to
 264 | subparagraph 1., the administrator shall refund all moneys
 265 | contributed by the elected officer to the system during the
 266 | period of participation in the system, unless the elected
 267 | officer has a vested right under the Florida Retirement System,
 268 | in which case he or she shall not receive a refund of
 269 | contributions.

270 | 3. Any elected officer who has withdrawn from the Florida
 271 | Retirement System pursuant to this paragraph shall be permitted
 272 | to rejoin the Elected Officers' Class upon written request to
 273 | the administrator.

274 | a. Credit for prior service based on the period for which
 275 | refunds were received pursuant to subparagraph 2. shall be
 276 | received by an elected officer who rejoins the system upon
 277 | payment to the System Trust Fund of an amount equal to the
 278 | contributions refunded to the elected officer pursuant to
 279 | subparagraph 2., plus 4 percent interest compounded annually

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280 from the date of refund until July 1, 1975, and 6.5 percent
 281 interest, compounded annually thereafter until the date of
 282 payment.

283 b. Credit for prior service based on the period during
 284 which the elected officer had withdrawn from the system, and for
 285 which no contributions were made, shall be received by the
 286 elected officer upon payment to the System Trust Fund of an
 287 amount equal to the contributions required, under the
 288 contribution rate in effect during the period of withdrawal for
 289 which credit is being purchased, plus 6.5 percent interest,
 290 compounded annually until the date of payment. The payment of
 291 the total of such amount shall be made by the employer and the
 292 elected officer in the relative proportions provided by law for
 293 contributions during the period of withdrawal.

294
 295 Failure to timely withdraw from the Elected Officers' Class
 296 shall constitute an election to maintain membership in the
 297 Elected Officers' Class.

298 (e) Effective July 1, 2008 ~~2001~~, the governing body of a
 299 municipality or special district may, by majority vote, elect to
 300 designate all its elected positions for inclusion in the Elected
 301 Officers' Class. Such election shall be made between July 1,
 302 2008 ~~2001~~, and December 31, 2008 ~~2001~~, and shall be irrevocable.
 303 The designation of such positions shall be effective the first
 304 day of the month following receipt by the department of the
 305 ordinance or resolution passed by the governing body.

306 Section 5. Paragraph (a) of subsection (6) of section
 307 121.071, Florida Statutes, is amended to read:

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308 121.071 Contributions.--Contributions to the system shall
 309 be made as follows:

310 (6) (a) Required employee contributions for all service
 311 other than current service, including, but not limited to, prior
 312 service, past service, military service, leave-of-absence
 313 service, out-of-state service, and certain non-Florida
 314 Retirement System in-state service, shall be paid by cash,
 315 personal check, cashier's check, ~~or~~ money order, or a direct
 316 rollover or transfer from a qualified plan as provided under the
 317 Internal Revenue Code. The payment must only, shall be
 318 accompanied by a statement identifying the service for which
 319 payment is made, and shall be made in a lump sum for the total
 320 amount due or in annual payments of not less than \$100, except
 321 for the final payment if less than \$100, unless another method
 322 of payment is authorized by law or rule.

323 Section 6. Paragraphs (f) and (h) of subsection (1) of
 324 section 121.081, Florida Statutes, are amended to read:

325 121.081 Past service; prior service;
 326 contributions.--Conditions under which past service or prior
 327 service may be claimed and credited are:

328 (1)

329 (f) If ~~When~~ any person, ~~either prior to this act or~~
 330 ~~hereafter,~~ becomes entitled to and participates ~~does participate~~
 331 in one of the retirement systems under ~~consolidated within or~~
 332 ~~created by~~ this chapter through the consolidation or merger of
 333 governments or the transfer of functions between units of
 334 government, ~~either~~ at the state or local level or between state
 335 and local units, or through the assumption of functions or

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336 activities by a state or local unit from an employing
 337 governmental entity that ~~which~~ was not an employer under the
 338 system, and such person becomes a member of the Florida
 339 Retirement System, such person is ~~shall be~~ entitled to receive
 340 past-service credit ~~as defined in s. 121.021(18)~~ for the time
 341 the ~~such~~ person performed services for, and was an employee of,
 342 such state or local unit or other governmental employing entity
 343 prior to the transfer, merger, consolidation, or assumption of
 344 functions and activities. Past-service credit allowed by this
 345 paragraph is ~~shall~~ also be available to any person who becomes a
 346 member of an existing system, ~~as defined in s. 121.021(2)~~, prior
 347 to December 1, 1970, through the transfer, merger,
 348 consolidation, or assumption of functions and activities set
 349 forth in this paragraph and who subsequently becomes a member of
 350 the Florida Retirement System. However, credit for the past
 351 service may not be granted until contributions are made in the
 352 manner provided in this subsection. If a person rejected Florida
 353 Retirement System membership at the time of the transfer,
 354 merger, ~~or~~ consolidation, or assumption the required
 355 contributions shall be at total actuarial cost as specified in
 356 paragraph (e). Such contributions or accrued interest may not be
 357 paid from any public ~~state~~ funds.

358 (h) The following provisions apply to the purchase of past
 359 service:

360 1. Notwithstanding any of the provisions of this
 361 subsection, past-service credit may not be purchased under this
 362 chapter for any service that is used to obtain a pension or
 363 benefit from a ~~any~~ local retirement system. Eligibility to

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364 receive or the receipt of contributions to a retirement plan
 365 made by the employer on behalf of the employee is considered a
 366 benefit.

367 2. A member may not receive past service credit under
 368 paragraphs (a), (b), (e), or (f) for any leaves of absence
 369 without pay, except that credit for active military service
 370 leaves of absence may be claimed under paragraphs (a), (b), and
 371 (f), in accordance with s. 121.111(1).

372 3. A member may not receive past service credit for co-
 373 employer service. Co-employer service or co-employer
 374 relationship is employment in a single position simultaneously
 375 covered and reported by both a public employer and a private
 376 employer.

377 ~~4.3-~~ If a member does not want ~~desire~~ to receive credit
 378 for all of his or her past service, the period the member claims
 379 must be the most recent past service prior to his or her
 380 participation in the Florida Retirement System.

381 ~~5.4-~~ The cost of past service purchased by an employing
 382 agency for its employees may be amortized over the ~~such~~ period
 383 of time ~~as is~~ provided in the agreement, but not to exceed 15
 384 years, calculated in accordance with rule 60S-1.007(5)(f),
 385 Florida Administrative Code.

386 ~~6.5-~~ The retirement account of each member for whom past
 387 service is being provided by his or her employer shall be
 388 credited with all past service the employer agrees to purchase
 389 as soon as the agreement between the employer and the department
 390 is executed. ~~Pursuant thereto:~~

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391 a. Each ~~such~~ member's account shall also be posted with
 392 the total contribution his or her employer agrees to make on ~~in~~
 393 the member's behalf for past service earned prior to October 1,
 394 1975, excluding those contributions representing the employer's
 395 matching share and the compound interest calculation on the
 396 total contribution. However, a portion of any contributions paid
 397 by an employer for past service credit earned on and after
 398 October 1, 1975, may not be posted to the ~~a~~ member's account.

399 b. A refund of contributions payable after an employer has
 400 made a written agreement to purchase past service for employees
 401 of the covered group includes ~~shall include~~ contributions for
 402 past service which are posted to a member's account. However,
 403 contributions for past service earned on and after October 1,
 404 1975, are not refundable.

405 Section 7. Paragraph (b) of subsection (9), paragraphs
 406 (a), (b), and (c) of subsection (13), and paragraphs (b) through
 407 (f) of subsection (14) of section 121.091, Florida Statutes, are
 408 amended to read:

409 121.091 Benefits payable under the system.--Benefits may
 410 not be paid under this section unless the member has terminated
 411 employment as provided in s. 121.021(39) (a) or begun
 412 participation in the Deferred Retirement Option Program as
 413 provided in subsection (13), and a proper application has been
 414 filed in the manner prescribed by the department. The department
 415 may cancel an application for retirement benefits when the
 416 member or beneficiary fails to timely provide the information
 417 and documents required by this chapter and the department's
 418 rules. The department shall adopt rules establishing procedures

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419 | for application for retirement benefits and for the cancellation
 420 | of such application when the required information or documents
 421 | are not received.

422 | (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.--

423 | (b)1. Any person who is retired under this chapter, except
 424 | under the disability retirement provisions of subsection (4),
 425 | may be reemployed by any private or public employer after
 426 | retirement and receive retirement benefits and compensation from
 427 | the ~~his or her~~ employer without limitation ~~any limitations~~,
 428 | except that the ~~a~~ person may not receive ~~both~~ a salary from
 429 | reemployment with any agency participating in the Florida
 430 | Retirement System and retirement benefits under this chapter for
 431 | ~~a period of~~ 12 months immediately after ~~subsequent to~~ the date
 432 | of retirement. However, a DROP participant may ~~shall~~ continue
 433 | employment and receive a salary during the period of
 434 | participation in DROP ~~the Deferred Retirement Option Program~~, as
 435 | provided in subsection (13).

436 | 2. Any person to whom the limitation in subparagraph 1.
 437 | applies who ~~violates such reemployment limitation and who~~ is
 438 | reemployed with any agency participating in the Florida
 439 | Retirement System after he or she has been retired for 1
 440 | calendar month but before completion of the 12-month limitation
 441 | period must ~~shall~~ give timely notice of this fact in writing to
 442 | the employer and to the Division of Retirement and shall have
 443 | his or her retirement benefits suspended while employed during
 444 | ~~for~~ the balance of the 12-month limitation period unless the
 445 | person exceeds the 780-hour limitation in subparagraph 4.,
 446 | subparagraph 5., or subparagraph 12. Any person employed in

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447 violation of this paragraph and any employing agency that ~~which~~
 448 knowingly employs or appoints such person without notifying the
 449 division ~~of Retirement~~ to suspend retirement benefits are ~~shall~~
 450 ~~be~~ jointly and severally liable for ~~reimbursement to the~~
 451 ~~retirement trust fund of~~ any benefits paid during the
 452 reemployment limitation period. To avoid liability, the ~~such~~
 453 employing agency must ~~shall~~ have a written statement from the
 454 retiree that he or she is not retired from a state-administered
 455 retirement system. Any retirement benefits received while
 456 reemployed during this reemployment limitation period must ~~shall~~
 457 be repaid to the Florida Retirement System Trust Fund, and
 458 retirement benefits ~~shall~~ remain suspended until such repayment
 459 has been made. Benefits suspended beyond the reemployment
 460 limitation shall apply toward repayment of benefits received in
 461 violation of the reemployment limitation.

462 3. A district school board may reemploy a retired member
 463 as a substitute or hourly teacher, education paraprofessional,
 464 transportation assistant, bus driver, or food service worker on
 465 a noncontractual basis after he or she has been retired for 1
 466 calendar month, in accordance with s. 121.021(39). A district
 467 school board may reemploy a retired member as instructional
 468 personnel, as defined in s. 1012.01(2)(a), on an annual
 469 contractual basis after he or she has been retired for 1
 470 calendar month, in accordance with s. 121.021(39). Any other
 471 retired member who is reemployed within 1 calendar month after
 472 retirement voids ~~shall void~~ his or her application for
 473 retirement benefits. District school boards reemploying such
 474 teachers, education paraprofessionals, transportation

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475 assistants, bus drivers, or food service workers are subject to
 476 the retirement contribution required by subparagraph 9. 7-
 477 4. A community college board of trustees may reemploy a
 478 retired member as an adjunct instructor, ~~that is, an instructor~~
 479 ~~who is noncontractual and part-time,~~ or as a participant in a
 480 phased retirement program within the Florida Community College
 481 System, after he or she has been retired for 1 calendar month,
 482 in accordance with s. 121.021(39). Any retired member who is
 483 reemployed within 1 calendar month after retirement voids shall
 484 ~~void~~ his or her application for retirement benefits. Boards of
 485 trustees reemploying such instructors are subject to the
 486 retirement contribution required in subparagraph 7. A retired
 487 member may be reemployed as an adjunct instructor for no more
 488 than 780 hours during the first 12 months of retirement. Any
 489 retired member reemployed for more than 780 hours during the
 490 first 12 months of retirement must shall give timely notice in
 491 writing to the employer and to the Division of Retirement of the
 492 date he or she will exceed the limitation. The division shall
 493 suspend his or her retirement benefits for the remainder of the
 494 first 12 months of retirement. Any person employed in violation
 495 of this subparagraph and any employing agency that which
 496 knowingly employs or appoints such person without notifying the
 497 division ~~of Retirement~~ to suspend retirement benefits are shall
 498 ~~be~~ jointly and severally liable for ~~reimbursement to the~~
 499 ~~retirement trust fund of~~ any benefits paid during the
 500 reemployment limitation period. To avoid liability, the such
 501 employing agency must shall have a written statement from the
 502 retiree that he or she is not retired from a state-administered

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503 retirement system. Any retirement benefits received by a retired
 504 member while reemployed in excess of 780 hours during the first
 505 12 months of retirement must ~~shall~~ be repaid to the Florida
 506 Retirement System Trust Fund, and retirement benefits ~~shall~~
 507 remain suspended until repayment is made. Benefits suspended
 508 beyond the end of the retired member's first 12 months of
 509 retirement shall apply toward repayment of benefits received in
 510 violation of the 780-hour reemployment limitation.

511 5. The State University System may reemploy a retired
 512 member as an adjunct faculty member or as a participant in a
 513 phased retirement program within the State University System
 514 after the retired member has been retired for 1 calendar month,
 515 in accordance with s. 121.021(39). Any retired member who is
 516 reemployed within 1 calendar month after retirement ~~shall void~~
 517 voids his or her application for retirement benefits. The State
 518 University System is subject to the retired contribution
 519 required in subparagraph 9.-7-, as appropriate. A retired member
 520 may be reemployed as an adjunct faculty member or a participant
 521 in a phased retirement program for no more than 780 hours during
 522 the first 12 months of his or her retirement. Any retired member
 523 reemployed for more than 780 hours during the first 12 months of
 524 retirement must ~~shall~~ give timely notice in writing to the
 525 employer and to the Division of Retirement of the date he or she
 526 will exceed the limitation. The division shall suspend his or
 527 her retirement benefits for the remainder of the first 12 months
 528 of retirement. Any person employed in violation of this
 529 subparagraph and any employing agency that ~~which~~ knowingly
 530 employs or appoints such person without notifying the division

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531 ~~of Retirement~~ to suspend retirement benefits are ~~shall be~~
 532 jointly and severally liable for ~~reimbursement to the retirement~~
 533 ~~trust fund~~ of any benefits paid during the reemployment
 534 limitation period. To avoid liability, such employing agency
 535 must ~~shall~~ have a written statement from the retiree that he or
 536 she is not retired from a state-administered retirement system.
 537 Any retirement benefits received by a retired member while
 538 reemployed in excess of 780 hours during the first 12 months of
 539 retirement must ~~shall~~ be repaid to the Florida Retirement System
 540 Trust Fund, and retirement benefits ~~shall~~ remain suspended until
 541 repayment is made. Benefits suspended beyond the end of the
 542 retired member's first 12 months of retirement shall apply
 543 toward repayment of benefits received in violation of the 780-
 544 hour reemployment limitation.

545 6. The Board of Trustees of the Florida School for the
 546 Deaf and the Blind may reemploy a retired member as a substitute
 547 teacher, substitute residential instructor, or substitute nurse
 548 on a noncontractual basis after he or she has been retired for 1
 549 calendar month, in accordance with s. 121.021(39). The Board of
 550 Trustees of the Florida School for the Deaf and the Blind may
 551 reemploy a retired member as instructional personnel, as defined
 552 in s. 1012.01(2)(a), on an annual contractual basis after he or
 553 she has been retired for 1 calendar month, in accordance with s.
 554 121.021(39). Any retired member who is reemployed within 1
 555 calendar month after retirement voids ~~shall void~~ his or her
 556 application for retirement benefits. The Board of Trustees of
 557 the Florida School for the Deaf and the Blind reemploying such
 558 teachers, residential instructors, or nurses is subject to the

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559 retirement contribution required by subparagraph 9. 7.
 560 ~~Reemployment of a retired member as a substitute teacher,~~
 561 ~~substitute residential instructor, or substitute nurse is~~
 562 ~~limited to 780 hours during the first 12 months of his or her~~
 563 ~~retirement. Any retired member reemployed for more than 780~~
 564 ~~hours during the first 12 months of retirement shall give timely~~
 565 ~~notice in writing to the employer and to the division of the~~
 566 ~~date he or she will exceed the limitation. The division shall~~
 567 ~~suspend his or her retirement benefits for the remainder of the~~
 568 ~~first 12 months of retirement. Any person employed in violation~~
 569 ~~of this subparagraph and any employing agency which knowingly~~
 570 ~~employs or appoints such person without notifying the Division~~
 571 ~~of Retirement to suspend retirement benefits shall be jointly~~
 572 ~~and severally liable for reimbursement to the retirement trust~~
 573 ~~fund of any benefits paid during the reemployment limitation~~
 574 ~~period. To avoid liability, such employing agency shall have a~~
 575 ~~written statement from the retiree that he or she is not retired~~
 576 ~~from a state administered retirement system. Any retirement~~
 577 ~~benefits received by a retired member while reemployed in excess~~
 578 ~~of 780 hours during the first 12 months of retirement shall be~~
 579 ~~repaid to the Retirement System Trust Fund, and his or her~~
 580 ~~retirement benefits shall remain suspended until payment is~~
 581 ~~made. Benefits suspended beyond the end of the retired member's~~
 582 ~~first 12 months of retirement shall apply toward repayment of~~
 583 ~~benefits received in violation of the 780 hour reemployment~~
 584 ~~limitation.~~

585 7. A developmental research school may reemploy a retired
 586 member as a substitute or hourly teacher or an education

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587 paraprofessional as defined in s. 1012.01(2) on a noncontractual
 588 basis after he or she has been retired for 1 calendar month, in
 589 accordance with s. 121.021(39). A developmental research school
 590 may reemploy a retired member as instructional personnel, as
 591 defined in s. 1012.01(2)(a), on an annual contractual basis
 592 after he or she has been retired for 1 calendar month, in
 593 accordance with s. 121.021(39). Any other retired member who is
 594 reemployed within 1 calendar month after retirement voids his or
 595 her application for retirement benefits. A developmental
 596 research school that reemploys retired teachers and education
 597 paraprofessionals are subject to the retirement contribution
 598 required by subparagraph 9.

599 8. A charter school may reemploy a retired member as a
 600 substitute or hourly teacher on a noncontractual basis after he
 601 or she has been retired for 1 calendar month, in accordance with
 602 s. 121.021(39). A charter school may reemploy a retired member
 603 as instructional personnel, as defined in s. 1012.01(2)(a), on
 604 an annual contractual basis after he or she has been retired for
 605 1 calendar month, in accordance with s. 121.021(39). Any other
 606 retired member who is reemployed within 1 calendar month after
 607 retirement voids his or her application for retirement benefits.
 608 A charter school that reemploys such teachers is subject to the
 609 retirement contribution required by subparagraph 9.

610 9.7. The employment ~~by an employer~~ of a ~~any~~ retiree or
 611 DROP participant of a ~~any~~ state-administered retirement system
 612 does not affect ~~shall have no effect on~~ the average final
 613 compensation or years of creditable service of the retiree or
 614 DROP participant. Prior to July 1, 1991, upon employment of any

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615 person, other than an elected officer as provided in s. 121.053,
 616 who is ~~has been~~ retired under a ~~any~~ state-administered
 617 retirement program, the employer shall pay retirement
 618 contributions in an amount equal to the unfunded actuarial
 619 liability portion of the employer contribution which would be
 620 required for regular members of the Florida Retirement System.
 621 Effective July 1, 1991, contributions shall be made as provided
 622 in s. 121.122 for retirees who have ~~with~~ renewed membership or,
 623 as provided in subsection (13), for ~~with respect to~~ DROP
 624 participants.

625 10.8. Any person who has ~~previously~~ retired and who is
 626 holding an elective public office or an appointment to an
 627 elective public office eligible for the Elected Officers' Class
 628 on or after July 1, 1990, shall be enrolled in the Florida
 629 Retirement System as provided in s. 121.053(1)(b) or, if holding
 630 an elective public office that does not qualify for the Elected
 631 Officers' Class on or after July 1, 1991, shall be enrolled in
 632 the Florida Retirement System as provided in s. 121.122, and
 633 shall continue to receive retirement benefits as well as
 634 compensation for the elected officer's service for as long as he
 635 or she remains in elective office. However, any retired member
 636 who served in an elective office prior to July 1, 1990,
 637 suspended his or her retirement benefit, and had his or her
 638 Florida Retirement System membership reinstated shall, upon
 639 retirement from such office, have his or her retirement benefit
 640 recalculated to include the additional service and compensation
 641 earned.

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642 11.9. Any person who is holding an elective public office
 643 which is covered by the Florida Retirement System and who is
 644 concurrently employed in nonelected covered employment may elect
 645 to retire while continuing employment in the elective public
 646 office, if ~~provided that~~ he or she terminates ~~shall be required~~
 647 ~~to terminate~~ his or her nonelected covered employment. Any
 648 person who exercises this election shall receive his or her
 649 retirement benefits in addition to the compensation of the
 650 elective office without regard to the time limitations otherwise
 651 provided in this subsection. A ~~No~~ person who seeks to exercise
 652 the provisions of this subparagraph, as they ~~the same~~ existed
 653 prior to May 3, 1984, may not ~~shall~~ be deemed to be retired
 654 under those provisions, unless such person is eligible to retire
 655 under the provisions of this subparagraph, as amended by chapter
 656 84-11, Laws of Florida.

657 ~~10. The limitations of this paragraph apply to~~
 658 ~~reemployment in any capacity with an "employer" as defined in s.~~
 659 ~~121.021(10), irrespective of the category of funds from which~~
 660 ~~the person is compensated.~~

661 12.11. An employing agency may reemploy a retired member
 662 as a firefighter or paramedic after the retired member has been
 663 retired for 1 calendar month, in accordance with s. 121.021(39).
 664 Any retired member who is reemployed within 1 calendar month
 665 after retirement voids ~~shall void~~ his or her application for
 666 retirement benefits. The employing agency reemploying such
 667 firefighter or paramedic is subject to the retired contribution
 668 required in subparagraph 9. ~~8.~~ Reemployment of a retired
 669 firefighter or paramedic is limited to no more than 780 hours

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670 during the first 12 months of his or her retirement. Any retired
 671 member reemployed for more than 780 hours during the first 12
 672 months of retirement must ~~shall~~ give timely notice in writing to
 673 the employer and to the Division of Retirement of the date he or
 674 she will exceed the limitation. The division shall suspend his
 675 or her retirement benefits for the remainder of the first 12
 676 months of retirement. Any person employed in violation of this
 677 subparagraph and any employing agency that ~~which~~ knowingly
 678 employs or appoints such person without notifying the division
 679 ~~of Retirement~~ to suspend retirement benefits shall be jointly
 680 and severally liable for ~~reimbursement to the Retirement System~~
 681 ~~Trust Fund~~ of any benefits paid during the reemployment
 682 limitation period. To avoid liability, such employing agency
 683 must ~~shall~~ have a written statement from the retiree that he or
 684 she is not retired from a state-administered retirement system.
 685 Any retirement benefits received by a retired member while
 686 reemployed in excess of 780 hours during the first 12 months of
 687 retirement must ~~shall~~ be repaid to the Florida Retirement System
 688 Trust Fund, and retirement benefits ~~shall~~ remain suspended until
 689 repayment is made. Benefits suspended beyond the end of the
 690 retired member's first 12 months of retirement shall apply
 691 toward repayment of benefits received in violation of the 780-
 692 hour reemployment
 693 limitation.

694 13. The limitations of this paragraph apply to
 695 reemployment in any capacity with an employer irrespective of
 696 the category of funds from which the person is compensated.

697 14. The reemployment after retirement provisions of this

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698 paragraph apply to DROP participants effective upon termination
 699 from employment and the end of DROP participation.

700 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and
 701 subject to the provisions of this section, the Deferred
 702 Retirement Option Program, hereinafter referred to as the DROP,
 703 is a program under which an eligible member of the Florida
 704 Retirement System may elect to participate, deferring receipt of
 705 retirement benefits while continuing employment with his or her
 706 Florida Retirement System employer. The deferred monthly
 707 benefits shall accrue in the System Trust Fund on behalf of the
 708 participant, plus interest compounded monthly, for the specified
 709 period of the DROP participation, as provided in paragraph (c).
 710 Upon termination of employment, the participant shall receive
 711 the total DROP benefits and begin to receive the previously
 712 determined normal retirement benefits. Participation in the DROP
 713 does not guarantee employment for the specified period of DROP.
 714 Participation in the DROP by an eligible member beyond the
 715 initial 60-month period as authorized in this subsection shall
 716 be on an annual contractual basis for all participants.

717 (a) Eligibility of member to participate in ~~the~~ DROP.--All
 718 active Florida Retirement System members in a regularly
 719 established position, and all active members of ~~either~~ the
 720 Teachers' Retirement System established in chapter 238 or the
 721 State and County Officers' and Employees' Retirement System
 722 established in chapter 122, which systems ~~are~~ consolidated
 723 within the Florida Retirement System under s. 121.011, are
 724 eligible to elect participation in ~~the~~ DROP if ~~provided that:~~

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725 1. The member is not a renewed member ~~of the Florida~~
 726 ~~Retirement System~~ under s. 121.122, or a member of the State
 727 Community College System Optional Retirement Program under s.
 728 121.051, the Senior Management Service Optional Annuity Program
 729 under s. 121.055, or the optional retirement program for the
 730 State University System under s. 121.35.

731 2. Except as provided in subparagraph 6., election to
 732 participate is made within 12 months immediately following the
 733 date on which the member first reaches normal retirement date,
 734 or, for a member who reaches normal retirement date ~~based on~~
 735 ~~service~~ before he or she reaches age 62, or age 55 for Special
 736 Risk Class members, election to participate may be deferred to
 737 the 12 months immediately following the date the member attains
 738 57, or age 52 for Special Risk Class members. ~~For a member who~~
 739 ~~first reached normal retirement date or the deferred eligibility~~
 740 ~~date described above prior to the effective date of this~~
 741 ~~section, election to participate shall be made within 12 months~~
 742 ~~after the effective date of this section.~~ A member who fails to
 743 make an election within the ~~such~~ 12-month limitation period
 744 forfeits ~~shall forfeit~~ all rights to participate in ~~the~~ DROP.
 745 The member shall advise his or her employer and the division in
 746 writing of the date ~~on which the DROP begins~~ shall begin. The
 747 ~~Such~~ beginning date may be subsequent to the 12-month election
 748 period, but must be within the original 60-month participation
 749 ~~or, with respect to members who are instructional personnel~~
 750 ~~employed by the Florida School for the Deaf and the Blind and~~
 751 ~~who have received authorization by the Board of Trustees of the~~
 752 ~~Florida School for the Deaf and the Blind to participate in the~~

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753 ~~DROP beyond 60 months, or who are instructional personnel as~~
 754 ~~defined in s. 1012.01(2) (a) - (d) in grades K-12 and who have~~
 755 ~~received authorization by the district school superintendent to~~
 756 ~~participate in the DROP beyond 60 months, the 96 month~~
 757 ~~limitation period as provided in subparagraph (b)1. When~~
 758 ~~establishing eligibility of the member to participate in the~~
 759 ~~DROP for the 60 month or, with respect to members who are~~
 760 ~~instructional personnel employed by the Florida School for the~~
 761 ~~Deaf and the Blind and who have received authorization by the~~
 762 ~~Board of Trustees of the Florida School for the Deaf and the~~
 763 ~~Blind to participate in the DROP beyond 60 months, or who are~~
 764 ~~instructional personnel as defined in s. 1012.01(2) (a) - (d) in~~
 765 ~~grades K-12 and who have received authorization by the district~~
 766 ~~school superintendent to participate in the DROP beyond 60~~
 767 ~~months, the 96 month maximum participation period, the member~~
 768 may elect to include or exclude any optional service credit
 769 purchased by the member from the total service used to establish
 770 the normal retirement date. A member who has ~~with~~ dual normal
 771 retirement dates is ~~shall be~~ eligible to elect to participate in
 772 DROP within 12 months after attaining normal retirement date in
 773 either class.

774 3. The employer of a member electing to participate in ~~the~~
 775 DROP, or employers if dually employed, shall acknowledge in
 776 writing to the division the date the member's participation in
 777 the DROP begins and the date the member's employment and DROP
 778 participation will terminate.

779 4. Simultaneous employment of a participant by additional
 780 Florida Retirement System employers subsequent to the

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781 commencement of participation in ~~the~~ DROP is ~~shall be~~
 782 permissible if ~~provided~~ such employers acknowledge in writing a
 783 DROP termination date no later than the participant's existing
 784 termination date or the maximum participation ~~60 month~~
 785 ~~limitation~~ period as provided in subparagraph (b)1.

786 5. A DROP participant may change employers while
 787 participating in ~~the~~ DROP, subject to the following:

788 a. A change of employment must take place without a break
 789 in service so that the member receives salary for each month of
 790 continuous DROP participation. If a member receives no salary
 791 during a month, DROP participation shall cease unless the
 792 employer verifies a continuation of the employment relationship
 793 for such participant pursuant to s. 121.021(39) (b).

794 b. Such participant and new employer shall notify the
 795 division of the identity of the new employer on forms required
 796 by the division ~~as to the identity of the new employer~~.

797 c. The new employer shall acknowledge, in writing, the
 798 participant's DROP termination date, which may be extended but
 799 not beyond the maximum participation ~~original 60 month or, with~~
 800 ~~respect to members who are instructional personnel employed by~~
 801 ~~the Florida School for the Deaf and the Blind and who have~~
 802 ~~received authorization by the Board of Trustees of the Florida~~
 803 ~~School for the Deaf and the Blind to participate in the DROP~~
 804 ~~beyond 60 months, or who are instructional personnel as defined~~
 805 ~~in s. 1012.01(2) (a) (d) in grades K 12 and who have received~~
 806 ~~authorization by the district school superintendent to~~
 807 ~~participate in the DROP beyond 60 months, the 96 month period~~
 808 provided in subparagraph (b)1., shall acknowledge liability for

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809 any additional retirement contributions and interest required if
 810 the participant fails to timely terminate employment, and is
 811 ~~shall be~~ subject to the adjustment required in sub-subparagraph
 812 (c)5.d.

813 6. Effective July 1, 2001, for instructional personnel as
 814 defined in s. 1012.01(2), election to participate in ~~the~~ DROP
 815 may shall be made at any time following the date on which the
 816 member first reaches normal retirement date. The member shall
 817 advise his or her employer and the division in writing of the
 818 date on which DROP begins ~~the Deferred Retirement Option Program~~
 819 ~~shall begin~~. When establishing eligibility of the member to
 820 participate in the DROP for the 60-month ~~or, with respect to~~
 821 ~~members who are instructional personnel employed by the Florida~~
 822 ~~School for the Deaf and the Blind and who have received~~
 823 ~~authorization by the Board of Trustees of the Florida School for~~
 824 ~~the Deaf and the Blind to participate in the DROP beyond 60~~
 825 ~~months, or who are instructional personnel as defined in s.~~
 826 ~~1012.01(2)(a)-(d) in grades K-12 and who have received~~
 827 ~~authorization by the district school superintendent to~~
 828 ~~participate in the DROP beyond 60 months, the 96-month maximum~~
 829 participation period, as provided in subparagraph (b)1., the
 830 member may elect to include or exclude any optional service
 831 credit purchased by the member from the total service used to
 832 establish the normal retirement date. A member who has ~~with~~ dual
 833 normal retirement dates is ~~shall be~~ eligible to elect to
 834 participate in either class.

835 (b) Participation in ~~the~~ DROP.--

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836 1.a. An eligible member may elect to participate in the
 837 DROP for a period not to exceed a maximum of 60 calendar months
 838 ~~or, except as provided in sub-subparagraph b.~~
 839 b. ~~with respect to~~ Members who are instructional personnel
 840 employed by the Florida School for the Deaf and the Blind and
 841 who are authorized ~~who have received authorization~~ by the Board
 842 of Trustees of the Florida School for the Deaf and the Blind ~~to~~
 843 ~~participate in the DROP beyond 60 months,~~ or who are
 844 instructional personnel as defined in s. 1012.01(2)(a)-(d) in
 845 grades K-12 and who are authorized ~~who have received~~
 846 ~~authorization~~ by the district school superintendent ~~to~~
 847 ~~participate in the DROP beyond 60 calendar months,~~ or who are
 848 instructional personnel as defined in s. 1012.01(2) employed by
 849 a developmental research school and who are authorized by the
 850 school's director, or if the school has no director, by the
 851 school's principal, to participate in DROP beyond the original
 852 60-month period, for up to 36 ~~96~~ calendar months immediately
 853 following the DROP termination date selected for participation
 854 in sub-subparagraph a. on which the member first reaches his or
 855 her normal retirement date or the date to which he or she is
 856 eligible to defer his or her election to participate as provided
 857 in subparagraph (a)2. However, a member who has reached normal
 858 retirement date prior to the effective date of the DROP shall be
 859 eligible to participate in the DROP for a period of time not to
 860 exceed 60 calendar months or, with respect to members who are
 861 instructional personnel employed by the Florida School for the
 862 Deaf and the Blind and who have received authorization by the
 863 Board of Trustees of the Florida School for the Deaf and the

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864 ~~Blind to participate in the DROP beyond 60 months, or who are~~
 865 ~~instructional personnel as defined in s. 1012.01(2) (a) - (d) in~~
 866 ~~grades K-12 and who have received authorization by the district~~
 867 ~~school superintendent to participate in the DROP beyond 60~~
 868 ~~calendar months, 96 calendar months immediately following the~~
 869 ~~effective date of the DROP, except a member of the Special Risk~~
 870 ~~Class who has reached normal retirement date prior to the~~
 871 ~~effective date of the DROP and whose total accrued value exceeds~~
 872 ~~75 percent of average final compensation as of his or her~~
 873 ~~effective date of retirement shall be eligible to participate in~~
 874 ~~the DROP for no more than 36 calendar months immediately~~
 875 ~~following the effective date of the DROP.~~

876 2. Upon deciding to participate in ~~the~~ DROP, the member
 877 shall submit, on forms required by the division:

878 a. A written election to participate in ~~the~~ DROP;

879 b. Selection of ~~the~~ DROP participation and termination
 880 dates, which satisfy the limitations stated in paragraph (a) and
 881 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a
 882 binding letter of resignation to ~~with~~ the employer, establishing
 883 a deferred termination date. The member may change the
 884 termination date within the limitations of subparagraph 1., but
 885 only with the written approval of the ~~his or her~~ employer;

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

888 d. Any other information required by the division.

889 3. The DROP participant is ~~shall be~~ a retiree under the
 890 Florida Retirement System for all purposes, except for paragraph
 891 (5) (f) and subsection (9) and ss. 112.3173, 112.363, 121.053,

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892 and 121.122. DROP participation is final and cannot be cancelled
 893 by the participant after the first payment is credited during
 894 the DROP participation period. However, participation in ~~the~~
 895 DROP does not alter the participant's employment status and the
 896 member is ~~such employee shall not be~~ deemed retired from
 897 employment until his or her deferred resignation is effective
 898 and termination occurs as provided in s. 121.021(39).

899 4. Elected officers are ~~shall be~~ eligible to participate
 900 in the DROP subject to the following:

901 a. An elected officer who reaches normal retirement date
 902 during a term of office may defer the election to participate in
 903 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~
 904 elected officer who exercises this option may participate in ~~the~~
 905 DROP for up to 60 calendar months or a period of no longer than
 906 the ~~such~~ succeeding term of office, whichever is less.

907 b. An elected or a nonelected participant may run for a
 908 term of office while participating in DROP and, if elected,
 909 extend the DROP termination date accordingly, except, however,
 910 if such additional term of office exceeds the 60-month
 911 limitation established in subparagraph 1., and the officer does
 912 not resign from office within such 60-month limitation, the
 913 retirement and the participant's DROP is ~~shall be~~ null and void
 914 as provided in sub-subparagraph (c)5.d.

915 c. An elected officer who is dually employed and elects to
 916 participate in DROP must ~~shall be required to~~ satisfy the
 917 definition of termination within the 60-month or maximum
 918 participation , ~~with respect to members who are instructional~~
 919 ~~personnel employed by the Florida School for the Deaf and the~~

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920 ~~Blind and who have received authorization by the Board of~~
 921 ~~Trustees of the Florida School for the Deaf and the Blind to~~
 922 ~~participate in the DROP beyond 60 months, or who are~~
 923 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~
 924 ~~grades K-12 and who have received authorization by the district~~
 925 ~~school superintendent to participate in the DROP beyond 60~~
 926 ~~months, the 96 month limitation period as provided in~~
 927 ~~subparagraph 1. for the nonelected position and may continue~~
 928 ~~employment as an elected officer as provided in s. 121.053. The~~
 929 ~~elected officer shall ~~will~~ be enrolled as a renewed member in~~
 930 ~~the Elected Officers' Class or the Regular Class, as provided in~~
 931 ~~ss. 121.053 and 121.122, on the first day of the month after~~
 932 ~~termination of employment in the nonelected position and~~
 933 ~~termination of DROP. Distribution of ~~the~~ DROP benefits shall be~~
 934 ~~made as provided in paragraph (c).~~

935 (c) Benefits payable under ~~the~~ DROP.--

936 1. Effective on ~~with~~ the date of DROP participation, the
 937 member's initial normal monthly benefit, including creditable
 938 service, optional form of payment, and average final
 939 compensation, and the effective date of retirement are ~~shall be~~
 940 fixed. The beneficiary established under the Florida Retirement
 941 System shall be the beneficiary eligible to receive any DROP
 942 benefits payable if the DROP participant dies prior to the
 943 completion of the period of DROP participation. If ~~In the event~~
 944 a joint annuitant predeceases the member, the member may name a
 945 beneficiary to receive accumulated DROP benefits payable. The
 946 ~~Such~~ retirement benefit, the annual cost of living adjustments
 947 provided in s. 121.101, and interest shall accrue monthly in the

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948 Florida Retirement System Trust Fund. The ~~Such~~ interest shall
 949 accrue at an effective annual rate of 6.5 percent compounded
 950 monthly, on the prior month's accumulated ending balance, up to
 951 the month of termination or death.

952 2. Each employee who elects to participate in ~~the~~ DROP may
 953 ~~shall be allowed to~~ elect to receive a lump-sum payment for
 954 accrued annual leave earned in accordance with agency policy
 955 upon beginning participation in ~~the~~ DROP. The ~~Such~~ accumulated
 956 leave payment certified to the division upon commencement of
 957 DROP shall be included in the calculation of the member's
 958 average final compensation. The employee electing the ~~such~~ lump-
 959 sum payment is ~~upon beginning participation in DROP will not be~~
 960 eligible to receive a second lump-sum payment upon termination,
 961 except to the extent the employee has earned additional annual
 962 leave which, combined with the original payment, does not exceed
 963 the maximum lump-sum payment allowed by the employing agency's
 964 policy or rules. An ~~Such~~ early lump-sum payment shall be based
 965 on the hourly wage of the employee at the time he or she begins
 966 participation in ~~the~~ DROP. If the member elects to wait and
 967 receive a ~~such~~ lump-sum payment upon termination of DROP and
 968 termination of employment with the employer, any accumulated
 969 leave payment made at that time may not ~~cannot~~ be included in
 970 the member's retirement benefit, which was determined and fixed
 971 by law when the employee elected to participate in ~~the~~ DROP.

972 3. The effective date of DROP participation and the
 973 effective date of retirement of a DROP participant shall be the
 974 first day of the month selected by the member to begin
 975 participation in the DROP, provided such date is properly

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976 established, with the written confirmation of the employer, and
 977 the approval of the division, on forms required by the division.

978 4. Normal retirement benefits and any interest ~~thereon~~
 979 shall continue to accrue in ~~the~~ DROP until the established
 980 termination date of ~~the~~ DROP, or until the participant
 981 terminates employment or dies prior to such date. Although
 982 individual DROP accounts shall not be established, a separate
 983 accounting of each participant's accrued benefits under ~~the~~ DROP
 984 shall be calculated and provided to participants.

985 5. At the conclusion of the participant's DROP, the
 986 division shall distribute the participant's total accumulated
 987 DROP benefits, subject to the following provisions:

988 a. The division shall receive verification by the
 989 participant's employer or employers that the ~~such~~ participant
 990 has terminated employment as provided in s. 121.021(39)(b).

991 b. The terminated DROP participant or, if deceased, the
 992 ~~such~~ participant's named beneficiary, shall elect on forms
 993 provided by the division to receive payment of ~~the~~ DROP benefits
 994 in accordance with one of the options listed below. If ~~For~~ a
 995 participant or beneficiary ~~who~~ fails to elect a method of
 996 payment within 60 days of termination of ~~the~~ DROP, the division
 997 shall ~~will~~ pay a lump sum as provided in sub-sub-subparagraph
 998 (I).

999 (I) Lump sum.--All accrued DROP benefits, plus interest,
 1000 less withholding taxes remitted to the Internal Revenue Service,
 1001 shall be paid to the DROP participant or surviving beneficiary.

1002 (II) Direct rollover.--All accrued DROP benefits, plus
 1003 interest, shall be paid from ~~the~~ DROP directly to the custodian

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1004 of an eligible retirement plan as defined in s. 402(c)(8)(B) of
 1005 the Internal Revenue Code. However, in the case of an eligible
 1006 rollover distribution to the surviving spouse of a deceased
 1007 participant, an eligible retirement plan is an individual
 1008 retirement account or an individual retirement annuity as
 1009 described in s. 402(c)(9) of the Internal Revenue Code.

1010 (III) Partial lump sum.--A portion of the accrued DROP
 1011 benefits shall be paid to the DROP participant or surviving
 1012 spouse, less withholding taxes remitted to the Internal Revenue
 1013 Service, and the remaining DROP benefits shall be transferred
 1014 directly to the custodian of an eligible retirement plan as
 1015 defined in s. 402(c)(8)(B) of the Internal Revenue Code.
 1016 However, in the case of an eligible rollover distribution to the
 1017 surviving spouse of a deceased participant, an eligible
 1018 retirement plan is an individual retirement account or an
 1019 individual retirement annuity as described in s. 402(c)(9) of
 1020 the Internal Revenue Code. The proportions shall be specified by
 1021 the DROP participant or surviving beneficiary.

1022 c. The form of payment selected by the DROP participant or
 1023 surviving beneficiary must comply ~~complies~~ with the minimum
 1024 distribution requirements of the Internal Revenue Code.

1025 d. A DROP participant who fails to terminate employment as
 1026 defined in s. 121.021(39)(b) shall be deemed as not ~~to be~~
 1027 retired, and the DROP election is ~~shall be~~ null and void.
 1028 Florida Retirement System membership shall be reestablished
 1029 retroactively to the date of the commencement of ~~the~~ DROP, and
 1030 each employer with whom the participant continues employment
 1031 must ~~shall be required to~~ pay to the Florida Retirement System

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1032 Trust Fund the difference between the DROP contributions paid in
 1033 paragraph (i) and the contributions required for the applicable
 1034 Florida Retirement System class of membership during the period
 1035 the member participated in the DROP, plus 6.5 percent interest
 1036 compounded annually.

1037 6. The retirement benefits of any DROP participant who
 1038 meets the definition of termination, as provided in s.
 1039 121.021(39)(b), but is in violation of the reemployment
 1040 provisions as provided in subsection (9), shall be suspended
 1041 during those months in which the member is in violation. Any
 1042 member employed in violation of this subparagraph and any
 1043 employing agency that knowingly employs or appoints such member
 1044 without notifying the Division of Retirement to suspend
 1045 retirement benefits are jointly and severally liable for any
 1046 benefits paid during the reemployment limitation period. To
 1047 avoid liability, the employing agency must have a written
 1048 statement from the retiree that he or she is not retired from a
 1049 state-administered retirement system. Any retirement benefits
 1050 received by a retired member while employed in violation of the
 1051 reemployment limitations during the first 12 months of
 1052 retirement must be repaid to the Florida Retirement System Trust
 1053 Fund, and his or her retirement benefits shall remain suspended
 1054 until payment is made. Benefits suspended beyond the end of the
 1055 retired member's first 12 months of retirement shall apply
 1056 toward repayment of benefits received in violation of the
 1057 reemployment limitations.

1058 7.6- The accrued benefits of any DROP participant, and any
 1059 contributions accumulated under the ~~such~~ program, are ~~shall~~ not

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1060 ~~be~~ subject to assignment, execution, attachment, or to any legal
 1061 process whatsoever, except for qualified domestic relations
 1062 orders by a court of competent jurisdiction, income deduction
 1063 orders as provided in s. 61.1301, and federal income tax levies.

1064 ~~8.7.~~ DROP participants are ~~shall~~ not ~~be~~ eligible for
 1065 disability retirement benefits as provided in subsection (4).

1066 (14) PAYMENT OF BENEFITS.--This subsection applies to the
 1067 payment of benefits to a payee (retiree or beneficiary) under
 1068 the Florida Retirement System:

1069 (b) Subject to approval by the division in accordance with
 1070 rule 60S-4.015, Florida Administrative Code, a payee receiving
 1071 retirement benefits under the ~~Florida Retirement~~ system may also
 1072 have the following payments deducted from his or her monthly
 1073 benefit:

1074 1. Premiums for life and health-related insurance policies
 1075 from approved companies.

1076 2. Life insurance premiums for the State Group Life
 1077 Insurance Plan, if authorized in writing by the payee and by the
 1078 department ~~of Management Services~~.

1079 3. Repayment of overpayments from the Florida Retirement
 1080 System Trust Fund, the State Employees' Health Insurance Trust
 1081 Fund, or the State Employees' Life Insurance Trust Fund, upon
 1082 notification of the payee.

1083 4. Payments to an alternate payee for alimony or child
 1084 support pursuant to an income deduction order under s. 61.1301,
 1085 or division of marital assets pursuant to a qualified domestic
 1086 relations order under s. 222.21 ~~or an income deduction order~~
 1087 ~~under s. 61.1301.~~

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1088 5. Payments to the Internal Revenue Service for federal
 1089 income tax levies, upon notification of the division by the
 1090 Internal Revenue Service.

1091 (c) A payee must ~~shall~~ notify the division of any change
 1092 in his or her address. The division may suspend benefit payments
 1093 to a payee if correspondence sent to the payee's mailing address
 1094 is returned due to an incorrect address. Benefit payments shall
 1095 be resumed upon notification to the division of the payee's new
 1096 address.

1097 (d) A payee whose retirement benefits are reduced by the
 1098 application of maximum benefit limits under s. 415(b) of the
 1099 Internal Revenue Code, as specified in s. 121.30(5), shall have
 1100 the portion of his or her calculated benefit in the Florida
 1101 Retirement System defined benefit plan which exceeds such
 1102 federal limitation paid through the Florida Retirement System
 1103 Preservation of Benefits Plan, as provided in s. 121.1001.

1104 (e). The Division of Retirement may issue retirement
 1105 benefits payable for division of marital assets pursuant to a
 1106 qualified domestic relations order directly to the alternate
 1107 payee, any court order to the contrary notwithstanding, in order
 1108 to meet Internal Revenue Code requirements.

1109 (f)-(e) A ~~No~~ benefit may not be reduced for the purpose of
 1110 preserving the member's eligibility for a federal program.

1111 (g)-(f) The division shall adopt rules establishing
 1112 procedures for determining that ~~the~~ persons to whom benefits are
 1113 being paid are still living. The division shall suspend the
 1114 benefits being paid to any payee if ~~when~~ it is unable to contact
 1115 such payee and to confirm that he or she is still living.

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1116 Section 8. Section 121.1115, Florida Statutes, is amended
 1117 to read:
 1118 121.1115 Purchase of retirement credit for out-of-state or
 1119 ~~and~~ federal service.--Effective January 1, 1995, A member ~~of the~~
 1120 ~~Florida Retirement System~~ may purchase creditable service for
 1121 periods of public employment in another state and receive
 1122 creditable service for such periods of employment. Service with
 1123 the Federal Government, including any active military service,
 1124 may be claimed. Upon completion of each year of service earned
 1125 under the Florida Retirement System, a member may purchase up to
 1126 1 year of retirement credit for his or her out-of-state service,
 1127 subject to the following provisions:
 1128 (1) LIMITATIONS AND CONDITIONS.--To receive credit for the
 1129 out-of-state service:
 1130 (a) The out-of-state service ~~being claimed~~ must have been:
 1131 1. Performed in a position of employment with the state or
 1132 a political subdivision thereof or with the Federal Government;
 1133 2. Covered by a retirement or pension plan provided by the
 1134 state or political subdivision, or by the Federal Government, as
 1135 appropriate; and
 1136 3. Performed prior to a period of membership in the
 1137 Florida Retirement System.
 1138 (b) The member must have completed a minimum of 6 years of
 1139 creditable service under the Florida Retirement System,
 1140 excluding out-of-state service and in-state service claimed and
 1141 purchased under s. 121.1122.

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1142 (c) Not more than 5 years of creditable service may be
 1143 claimed for creditable service aggregated under the provisions
 1144 of this section and s. 121.1122.

1145 (d) The out-of-state service credit ~~claimed under this~~
 1146 ~~section~~ shall be credited only as service in the Regular Class
 1147 ~~of membership~~, and any benefit or pension based thereon is shall
 1148 ~~be~~ subject to the limitations and restrictions of s. 112.65.

1149 (e) The member is not eligible for and may not receive a
 1150 pension or benefit from a retirement or pension plan based on or
 1151 including the out-of-state service. Eligibility for or the
 1152 receipt of contributions to a retirement plan made by the
 1153 employer on behalf of the employee is considered a benefit.

1154 (f)(e) To receive ~~A member shall be eligible to receive~~
 1155 service credit for out-of-state service performed after leaving
 1156 the Florida Retirement System, the member must complete only
 1157 ~~upon return to membership and completion of~~ at least 1 year of
 1158 creditable service in the Florida Retirement System following
 1159 the out-of-state service.

1160 (2) COST.--For each year claimed, the member must pay into
 1161 the Florida Retirement System Trust Fund an amount equal to 20
 1162 percent of the member's annual compensation for the first full
 1163 work year of creditable service earned under the Florida
 1164 Retirement System, but not less than \$12,000, plus interest at
 1165 6.5 percent compounded annually from the date of first annual
 1166 salary earned until full payment is made. The employer may pay
 1167 all or a portion of the cost of this service credit.

1168 Section 9. Subsection (2) of section 121.1122, Florida
 1169 Statutes, is amended to read:

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1170 121.1122 Purchase of retirement credit for in-state public
 1171 service and in-state service in accredited nonpublic schools and
 1172 colleges, including charter schools and charter technical career
 1173 centers.--Effective January 1, 1998, a member of the Florida
 1174 Retirement System may purchase creditable service for periods of
 1175 certain public or nonpublic employment performed in this state,
 1176 as provided in this section.

1177 (2) LIMITATIONS AND CONDITIONS.--

1178 (a) A member is not eligible to receive credit for in-
 1179 state service under this section until he or she has completed 6
 1180 years of creditable service under the Florida Retirement System,
 1181 excluding service purchased under this section and out-of-state
 1182 service claimed and purchased under s. 121.1115.

1183 (b) A member may not purchase and receive credit for more
 1184 than 5 years of creditable service aggregated under ~~the~~
 1185 ~~provisions of~~ this section and s. 121.1115.

1186 (c) Service credit claimed under this section shall be
 1187 credited only as service in the Regular Class ~~of membership~~ and
 1188 is shall be subject to ~~the provisions of~~ s. 112.65.

1189 (d) Service credit may not be purchased under this section
 1190 if the member is eligible to receive or is receiving a pension
 1191 or benefit from a retirement or pension plan based on or
 1192 including the service. Eligibility for or the receipt of
 1193 contributions to a retirement plan made by the employer on
 1194 behalf of the employee is considered a benefit.

1195 (e) ~~(d)~~ A member is shall be eligible to receive service
 1196 credit for in-state service performed after leaving the Florida
 1197 Retirement System only after ~~upon returning to membership and~~

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1198 completing at least 1 year of creditable service in the Florida
 1199 Retirement System following the in-state service.

1200 ~~(f)(e)~~ The service claimed must have been service covered
 1201 by a retirement or pension plan provided by the employer.

1202 Section 10. Section 121.136, Florida Statutes, is amended
 1203 to read:

1204 121.136 Annual benefit statement to members.--~~Beginning~~
 1205 ~~January 1, 1993, and~~ Each January thereafter, the department
 1206 shall provide each active member of the Florida Retirement
 1207 System with 5 or more years of creditable service an annual
 1208 statement of benefits which provides. ~~Such statement should~~
 1209 ~~provide~~ the member with basic data about the member's retirement
 1210 account. At a minimum ~~Minimally~~, it must ~~shall~~ include the
 1211 member's retirement plan, accrued service credit ~~the amount of~~
 1212 ~~funds on deposit in the retirement account~~, and an estimate of
 1213 retirement benefits.

1214 Section 11. Paragraph (a) of subsection (2) of section
 1215 121.23, Florida Statutes, is amended to read:

1216 121.23 Disability retirement and special risk membership
 1217 applications; Retirement Commission; powers and duties; judicial
 1218 review.--The provisions of this section apply to all proceedings
 1219 in which the administrator has made a written final decision on
 1220 the merits respecting applications for disability retirement,
 1221 reexamination of retired members receiving disability benefits,
 1222 applications for special risk membership, and reexamination of
 1223 special risk members in the Florida Retirement System. The
 1224 jurisdiction of the State Retirement Commission under this

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1225 section shall be limited to written final decisions of the
 1226 administrator on the merits.

1227 (2) A member shall be entitled to a hearing before the
 1228 State Retirement Commission pursuant to ss. 120.569 and
 1229 120.57(1) on the merits of any written adverse decision of the
 1230 administrator, if he or she files with the commission a written
 1231 request for such hearing within 21 days after receipt of such
 1232 written decision from the administrator. For the purpose of such
 1233 hearings, the commission shall be an "agency head" as defined by
 1234 s. 120.52.

1235 (a) The commission may ~~shall have the authority to~~ issue
 1236 orders as a result of the a hearing that are ~~shall be~~ binding on
 1237 all parties to the dispute and. ~~The commission~~ may order any
 1238 action that it deems appropriate. Any disability retirement
 1239 order of the commission ~~issued pursuant to this subsection~~ which
 1240 sustains the application of the member may include an amount, to
 1241 be determined by the commission, for reasonable attorney's fees
 1242 and taxable costs, which shall be calculated in accordance with
 1243 the statewide uniform guidelines for taxation of costs in civil
 1244 actions. The amount of the attorney's fee may not exceed 50
 1245 percent of the initial yearly benefit awarded under s.
 1246 121.091(4). In cases involving disability retirement, the ~~State~~
 1247 ~~Retirement~~ commission shall require the member to present
 1248 substantial competent medical evidence that meets the
 1249 requirements of s. 121.091(4)(c)2.and 3., and may require
 1250 vocational evidence before awarding disability retirement
 1251 benefits.

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1252 Section 12. Paragraph (a) of subsection (1) of section
1253 121.24, Florida Statutes, is amended to read:

1254 121.24 Conduct of commission business; legal and other
1255 assistance; compensation.--

1256 (1) The commission shall conduct its business within the
1257 following guidelines:

1258 (a) For purposes of hearing appeals under s. 121.23, the
1259 commission may meet in panels ~~consisting of no not~~ fewer than
1260 three members. ~~For the purpose of meeting in these panels, a~~
1261 ~~quorum shall be not fewer than two members. For all other~~
1262 ~~purposes,~~ A quorum shall consist of three members. The
1263 concurring vote of a majority of the members present is ~~shall be~~
1264 required to reach a decision, issue orders, and conduct the
1265 business of the commission.

1266 Section 13. Subsection (8) of section 1012.33, Florida
1267 Statutes, is amended to read:

1268 1012.33 Contracts with instructional staff, supervisors,
1269 and school principals.--

1270 (8) Notwithstanding any other provision of law, a retired
1271 ~~any member who has retired~~ may interrupt retirement and be
1272 reemployed in any public school. A ~~Any~~ member ~~se~~ reemployed by
1273 the same district from which he or she retired may be employed
1274 on a probationary contractual basis as provided in subsection
1275 (1); ~~however, no regular retirement employee shall be eligible~~
1276 ~~to renew membership under a retirement system created by chapter~~
1277 ~~121 or chapter 238.~~

1278 Section 14. Sections 121.093, 121.094, and 121.45, Florida
1279 Statutes, are repealed.

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Section 15. This act shall take effect July 1, 2008.