

By the Committee on Community Affairs

578-01868-14

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1 A bill to be entitled
2 An act relating to deferred compensation; creating s.
3 112.2151, F.S.; defining "state agency" and "state
4 employee"; requiring that state employees be
5 automatically enrolled in the deferred compensation
6 program by specified dates; requiring the Chief
7 Financial Officer to notify state employees of
8 automatic enrollment by a specified date; prescribing
9 the contents of the notice given; providing that a
10 state employee may opt out of the program by filing an
11 election with the program administrator; establishing
12 contribution levels for participating state employees
13 by specified dates; requiring a state agency to match
14 employer contributions up to a specified amount;
15 authorizing a county, municipality, other political
16 subdivision, or constitutional county officer to amend
17 a deferred compensation program to provide automatic
18 enrollment and matching employer contributions;
19 providing an effective date.

20
21 Be It Enacted by the Legislature of the State of Florida:

22
23 Section 1. Section 112.2151, Florida Statutes, is created
24 to read:

25 112.2151 Deferred compensation program; automatic
26 enrollment; employer contribution.-

27 (1) As used in this section, the term:

28 (a) "State agency" means a branch, department, or agency of
29 state government.

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30 (b) "State employee" means an employee or officer of a
31 state agency who is paid by state warrant from salary
32 appropriations or other agency funds and who works an average of
33 at least 20 hours per week.

34 (2) Except as provided in subsection (3), each state
35 employee shall be automatically enrolled in the deferred
36 compensation program, established pursuant to s. 112.215, as
37 follows:

38 (a) Beginning January 1, 2015, if the employee was hired by
39 a state agency before October 1, 2014; or

40 (b) Ninety days after the date of hire if the employee was
41 hired by a state agency on or after October 1, 2014.

42 (3) (a) By October 1, 2014, each state agency, in
43 consultation with the Chief Financial Officer, shall notify each
44 state employee of the automatic enrollment in the program. The
45 notice must contain a statement concerning the procedures for an
46 employee to notify the state that he or she does not want to
47 enroll in the program, the tax consequences of opting out of the
48 program, information regarding the state match for employee
49 contributions to the program, and the contact information for
50 the program administrator.

51 (b) Each state employee hired on or after October 1, 2014,
52 may elect to not enroll in the program by filing an election to
53 opt out of the program with the program administrator within 90
54 days after the date of hire.

55 (4) Each state employee participating in the deferred
56 compensation program shall contribute each pay period ending on
57 or after:

58 (a) January 1, 2015, through December 31, 2017:

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59 1. If paid on a monthly basis, at least \$25; or

60 2. If paid on a biweekly basis, at least \$12.50.

61 (b) January 1, 2018:

62 1. If paid on a monthly basis, at least \$50; or

63 2. If paid on a biweekly basis, at least \$25.

64 (5) (a) For each pay period ending on or after January 1,
65 2015, as a component of the deferred compensation program
66 created pursuant to s. 112.215, each state agency shall
67 contribute an amount equal to the contribution paid by a state
68 employee participating in the deferred compensation program;
69 however, such contribution may not exceed the lesser of:

70 1. Two percent of the employee's salary for the pay period;

71 or

72 2. One hundred dollars if paid on a monthly basis or \$46.15
73 if paid on a biweekly basis.

74 (b) For any bonus payment specifically authorized by the
75 General Appropriations Act, each state agency shall contribute
76 an amount equal to the contribution paid by a state employee
77 from the bonus payment; however, such contribution by the state
78 agency may not exceed the lesser of 25 percent of the bonus
79 payment or \$500.

80 (6) Each county, municipality, other political subdivision,
81 or constitutional county officer that has established a deferred
82 compensation program pursuant to s. 112.215 may amend the
83 program to provide automatic enrollment and an employer
84 contribution-matching component.

85 Section 2. This act shall take effect July 1, 2014.