

1 A bill to be entitled
2 An act relating to local government pension reform;
3 amending s. 175.021, F.S.; requiring that firefighter
4 pension plans meet the requirements of chapter 175,
5 F.S., in order to receive certain insurance premium
6 tax revenues; amending s. 175.032, F.S.; revising
7 definitions to conform to changes made by the act and
8 providing new definitions; amending s. 175.071, F.S.;
9 conforming a cross-reference; amending s. 175.091,
10 F.S.; revising the method of creating and maintaining
11 a firefighters' pension trust fund; amending s.
12 175.162, F.S.; deleting a provision basing the
13 availability of additional benefits in a firefighter
14 pension plan upon state funding; amending s. 175.351,
15 F.S.; exempting certain firefighter pension plans of a
16 municipality or special fire control district from
17 meeting certain minimum benefits in order to
18 participate in the distribution of a premium tax;
19 redesignating the term "pension plan" as "retirement
20 plan"; revising criteria governing the use of revenues
21 of the premium tax; providing that the use of premium
22 tax revenues may deviate from the requirements of
23 chapter 175, F.S., under certain circumstances;
24 revising the conditions for proposing the adoption of
25 a pension plan or an amendment to a pension plan;
26 requiring plan sponsors to have a defined contribution

27 | plan component in place by a certain date; authorizing
28 | a municipality or special fire control district to
29 | implement certain changes to a local law plan which
30 | are contrary to chapter 175, F.S., for a limited time,
31 | under certain circumstances; amending s. 185.01, F.S.;
32 | requiring that police officer pension plans meet the
33 | requirements of chapter 185, F.S., in order to receive
34 | certain insurance premium tax revenues; amending s.
35 | 185.02, F.S.; revising definitions to conform to
36 | changes made by the act and providing new definitions;
37 | revising applicability of the limitation on the amount
38 | of overtime payments that may be used for pension
39 | benefit calculations; amending s. 185.06, F.S.;
40 | conforming a cross-reference; amending s. 185.07,
41 | F.S.; revising the method of creating and maintaining
42 | a police officers' retirement trust fund; amending s.
43 | 185.16, F.S.; deleting a provision basing the
44 | availability of additional benefits in a police
45 | officer pension plan upon state funding; amending s.
46 | 185.35, F.S.; exempting certain municipal police
47 | officer pension plans from meeting certain minimum
48 | benefits in order to participate in the distribution
49 | of a premium tax; redesignating the term "pension
50 | plan" as "retirement plan"; revising criteria
51 | governing the use of revenues from the premium tax;
52 | providing that the use of premium tax revenues may

53 deviate from the requirements of chapter 185, F.S.,
 54 under specified circumstances; revising the conditions
 55 for proposing the adoption of a pension plan or
 56 amendment to a pension plan; conforming a cross-
 57 reference; requiring plan sponsors to have a defined
 58 contribution plan component in place by a certain
 59 date; authorizing a municipality to implement certain
 60 changes to a local law plan which are contrary to
 61 chapter 185, F.S., for a limited time; providing a
 62 declaration of important state interest; providing an
 63 effective date.

64
 65 Be It Enacted by the Legislature of the State of Florida:

66
 67 Section 1. Subsection (2) of section 175.021, Florida
 68 Statutes, is amended to read:

69 175.021 Legislative declaration.—

70 (2) This chapter ~~hereby~~ establishes, for all municipal and
 71 special district pension plans existing ~~now or hereafter~~ under
 72 this chapter, including chapter plans and local law plans,
 73 minimum benefits and minimum standards for the operation and
 74 funding of such plans, hereinafter referred to as firefighters'
 75 pension trust funds, which must be met as a condition precedent
 76 to the plan or plan sponsor receiving a distribution of
 77 insurance premium tax revenues under s. 175.121. ~~The~~ Minimum
 78 benefits and minimum standards for each plan ~~set forth in this~~

79 ~~chapter~~ may not be diminished by local charter, ordinance, or
 80 resolution or by special act of the Legislature and may not, ~~nor~~
 81 ~~may the minimum benefits or minimum standards~~ be reduced or
 82 offset by any other local, state, or federal law that includes
 83 ~~may include~~ firefighters in its operation, except as provided
 84 under s. 112.65.

85 Section 2. Section 175.032, Florida Statutes, is amended
 86 to read:

87 175.032 Definitions.—For any municipality, special fire
 88 control district, chapter plan, local law municipality, local
 89 law special fire control district, or local law plan under this
 90 chapter, the term ~~following words and phrases have the following~~
 91 ~~meanings:~~

92 (1) "Additional premium tax revenues" means revenues
 93 received by a municipality or special fire control district
 94 pursuant to s. 175.121 which exceed base premium tax revenues.

95 ~~(2)(1)(a)~~ "Average final compensation" for:

96 (a) A full-time firefighter means one-twelfth of the
 97 average annual compensation of the 5 best years of the last 10
 98 years of creditable service before ~~prior to~~ retirement,
 99 termination, or death, or the career average as a full-time
 100 firefighter since July 1, 1953, whichever is greater. A year is
 101 ~~shall be~~ 12 consecutive months or such other consecutive period
 102 of time as is used and consistently applied.

103 (b) ~~"Average final compensation" for~~ A volunteer
 104 firefighter means the average salary of the 5 best years of the

105 last 10 best contributing years before ~~prior to~~ change in status
 106 to a permanent full-time firefighter or retirement as a
 107 volunteer firefighter or the career average of a volunteer
 108 firefighter, since July 1, 1953, whichever is greater.

109 (3) "Base premium tax revenues" means:

110 (a) The revenues received by a municipality or special
 111 fire control district pursuant to s. 175.121 for the 2013
 112 calendar year; or

113 (b) For a municipality or special fire control district
 114 that did not receive premium tax revenues for the 2013 calendar
 115 year, the revenues received during the second calendar year of
 116 participation.

117 (4)-(2) "Chapter plan" means a separate defined benefit
 118 pension plan for firefighters which incorporates by reference
 119 the provisions of this chapter and has been adopted by the
 120 governing body of a municipality or special district. Except as
 121 ~~may be~~ specifically authorized in this chapter, the provisions
 122 of a chapter plan may not differ from the plan provisions set
 123 forth in ss. 175.021-175.341 and ss. 175.361-175.401. Actuarial
 124 valuations of chapter plans shall be conducted by the division
 125 as provided by s. 175.261(1).

126 (5)-(3) "Compensation" or "salary" means, for
 127 noncollectively bargained service earned before July 1, 2011, or
 128 for service earned under collective bargaining agreements in
 129 place before July 1, 2011, the fixed monthly remuneration paid a
 130 firefighter. If remuneration is based on actual services

131 rendered, as in the case of a volunteer firefighter, the term
132 means the total cash remuneration received yearly for such
133 services, prorated on a monthly basis. For noncollectively
134 bargained service earned on or after July 1, 2011, or for
135 service earned under collective bargaining agreements entered
136 into on or after July 1, 2011, the term has the same meaning
137 except that when calculating retirement benefits, up to 300
138 hours per year in overtime compensation may be included as
139 specified in the plan or collective bargaining agreement, but
140 payments for accrued unused sick or annual leave may not be
141 included.

142 (a) Any retirement trust fund or plan that meets the
143 requirements of this chapter does not, solely by virtue of this
144 subsection, reduce or diminish the monthly retirement income
145 otherwise payable to each firefighter covered by the retirement
146 trust fund or plan.

147 (b) The member's compensation or salary contributed as
148 employee-elective salary reductions or deferrals to any salary
149 reduction, deferred compensation, or tax-sheltered annuity
150 program authorized under the Internal Revenue Code shall be
151 deemed to be the compensation or salary the member would receive
152 if he or she were not participating in such program and shall be
153 treated as compensation for retirement purposes under this
154 chapter.

155 (c) For ~~any~~ person who first becomes a member in any plan
156 year beginning on or after January 1, 1996, compensation for

157 that plan year may not include any amounts in excess of the
158 Internal Revenue Code s. 401(a)(17) limitation, as amended by
159 the Omnibus Budget Reconciliation Act of 1993, which limitation
160 of \$150,000 shall be adjusted as required by federal law for
161 qualified government plans and ~~shall be~~ further adjusted for
162 changes in the cost of living in the manner provided by Internal
163 Revenue Code s. 401(a)(17)(B). For any person who first became a
164 member before the first plan year beginning on or after January
165 1, 1996, the limitation on compensation may not be less than the
166 maximum compensation amount that was allowed to be taken into
167 account under the plan in effect on July 1, 1993, which
168 limitation shall be adjusted for changes in the cost of living
169 since 1989 in the manner provided by Internal Revenue Code s.
170 401(a)(17)(1991).

171 (6)~~(4)~~ "Creditable service" or "credited service" means
172 the aggregate number of years of service~~7~~ and fractional parts
173 of years of service~~7~~ of any firefighter, omitting intervening
174 years and fractional parts of years when such firefighter may
175 not have been employed by the municipality or special fire
176 control district, subject to the following conditions:

177 (a) A ~~No~~ firefighter may not ~~will~~ receive credit for years
178 or fractional parts of years of service if he or she has
179 withdrawn his or her contributions to the fund for those years
180 or fractional parts of years of service, unless the firefighter
181 repays into the fund the amount he or she has withdrawn, plus
182 interest determined by the board. The member has ~~shall have~~ at

183 least 90 days after his or her reemployment to make repayment.

184 (b) A firefighter may voluntarily leave his or her
 185 contributions in the fund for ~~a period of~~ 5 years after leaving
 186 the employ of the fire department, pending the possibility of
 187 being rehired by the same department, without losing credit for
 188 the time he or she has participated actively as a firefighter.
 189 If the firefighter is not reemployed as a firefighter~~,~~ with the
 190 same department~~,~~ within 5 years, his or her contributions shall
 191 be returned without interest.

192 (c) Credited service under this chapter shall be provided
 193 only for service as a firefighter~~, as defined in subsection (8),~~
 194 or for military service and does not include credit for any
 195 other type of service. A municipality ~~may,~~ by local ordinance,
 196 or a special fire control district ~~may,~~ by resolution, may
 197 provide for the purchase of credit for military service prior to
 198 employment as well as for prior service as a firefighter for
 199 some other employer as long as a firefighter is not entitled to
 200 receive a benefit for such prior service ~~as a firefighter~~. For
 201 purposes of determining credit for prior service ~~as a~~
 202 ~~firefighter~~, in addition to service as a firefighter in this
 203 state, credit may be given for federal, other state, or county
 204 service if the prior service is recognized by the Division of
 205 State Fire Marshal as provided in ~~under~~ chapter 633, or the
 206 firefighter provides proof to the board of trustees that his or
 207 her service is equivalent to the service required to meet the
 208 definition of a firefighter under subsection (11) ~~(8)~~.

209 (d) In determining the creditable service of any
 210 firefighter, credit for up to 5 years of the time spent in the
 211 military service of the Armed Forces of the United States shall
 212 be added to the years of actual service if:

213 1. The firefighter is in the active employ of an employer
 214 immediately before ~~prior to~~ such service and leaves a position,
 215 other than a temporary position, for the purpose of voluntary or
 216 involuntary service in the Armed Forces of the United States.

217 2. The firefighter is entitled to reemployment under ~~the~~
 218 ~~provisions of~~ the Uniformed Services Employment and Reemployment
 219 Rights Act.

220 3. The firefighter returns to his or her employment as a
 221 firefighter of the municipality or special fire control district
 222 within 1 year after ~~from~~ the date of release from such active
 223 service.

224 ~~(7)(5)~~ "Deferred Retirement Option Plan" or "DROP" means a
 225 local law plan retirement option in which a firefighter may
 226 elect to participate. A firefighter may retire for all purposes
 227 of the plan and defer receipt of retirement benefits into a DROP
 228 account while continuing employment with his or her employer.
 229 However, a firefighter who enters the DROP and who is otherwise
 230 eligible to participate may ~~shall not thereby~~ be precluded from
 231 participation or continued participation ~~participating, or~~
 232 ~~continuing to participate,~~ in a supplemental plan in existence
 233 on, or created after, March 12, 1999 ~~the effective date of this~~
 234 act.

235 (8) "Defined contribution plan" means the component of a
236 local law plan, as provided in s. 175.351(1), to which deposits,
237 if any, are made to provide benefits for firefighters, or for
238 firefighters and police officers if both are included. Such
239 component is an element of a local law plan and exists in
240 conjunction with the defined benefit component that meets
241 minimum benefits and minimum standards. The retirement benefits,
242 if any, of the defined contribution plan shall be provided
243 through individual member accounts in accordance with the
244 applicable provisions of the Internal Revenue Code and related
245 regulations and are limited to the contributions, if any, made
246 into each member's account and the actual accumulated earnings,
247 net of expenses, earned on the member's account.

248 (9)~~(6)~~ "Division" means the Division of Retirement of the
249 Department of Management Services.

250 (10)~~(7)~~ "Enrolled actuary" means an actuary who is
251 enrolled under Subtitle C of Title III of the Employee
252 Retirement Income Security Act of 1974 and who is a member of
253 the Society of Actuaries or the American Academy of Actuaries.

254 (11) (a)~~(8) (a)~~ "Firefighter" means a person employed solely
255 by a constituted fire department of any municipality or special
256 fire control district who is certified as a firefighter as a
257 condition of employment in accordance with s. 633.408 and whose
258 duty it is to extinguish fires, to protect life, or to protect
259 property. The term includes all certified, supervisory, and
260 command personnel whose duties include, in whole or in part, the

261 supervision, training, guidance, and management responsibilities
262 of full-time firefighters, part-time firefighters, or auxiliary
263 firefighters but does not include part-time firefighters or
264 auxiliary firefighters. However, for purposes of this chapter
265 only, the term also includes public safety officers who are
266 responsible for performing both police and fire services, who
267 are certified as police officers or firefighters, and who are
268 certified by their employers to the Chief Financial Officer as
269 participating in this chapter before October 1, 1979. Effective
270 October 1, 1979, public safety officers who have not been
271 certified as participating in this chapter are considered police
272 officers for retirement purposes and are eligible to participate
273 in chapter 185. Any plan may provide that the fire chief has an
274 option to participate, ~~or not,~~ in that plan.

275 (b) "Volunteer firefighter" means any person whose name is
276 carried on the active membership roll of a constituted volunteer
277 fire department or a combination of a paid and volunteer fire
278 department of any municipality or special fire control district
279 and whose duty it is to extinguish fires, to protect life, and
280 to protect property. Compensation for services rendered by a
281 volunteer firefighter does ~~shall~~ not disqualify him or her as a
282 volunteer. A person may ~~shall~~ not be disqualified as a volunteer
283 firefighter solely because he or she has other gainful
284 employment. Any person who volunteers assistance at a fire but
285 is not an active member of a department described herein is not
286 a volunteer firefighter within the meaning of this paragraph.

287 (12)~~(9)~~ "Firefighters' Pension Trust Fund" means a trust
 288 fund, by whatever name known, as provided under s. 175.041, for
 289 the purpose of assisting municipalities and special fire control
 290 districts in establishing and maintaining a retirement plan for
 291 firefighters.

292 (13)~~(10)~~ "Local law municipality" means ~~is~~ any
 293 municipality in which ~~there exists~~ a local law plan exists.

294 (14)~~(11)~~ "Local law plan" means a retirement ~~defined~~
 295 benefit pension plan, which includes both a defined benefit plan
 296 component and a defined contribution plan component, for
 297 firefighters, or for firefighters and ~~or~~ police officers if both
 298 are ~~where~~ included, as described in s. 175.351, established by
 299 municipal ordinance, special district resolution, or special act
 300 of the Legislature, which enactment sets forth all plan
 301 provisions. Local law plan provisions may vary from the
 302 provisions of this chapter if, ~~provided that required~~ minimum
 303 benefits and minimum standards are met. However, any such
 304 variance must ~~shall~~ provide a greater benefit for firefighters.
 305 Actuarial valuations of local law plans shall be conducted by an
 306 enrolled actuary as provided in s. 175.261(2).

307 (15)~~(12)~~ "Local law special fire control district" means
 308 ~~is~~ any special fire control district in which ~~there exists~~ a
 309 local law plan exists.

310 (16) "Minimum benefits" means the benefits specified in
 311 ss. 175.021-175.341 and ss. 175.361-175.401.

312 (17) "Minimum standards" means the standards specified in

313 ss. 175.021-175.401.

314 (18)~~(13)~~ "Property insurance" means property insurance as
 315 defined in s. 624.604 and covers real and personal property
 316 within the corporate limits of a ~~any~~ municipality, or within the
 317 boundaries of a ~~any~~ special fire control district, within the
 318 state. The term "multiple peril" means a combination or package
 319 policy that includes both property and casualty coverage for a
 320 single premium.

321 (19)~~(14)~~ "Retiree" or "retired firefighter" means a
 322 firefighter who has entered retirement status. For the purposes
 323 of a plan that includes a Deferred Retirement Option Plan
 324 (DROP), a firefighter who enters the DROP is ~~shall be~~ considered
 325 a retiree for all purposes of the plan. However, a firefighter
 326 who enters the DROP and who is otherwise eligible to participate
 327 may ~~shall~~ not ~~thereby~~ be precluded from participation or
 328 continued participation ~~participating, or continuing to~~
 329 ~~participate,~~ in a supplemental plan in existence on, or created
 330 after, March 12, 1999 ~~the effective date of this act.~~

331 (20)~~(15)~~ "Retirement" means a firefighter's separation
 332 from municipal ~~city~~ or fire district employment as a firefighter
 333 with immediate eligibility for ~~receipt of~~ benefits under the
 334 plan. For purposes of a plan that includes a Deferred Retirement
 335 Option Plan (DROP), "retirement" means the date a firefighter
 336 enters the DROP.

337 (21) "Special act plan" means a plan subject to the
 338 provisions of this chapter which was created by an act of the

339 Legislature and continues to require an act of the Legislature
 340 to alter plan benefits.

341 (22) "Special benefits" means benefits provided in a
 342 defined contribution plan for firefighters.

343 (23)~~(16)~~ "Special fire control district" means a special
 344 district, as defined in s. 189.012, established for the purposes
 345 of extinguishing fires, protecting life, and protecting property
 346 within the incorporated or unincorporated portions of a any
 347 county or combination of counties, or within any combination of
 348 incorporated and unincorporated portions of a any county or
 349 combination of counties. The term does not include any dependent
 350 or independent special district, as those terms are defined in
 351 s. 189.012, the employees of which are members of the Florida
 352 Retirement System pursuant to s. 121.051(1) or (2).

353 (24)~~(17)~~ "Supplemental plan" means a plan to which
 354 deposits are made to provide special ~~extra~~ benefits for
 355 firefighters, or for firefighters and police officers if both
 356 are ~~where~~ included ~~under this chapter~~. Such a plan is an element
 357 of a local law plan and exists in conjunction with a defined
 358 benefit component ~~plan~~ that meets ~~the~~ minimum benefits and
 359 minimum standards ~~of this chapter~~. Any supplemental plan in
 360 existence on March 1, 2015, shall be deemed to be a defined
 361 contribution plan in compliance with s. 175.351(6).

362 (25)~~(18)~~ "Supplemental plan municipality" means a any
 363 local law municipality in which ~~there existed~~ a supplemental
 364 plan existed, ~~of any type or nature~~, as of December 1, 2000.

365 Section 3. Subsection (7) of section 175.071, Florida
 366 Statutes, is amended to read:

367 175.071 General powers and duties of board of trustees.—
 368 For any municipality, special fire control district, chapter
 369 plan, local law municipality, local law special fire control
 370 district, or local law plan under this chapter:

371 (7) To assist the board in meeting its responsibilities
 372 under this chapter, the board, if it so elects, may:

373 (a) Employ independent legal counsel at the pension fund's
 374 expense.

375 (b) Employ an independent enrolled actuary, as defined in
 376 s. 175.032~~(7)~~, at the pension fund's expense.

377 (c) Employ such independent professional, technical, or
 378 other advisers as it deems necessary at the pension fund's
 379 expense.

380
 381 If the board chooses to use the municipality's or special
 382 district's legal counsel or actuary, or chooses to use any of
 383 the municipality's or special district's other professional,
 384 technical, or other advisers, it must do so only under terms and
 385 conditions acceptable to the board.

386 Section 4. Paragraph (d) of subsection (1) of section
 387 175.091, Florida Statutes, is amended to read:

388 175.091 Creation and maintenance of fund.—For any
 389 municipality, special fire control district, chapter plan, local
 390 law municipality, local law special fire control district, or

391 local law plan under this chapter:

392 (1) The firefighters' pension trust fund in each
 393 municipality and ~~in each~~ special fire control district shall be
 394 created and maintained in the following manner:

395 (d) By mandatory payment by the municipality or special
 396 fire control district of a sum equal to the normal cost of and
 397 the amount required to fund any actuarial deficiency shown by an
 398 actuarial valuation conducted under ~~as provided in~~ part VII of
 399 chapter 112 after taking into account the amounts described in
 400 paragraphs (b), (c), (e), (f), and (g) and the tax proceeds
 401 described in paragraph (a) which are used to fund defined
 402 benefit plan benefits.

403
 404 Nothing in this section shall be construed to require adjustment
 405 of member contribution rates in effect on the date this act
 406 becomes a law, including rates that exceed 5 percent of salary,
 407 provided that such rates are at least one-half of 1 percent of
 408 salary.

409 Section 5. Paragraph (a) of subsection (2) of section
 410 175.162, Florida Statutes, is amended to read:

411 175.162 Requirements for retirement.—For any municipality,
 412 special fire control district, chapter plan, local law
 413 municipality, local law special fire control district, or local
 414 law plan under this chapter, any firefighter who completes 10 or
 415 more years of creditable service as a firefighter and attains
 416 age 55, or completes 25 years of creditable service as a

417 firefighter and attains age 52, and who for such minimum period
418 has been a member of the firefighters' pension trust fund
419 operating under a chapter plan or local law plan, is eligible
420 for normal retirement benefits. Normal retirement under the plan
421 is retirement from the service of the municipality or special
422 fire control district on or after the normal retirement date. In
423 such event, payment of retirement income will be governed by the
424 following provisions of this section:

425 (2) (a) The amount of monthly retirement income payable to
426 a full-time firefighter who retires on or after his or her
427 normal retirement date shall be an amount equal to the number of
428 his or her years of credited service multiplied by 2 percent of
429 his or her average final compensation as a full-time
430 firefighter. ~~However, if current state contributions pursuant to~~
431 ~~this chapter are not adequate to fund the additional benefits to~~
432 ~~meet the minimum requirements in this chapter, only such~~
433 ~~incremental increases shall be required as state moneys are~~
434 ~~adequate to provide. Such increments shall be provided as state~~
435 ~~moneys become available.~~

436 Section 6. Section 175.351, Florida Statutes, is amended
437 to read:

438 175.351 Municipalities and special fire control districts
439 that have ~~having~~ their own retirement ~~pension~~ plans for
440 firefighters. ~~For any municipality, special fire control~~
441 ~~district, local law municipality, local law special fire control~~
442 ~~district, or local law plan under this chapter, In order for a~~

443 municipality or municipalities and special fire control district
444 that has its districts with their own retirement plan pension
445 plans for firefighters, or for firefighters and police officers
446 if both are included, to participate in the distribution of the
447 tax fund established under pursuant to s. 175.101, a local law
448 plan plans must meet the minimum benefits and minimum standards,
449 except as provided in the mutual consent provisions in paragraph
450 (1) (d) with respect to the minimum benefits not met as of
451 October 1, 2012 set forth in this chapter.

452 (1) If a municipality has a retirement pension plan for
453 firefighters, or a pension plan for firefighters and police
454 officers if both are included, which in the opinion of the
455 division meets the minimum benefits and minimum standards set
456 forth in this chapter, the board of trustees of the retirement
457 pension plan must, as approved by a majority of firefighters of
458 the municipality, may:

459 ~~(a)~~ place the income from the premium tax in s. 175.101 in
460 such pension plan for the sole and exclusive use of its
461 firefighters, or for firefighters and police officers if both
462 are included, where it shall become an integral part of that
463 pension plan and shall be used to fund benefits as provided
464 herein. Effective October 1, 2015, for noncollectively bargained
465 service or upon entering into a collective bargaining agreement
466 on or after July 1, 2015:

467 (a) The base premium tax revenues must be used to fund
468 minimum benefits or other retirement benefits in excess of the

469 minimum benefits as determined by the municipality or special
 470 fire control district.

471 (b) Fifty percent of additional premium tax revenues must
 472 be used to fund minimum benefits or other retirement benefits in
 473 excess of the minimum benefits as determined by the municipality
 474 or special fire control district, and 50 percent must be placed
 475 in a defined contribution plan to fund special benefits. ~~to pay~~
 476 ~~extra benefits to the firefighters included in that pension~~
 477 ~~plan; or~~

478 ~~(b) Place the income from the premium tax in s. 175.101 in~~
 479 ~~a separate supplemental plan to pay extra benefits to~~
 480 ~~firefighters, or to firefighters and police officers if~~
 481 ~~included, participating in such separate supplemental plan.~~

482 (c) For a plan that did not receive premium tax revenues
 483 for the 2013 calendar year, the revenues received by a
 484 municipality or special fire control district pursuant to s.
 485 175.121 based upon the tax collections for the first and second
 486 year of participation must be used to fund minimum benefits or
 487 other retirement benefits in excess of the minimum benefits as
 488 determined by the municipality or special fire control district.

489 (d) Notwithstanding paragraphs (a)-(c), the use of premium
 490 tax revenues, including any accumulations of additional premium
 491 tax revenues which have not been allocated to fund benefits in
 492 excess of minimum benefits, may deviate from the provisions of
 493 this subsection by mutual consent of the members' collective
 494 bargaining representative or, if there is no representative, by

495 a majority of the active firefighter members of the fund, and by
496 consent of the municipality or special fire control district,
497 provided that the plan continues to meet minimum benefits and
498 minimum standards; however, a plan that operates pursuant to
499 this paragraph which does not meet minimum benefits as of
500 October 1, 2012, may continue to provide the benefits that do
501 not meet the minimum benefits at the same level as was provided
502 as of October 1, 2012, and all other benefit levels must
503 continue to meet the minimum benefits. Such mutually agreed
504 deviation must continue until modified or revoked by subsequent
505 mutual consent of the members' collective bargaining
506 representative or, if none, by a majority of the active
507 firefighter members of the fund, and the municipality or special
508 fire control district. An existing arrangement for the use of
509 premium tax revenues contained within a special act plan or a
510 plan within a supplemental plan municipality is considered, as
511 of July 1, 2015, to be a deviation for which mutual consent has
512 been granted.

513 (2) The premium tax provided by this chapter must ~~shall in~~
514 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~
515 benefits to firefighters, or to firefighters and police officers
516 if both are included. ~~However, local law plans in effect on~~
517 ~~October 1, 1998, must comply with the minimum benefit provisions~~
518 ~~of this chapter only to the extent that additional premium tax~~
519 ~~revenues become available to incrementally fund the cost of such~~
520 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~

521 ~~compliance with such minimum benefit provisions, as subsequent~~
522 ~~additional premium tax revenues become available, they must be~~
523 ~~used to provide extra benefits.~~ Local law plans created by
524 special act before May 27, 1939, are deemed to comply with this
525 chapter. ~~For the purpose of this chapter, the term:~~

526 ~~(a) "Additional premium tax revenues" means revenues~~
527 ~~received by a municipality or special fire control district~~
528 ~~pursuant to s. 175.121 which exceed that amount received for~~
529 ~~calendar year 1997.~~

530 ~~(b) "Extra benefits" means benefits in addition to or~~
531 ~~greater than those provided to general employees of the~~
532 ~~municipality and in addition to those in existence for~~
533 ~~firefighters on March 12, 1999.~~

534 (3) A retirement plan or amendment to a retirement plan
535 may not be proposed for adoption unless the proposed plan or
536 amendment contains an actuarial estimate of the costs involved.
537 Such proposed plan or proposed plan change may not be adopted
538 without the approval of the municipality, special fire control
539 district, or, where required ~~permitted~~, the Legislature. Copies
540 of the proposed plan or proposed plan change and the actuarial
541 impact statement of the proposed plan or proposed plan change
542 shall be furnished to the division before the last public
543 hearing on the proposal is held ~~thereon~~. Such statement must
544 also indicate whether the proposed plan or proposed plan change
545 is in compliance with s. 14, Art. X of the State Constitution
546 and those provisions of part VII of chapter 112 which are not

547 expressly provided in this chapter. Notwithstanding any other
548 provision, only those local law plans created by special act of
549 legislation before May 27, 1939, are deemed to meet ~~the~~ minimum
550 benefits and minimum standards ~~only in this chapter~~.

551 (4) Notwithstanding any other provision, with respect to
552 any supplemental plan municipality:

553 (a) A local law plan and a supplemental plan may continue
554 to use their definition of compensation or salary in existence
555 on March 12, 1999.

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

561 ~~(c) The election set forth in paragraph (1)(b) is deemed~~
562 ~~to have been made.~~

563 (5) The retirement plan setting forth the benefits and the
564 trust agreement, if any, covering the duties and
565 responsibilities of the trustees and the regulations of the
566 investment of funds must be in writing, and copies made
567 available to the participants and to the general public.

568 (6) In addition to the defined benefit component of the
569 local law plan, each plan sponsor must have a defined
570 contribution plan component within the local law plan by October
571 1, 2015, for noncollectively bargained service, upon entering
572 into a collective bargaining agreement on or after July 1, 2015,

573 or upon the creation date of a new participating plan. Depending
574 upon the application of subsection (1), a defined contribution
575 component may or may not receive any funding.

576 (7) Notwithstanding any other provision of this chapter, a
577 municipality or special fire control district that has
578 implemented or proposed changes to a local law plan based on the
579 municipality's or district's reliance on an interpretation of
580 this chapter by the Department of Management Services on or
581 after August 14, 2012, and before March 4, 2015, may continue
582 the implemented changes or continue to implement proposed
583 changes. Such reliance must be evidenced by a written collective
584 bargaining proposal or agreement, or formal correspondence
585 between the municipality or district and the Department of
586 Management Services which describes the specific changes to the
587 local law plan, with the initial proposal, agreement, or
588 correspondence from the municipality or district dated before
589 March 4, 2015. Changes to the local law plan which are otherwise
590 contrary to minimum benefits and minimum standards may continue
591 in effect until the earlier of October 1, 2018, or the effective
592 date of a collective bargaining agreement that is contrary to
593 the changes to the local law plan.

594 Section 7. Subsection (2) of section 185.01, Florida
595 Statutes, is amended to read:

596 185.01 Legislative declaration.—

597 (2) This chapter hereby establishes, for all municipal
598 pension plans ~~now or hereinafter~~ provided for under this

599 chapter, including chapter plans and local law plans, minimum
 600 benefits and minimum standards for the operation and funding of
 601 such plans, hereinafter referred to as municipal police
 602 officers' retirement trust funds, which must be met as
 603 conditions precedent to the plans or plan sponsors receiving a
 604 distribution of insurance premium tax revenues under s. 185.10.
 605 ~~The Minimum benefits and minimum standards for each plan set~~
 606 ~~forth in this chapter~~ may not be diminished by local ordinance
 607 or by special act of the Legislature and may not, ~~nor may the~~
 608 ~~minimum benefits or minimum standards~~ be reduced or offset by
 609 any other local, state, or federal plan that includes ~~may~~
 610 ~~include~~ police officers in its operation, except as provided
 611 under s. 112.65.

612 Section 8. Section 185.02, Florida Statutes, is amended to
 613 read:

614 185.02 Definitions.—For any municipality, chapter plan,
 615 local law municipality, or local law plan under this chapter,
 616 the term ~~following words and phrases as used in this chapter~~
 617 ~~shall have the following meanings, unless a different meaning is~~
 618 ~~plainly required by the context:~~

619 (1) "Additional premium tax revenues" means revenues
 620 received by a municipality pursuant to s. 185.10 which exceed
 621 base premium tax revenues.

622 (2) ~~(1)~~ "Average final compensation" means one-twelfth of
 623 the average annual compensation of the 5 best years of the last
 624 10 years of creditable service before ~~prior to~~ retirement,

625 termination, or death.

626 (3) "Base premium tax revenues" means:

627 (a) The revenues received by a municipality pursuant to s.
 628 185.10 for the 2013 calendar year; or

629 (b) For a municipality that did not receive premium tax
 630 revenues for the 2013 calendar year, the revenues received
 631 during the second calendar year of participation.

632 (4)~~(2)~~ "Casualty insurance" means automobile public
 633 liability and property damage insurance to be applied at the
 634 place of residence of the owner, or if the subject is a
 635 commercial vehicle, to be applied at the place of business of
 636 the owner; automobile collision insurance; fidelity bonds;
 637 burglary and theft insurance; and plate glass insurance. The
 638 term "multiple peril" means a combination or package policy that
 639 includes both property coverage and casualty coverage for a
 640 single premium.

641 (5)~~(3)~~ "Chapter plan" means a separate defined benefit
 642 pension plan for police officers which incorporates by reference
 643 the provisions of this chapter and has been adopted by the
 644 governing body of a municipality as provided in s. 185.08.
 645 Except as ~~may be~~ specifically authorized in this chapter, the
 646 provisions of a chapter plan may not differ from the plan
 647 provisions set forth in ss. 185.01-185.341 and ss. 185.37-
 648 185.39. Actuarial valuations of chapter plans shall be conducted
 649 by the division as provided by s. 185.221(1)(b).

650 (6)~~(4)~~ "Compensation" or "salary" means, for

651 noncollectively bargained service earned before July 1, 2011, or
652 for service earned under collective bargaining agreements in
653 place before July 1, 2011, the total cash remuneration including
654 "overtime" paid by the primary employer to a police officer for
655 services rendered, but not including any payments for extra duty
656 or special detail work performed on behalf of a second party
657 employer. Overtime may be limited before July 1, 2011, in a
658 local law plan by the plan provisions ~~A local law plan may limit~~
659 ~~the amount of overtime payments which can be used for retirement~~
660 ~~benefit calculation purposes; however, such overtime limit may~~
661 ~~not be less than 300 hours per officer per calendar year.~~ For
662 noncollectively bargained service earned on or after July 1,
663 2011, or for service earned under collective bargaining
664 agreements entered into on or after July 1, 2011, the term has
665 the same meaning except that when calculating retirement
666 benefits, up to 300 hours per year in overtime compensation may
667 be included as specified in the plan or collective bargaining
668 agreement, but payments for accrued unused sick or annual leave
669 may not be included.

670 (a) Any retirement trust fund or plan that meets the
671 requirements of this chapter does not, solely by virtue of this
672 subsection, reduce or diminish the monthly retirement income
673 otherwise payable to each police officer covered by the
674 retirement trust fund or plan.

675 (b) The member's compensation or salary contributed as
676 employee-elective salary reductions or deferrals to any salary

677 reduction, deferred compensation, or tax-sheltered annuity
678 program authorized under the Internal Revenue Code shall be
679 deemed to be the compensation or salary the member would receive
680 if he or she were not participating in such program and shall be
681 treated as compensation for retirement purposes under this
682 chapter.

683 (c) For any person who first becomes a member in any plan
684 year beginning on or after January 1, 1996, compensation for
685 that plan year may not include any amounts in excess of the
686 Internal Revenue Code s. 401(a)(17) limitation, as amended by
687 the Omnibus Budget Reconciliation Act of 1993, which limitation
688 of \$150,000 shall be adjusted as required by federal law for
689 qualified government plans and ~~shall be~~ further adjusted for
690 changes in the cost of living in the manner provided by Internal
691 Revenue Code s. 401(a)(17)(B). For any person who first became a
692 member before the first plan year beginning on or after January
693 1, 1996, the limitation on compensation may not be less than the
694 maximum compensation amount that was allowed to be taken into
695 account under the plan ~~as~~ in effect on July 1, 1993, which
696 limitation shall be adjusted for changes in the cost of living
697 since 1989 in the manner provided by Internal Revenue Code s.
698 401(a)(17)(1991).

699 (7)~~(5)~~ "Creditable service" or "credited service" means
700 the aggregate number of years of service and fractional parts of
701 years of service of any police officer, omitting intervening
702 years and fractional parts of years when such police officer may

703 not have been employed by the municipality subject to the
704 following conditions:

705 (a) A ~~No~~ police officer may not ~~will~~ receive credit for
706 years or fractional parts of years of service if he or she has
707 withdrawn his or her contributions to the fund for those years
708 or fractional parts of years of service, unless the police
709 officer repays into the fund the amount he or she has withdrawn,
710 plus interest as determined by the board. The member has ~~shall~~
711 ~~have~~ at least 90 days after his or her reemployment to make
712 repayment.

713 (b) A police officer may voluntarily leave his or her
714 contributions in the fund for ~~a period of~~ 5 years after leaving
715 the employ of the police department, pending the possibility of
716 his or her being rehired by the same department, without losing
717 credit for the time he or she has participated actively as a
718 police officer. If he or she is not reemployed as a police
719 officer with the same department within 5 years, his or her
720 contributions shall be returned ~~to him or her~~ without interest.

721 (c) Credited service under this chapter shall be provided
722 only for service as a police officer, ~~as defined in subsection~~
723 ~~(11)~~, or for military service and may not include credit for any
724 other type of service. A municipality ~~may~~, by local ordinance,
725 may provide for the purchase of credit for military service
726 occurring before employment as well as prior service as a police
727 officer for some other employer as long as the police officer is
728 not entitled to receive a benefit for such ~~other~~ prior service

729 ~~as a police officer.~~ For purposes of determining credit for
 730 prior service, in addition to service as a police officer in
 731 this state, credit may be given for federal, other state, or
 732 county service as long as such service is recognized by the
 733 Criminal Justice Standards and Training Commission within the
 734 Department of Law Enforcement as provided in ~~under~~ chapter 943
 735 or the police officer provides proof to the board of trustees
 736 that such service is equivalent to the service required to meet
 737 the definition of a police officer under subsection (16) ~~(11)~~.

738 (d) In determining the creditable service of a ~~any~~ police
 739 officer, credit for up to 5 years of the time spent in the
 740 military service of the Armed Forces of the United States shall
 741 be added to the years of actual service, if:

742 1. The police officer is in the active employ of the
 743 municipality before ~~prior to~~ such service and leaves a position,
 744 other than a temporary position, for the purpose of voluntary or
 745 involuntary service in the Armed Forces of the United States.

746 2. The police officer is entitled to reemployment under
 747 ~~the provisions of~~ the Uniformed Services Employment and
 748 Reemployment Rights Act.

749 3. The police officer returns to his or her employment as
 750 a police officer of the municipality within 1 year after ~~from~~
 751 the date of his or her release from such active service.

752 (8) ~~(6)~~ "Deferred Retirement Option Plan" or "DROP" means a
 753 local law plan retirement option in which a police officer may
 754 elect to participate. A police officer may retire for all

755 purposes of the plan and defer receipt of retirement benefits
756 into a DROP account while continuing employment with his or her
757 employer. However, a police officer who enters the DROP and who
758 is otherwise eligible to participate may ~~shall~~ not ~~thereby~~ be
759 precluded from participation or continued participation
760 ~~participating, or continuing to participate,~~ in a supplemental
761 plan in existence on, or created after, March 12, 1999 ~~the~~
762 ~~effective date of this act.~~

763 (9) "Defined contribution plan" means the component of a
764 local law plan, as provided in s. 185.35(1), to which deposits,
765 if any, are made to provide benefits for police officers, or for
766 police officers and firefighters if both are included. Such
767 component is an element of a local law plan and exists in
768 conjunction with the defined benefit component that meets
769 minimum benefits and minimum standards. The retirement benefits,
770 if any, of the defined contribution plan shall be provided
771 through individual member accounts in accordance with the
772 applicable provisions of the Internal Revenue Code and related
773 regulations and are limited to the contributions, if any, made
774 into each member's account and the actual accumulated earnings,
775 net of expenses, earned on the member's account.

776 (10)-(7) "Division" means the Division of Retirement of the
777 Department of Management Services.

778 (11)-(8) "Enrolled actuary" means an actuary who is
779 enrolled under Subtitle C of Title III of the Employee
780 Retirement Income Security Act of 1974 and who is a member of

781 the Society of Actuaries or the American Academy of Actuaries.

782 (12)~~(9)~~ "Local law municipality" means ~~is~~ any municipality
783 in which ~~there exists~~ a local law plan exists.

784 (13)~~(10)~~ "Local law plan" means a retirement defined
785 benefit pension plan, that includes both a defined benefit plan
786 component and a defined contribution plan component, for police
787 officers, or for police officers and firefighters if both are
788 ~~where~~ included, as described in s. 185.35, established by
789 municipal ordinance or special act of the Legislature, which
790 ~~enactment~~ sets forth all plan provisions. Local law plan
791 provisions may vary from the provisions of this chapter if
792 ~~provided that required~~ minimum benefits and minimum standards
793 are met. However, any such variance must ~~shall~~ provide a greater
794 benefit for police officers. Actuarial valuations of local law
795 plans shall be conducted by an enrolled actuary as provided in
796 s. 185.221(2) (b).

797 (14) "Minimum benefits" means the benefits specified in
798 ss. 185.01-185.341 and ss. 185.37-185.50.

799 (15) "Minimum standards" means the standards specified in
800 ss. 185.01-185.50.

801 (16)~~(11)~~ "Police officer" means any person who is elected,
802 appointed, or employed full time by a ~~any~~ municipality, who is
803 certified or required to be certified as a law enforcement
804 officer in compliance with s. 943.1395, who is vested with
805 authority to bear arms and make arrests, and whose primary
806 responsibility is the prevention and detection of crime or the

807 enforcement of the penal, criminal, traffic, or highway laws of
 808 the state. The term ~~This definition~~ includes all certified
 809 supervisory and command personnel whose duties include, in whole
 810 or in part, the supervision, training, guidance, and management
 811 responsibilities of full-time law enforcement officers, part-
 812 time law enforcement officers, or auxiliary law enforcement
 813 officers, but does not include part-time law enforcement
 814 officers or auxiliary law enforcement officers as those terms
 815 ~~the same~~ are defined in s. 943.10(6) and (8), respectively. For
 816 the purposes of this chapter only, the term also includes
 817 ~~"police officer" also shall include~~ a public safety officer who
 818 is responsible for performing both police and fire services. Any
 819 plan may provide that the police chief shall have an option to
 820 participate, ~~or not,~~ in that plan.

821 (17) ~~(12)~~ "Police Officers' Retirement Trust Fund" means a
 822 trust fund, by whatever name known, as provided under s. 185.03
 823 for the purpose of assisting municipalities in establishing and
 824 maintaining a retirement plan for police officers.

825 (18) ~~(13)~~ "Retiree" or "retired police officer" means a
 826 police officer who has entered retirement status. For the
 827 purposes of a plan that includes a Deferred Retirement Option
 828 Plan (DROP), a police officer who enters the DROP is ~~shall be~~
 829 considered a retiree for all purposes of the plan. However, a
 830 police officer who enters the DROP and who is otherwise eligible
 831 to participate may ~~shall~~ not ~~thereby~~ be precluded from
 832 participation or continued participation ~~participating, or~~

833 ~~continuing to participate,~~ in a supplemental plan in existence
 834 on, or created after, March 12, 1999 ~~the effective date of this~~
 835 ~~act.~~

836 (19)-(14) "Retirement" means a police officer's separation
 837 from municipal ~~city~~ employment as a police officer with
 838 immediate eligibility for ~~receipt of~~ benefits under the plan.
 839 For purposes of a plan that includes a Deferred Retirement
 840 Option Plan (DROP), "retirement" means the date a police officer
 841 enters the DROP.

842 (20) "Special act plan" means a plan subject to the
 843 provisions of this chapter which was created by an act of the
 844 Legislature and continues to require an act of the Legislature
 845 to alter plan benefits.

846 (21) "Special benefits" means benefits provided in a
 847 defined contribution plan for police officers.

848 (22)-(15) "Supplemental plan" means a plan to which
 849 deposits of the premium tax moneys as provided in s. 185.08 are
 850 made to provide special ~~extra~~ benefits to police officers, or
 851 police officers and firefighters if both are ~~where~~ included,
 852 ~~under this chapter.~~ Such a plan is an element of a local law
 853 plan and exists in conjunction with a defined benefit component
 854 ~~plan~~ that meets ~~the~~ minimum benefits and minimum standards ~~of~~
 855 ~~this chapter.~~ Any supplemental plan in existence on March 1,
 856 2015, shall be deemed to be a defined contribution plan in
 857 compliance with s. 185.35(6).

858 (23)-(16) "Supplemental plan municipality" means a ~~any~~

859 local law municipality in which ~~there existed~~ a supplemental
 860 plan existed as of December 1, 2000.

861 Section 9. Subsection (6) of section 185.06, Florida
 862 Statutes, is amended to read:

863 185.06 General powers and duties of board of trustees.—For
 864 any municipality, chapter plan, local law municipality, or local
 865 law plan under this chapter:

866 (6) To assist the board in meeting its responsibilities
 867 under this chapter, the board, if it so elects, may:

868 (a) Employ independent legal counsel at the pension fund's
 869 expense.

870 (b) Employ an independent enrolled actuary, as defined in
 871 s. 185.02~~(8)~~, at the pension fund's expense.

872 (c) Employ such independent professional, technical, or
 873 other advisers as it deems necessary at the pension fund's
 874 expense.

875
 876 If the board chooses to use the municipality's or special
 877 district's legal counsel or actuary, or chooses to use any of
 878 the municipality's other professional, technical, or other
 879 advisers, it must do so only under terms and conditions
 880 acceptable to the board.

881 Section 10. Paragraph (d) of subsection (1) of section
 882 185.07, Florida Statutes, is amended to read:

883 185.07 Creation and maintenance of fund.—For any
 884 municipality, chapter plan, local law municipality, or local law

885 plan under this chapter:

886 (1) The municipal police officers' retirement trust fund
 887 in each municipality described in s. 185.03 shall be created and
 888 maintained in the following manner:

889 (d) By payment by the municipality or other sources of a
 890 sum equal to the normal cost and the amount required to fund any
 891 actuarial deficiency shown by an actuarial valuation conducted
 892 under as provided in part VII of chapter 112 after taking into
 893 account the amounts described in paragraphs (b), (c), (e), (f),
 894 and (g) and the tax proceeds described in paragraph (a) which
 895 are used to fund defined benefit plan benefits.

896
 897 Nothing in this section shall be construed to require adjustment
 898 of member contribution rates in effect on the date this act
 899 becomes a law, including rates that exceed 5 percent of salary,
 900 provided that such rates are at least one-half of 1 percent of
 901 salary.

902 Section 11. Subsection (2) of section 185.16, Florida
 903 Statutes, is amended to read:

904 185.16 Requirements for retirement.—For any municipality,
 905 chapter plan, local law municipality, or local law plan under
 906 this chapter, any police officer who completes 10 or more years
 907 of creditable service as a police officer and attains age 55, or
 908 completes 25 years of creditable service as a police officer and
 909 attains age 52, and for such period has been a member of the
 910 retirement fund is eligible for normal retirement benefits.

911 Normal retirement under the plan is retirement from the service
912 of the city on or after the normal retirement date. In such
913 event, for chapter plans and local law plans, payment of
914 retirement income will be governed by the following provisions
915 of this section:

916 (2) The amount of the monthly retirement income payable to
917 a police officer who retires on or after his or her normal
918 retirement date shall be an amount equal to the number of the
919 police officer's years of credited service multiplied by 2
920 percent of his or her average final compensation. ~~However, if~~
921 ~~current state contributions pursuant to this chapter are not~~
922 ~~adequate to fund the additional benefits to meet the minimum~~
923 ~~requirements in this chapter, only increment increases shall be~~
924 ~~required as state moneys are adequate to provide. Such~~
925 ~~increments shall be provided as state moneys become available.~~

926 Section 12. Section 185.35, Florida Statutes, is amended
927 to read:

928 185.35 Municipalities that have ~~having~~ their own
929 retirement ~~pension~~ plans for police officers. ~~For any~~
930 ~~municipality, chapter plan, local law municipality, or local law~~
931 ~~plan under this chapter,~~ In order for a municipality that has
932 its municipalities with their own retirement plan pension plans
933 for police officers, or for police officers and firefighters if
934 both are included, to participate in the distribution of the tax
935 fund established under ~~pursuant to~~ s. 185.08, a local law plan
936 ~~plans~~ must meet the minimum benefits and minimum standards,

937 except as provided in the mutual consent provisions in paragraph
 938 (1) (d) with respect to the minimum benefits not met as of
 939 October 1, 2012. ~~set forth in this chapter.~~

940 (1) If a municipality has a retirement ~~pension~~ plan for
 941 police officers, or for police officers and firefighters if both
 942 are included, which, in the opinion of the division, meets ~~the~~
 943 minimum benefits and minimum standards ~~set forth in this~~
 944 ~~chapter,~~ the board of trustees of the retirement ~~pension~~ plan
 945 must, ~~as approved by a majority of police officers of the~~
 946 ~~municipality, may:~~

947 ~~(a)~~ place the income from the premium tax in s. 185.08 in
 948 such ~~pension~~ plan for the sole and exclusive use of its police
 949 officers, or its police officers and firefighters if both are
 950 included, where it shall become an integral part of that ~~pension~~
 951 plan and ~~shall~~ be used to fund benefits as provided herein.
 952 Effective October 1, 2015, for noncollectively bargained service
 953 or upon entering into a collective bargaining agreement on or
 954 after July 1, 2015:

955 (a) The base premium tax revenues must be used to fund
 956 minimum benefits or other retirement benefits in excess of the
 957 minimum benefits as determined by the municipality.

958 (b) Fifty percent of additional premium tax revenues must
 959 be used to fund minimum benefits or other retirement benefits in
 960 excess of the minimum benefits as determined by the
 961 municipality, and 50 percent must be placed in a defined
 962 contribution plan to fund special benefits. ~~pay extra benefits~~

963 ~~to the police officers included in that pension plan; or~~
964 ~~(b) May place the income from the premium tax in s. 185.08~~
965 ~~in a separate supplemental plan to pay extra benefits to the~~
966 ~~police officers, or police officers and firefighters if~~
967 ~~included, participating in such separate supplemental plan.~~
968 (c) For a plan that did not receive premium tax revenues
969 for the 2013 calendar year, the revenues received by a
970 municipality pursuant to s. 185.10 based upon the tax
971 collections for the first and second year of participation must
972 be used to fund minimum benefits or other retirement benefits in
973 excess of the minimum benefits as determined by the
974 municipality.
975 (d) Notwithstanding paragraphs (a)-(c), the use of premium
976 tax revenues, including any accumulations of additional premium
977 tax revenues which have not been allocated to fund benefits in
978 excess of the minimum benefits, may deviate from the provisions
979 of this subsection by mutual consent of the members' collective
980 bargaining representative or, if none, by a majority of the
981 active police officer members of the fund, and by consent of the
982 municipality, provided that the plan continues to meet minimum
983 benefits and minimum standards; however, a plan that operates
984 pursuant to this paragraph which does not meet the minimum
985 benefits as of October 1, 2012, may continue to provide the
986 benefits that do not meet the minimum benefits at the same level
987 as was provided as of October 1, 2012, and all other benefit
988 levels must continue to meet the minimum benefits. Such mutually

989 agreed deviation must continue until modified or revoked by
 990 subsequent mutual consent of the members' collective bargaining
 991 representative or, if none, by a majority of the active police
 992 officer members of the fund, and the municipality. An existing
 993 arrangement for the use of premium tax revenues contained within
 994 a special act plan or a plan within a supplemental plan
 995 municipality is considered, as of July 1, 2015, to be a
 996 deviation for which mutual consent has been granted.

997 (2) The premium tax provided by this chapter must ~~shall in~~
 998 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~
 999 benefits to police officers, or to police officers and
 1000 firefighters if both are included. ~~However, local law plans in~~
 1001 ~~effect on October 1, 1998, must comply with the minimum benefit~~
 1002 ~~provisions of this chapter only to the extent that additional~~
 1003 ~~premium tax revenues become available to incrementally fund the~~
 1004 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~
 1005 ~~is in compliance with such minimum benefit provisions, as~~
 1006 ~~subsequent additional tax revenues become available, they shall~~
 1007 ~~be used to provide extra benefits.~~ Local law plans created by
 1008 special act before May 27, 1939, shall be deemed to comply with
 1009 this chapter. ~~For the purpose of this chapter, the term:~~

1010 ~~(a) "Additional premium tax revenues" means revenues~~
 1011 ~~received by a municipality pursuant to s. 185.10 which exceed~~
 1012 ~~the amount received for calendar year 1997.~~

1013 ~~(b) "Extra benefits" means benefits in addition to or~~
 1014 ~~greater than those provided to general employees of the~~

1015 ~~municipality and in addition to those in existence for police~~
 1016 ~~officers on March 12, 1999.~~

1017 (3) A retirement plan or amendment to a retirement plan
 1018 may not be proposed for adoption unless the proposed plan or
 1019 amendment contains an actuarial estimate of the costs involved.
 1020 Such proposed plan or proposed plan change may not be adopted
 1021 without the approval of the municipality or, where required
 1022 ~~permitted~~, the Legislature. Copies of the proposed plan or
 1023 proposed plan change and the actuarial impact statement of the
 1024 proposed plan or proposed plan change shall be furnished to the
 1025 division before the last public hearing on the proposal is held
 1026 ~~thereon~~. Such statement must also indicate whether the proposed
 1027 plan or proposed plan change is in compliance with s. 14, Art. X
 1028 of the State Constitution and those provisions of part VII of
 1029 chapter 112 which are not expressly provided in this chapter.
 1030 Notwithstanding any other provision, only those local law plans
 1031 created by special act of legislation before May 27, 1939, are
 1032 deemed to meet the minimum benefits and minimum standards only
 1033 in this chapter.

1034 (4) Notwithstanding any other provision, with respect to
 1035 any supplemental plan municipality:

1036 (a) Section 185.02(6)(a) ~~185.02(4)(a)~~ does not apply, and
 1037 a local law plan and a supplemental plan may continue to use
 1038 their definition of compensation or salary in existence on March
 1039 12, 1999.

1040 (b) A local law plan and a supplemental plan must continue

1041 to be administered by a board or boards of trustees numbered,
1042 constituted, and selected as the board or boards were numbered,
1043 constituted, and selected on December 1, 2000.

1044 ~~(c) The election set forth in paragraph (1)(b) is deemed~~
1045 ~~to have been made.~~

1046 (5) The retirement plan setting forth the benefits and the
1047 trust agreement, if any, covering the duties and
1048 responsibilities of the trustees and the regulations of the
1049 investment of funds must be in writing and copies made available
1050 to the participants and to the general public.

1051 (6) In addition to the defined benefit component of the
1052 local law plan, each plan sponsor must have a defined
1053 contribution plan component within the local law plan by October
1054 1, 2015, for noncollectively bargained service, upon entering
1055 into a collective bargaining agreement on or after July 1, 2015,
1056 or upon the creation date of a new participating plan. Depending
1057 upon the application of subsection (1), a defined contribution
1058 component may or may not receive any funding.

1059 (7) Notwithstanding any other provision of this chapter, a
1060 municipality that has implemented or proposed changes to a local
1061 law plan based on the municipality's reliance on an
1062 interpretation of this chapter by the Department of Management
1063 Services on or after August 14, 2012, and before March 4, 2015,
1064 may continue the implemented changes or continue to implement
1065 proposed changes. Such reliance must be evidenced by a written
1066 collective bargaining proposal or agreement, or formal

1067 correspondence between the municipality and the Department of
1068 Management Services which describes the specific changes to the
1069 local law plan, with the initial proposal, agreement, or
1070 correspondence from the municipality dated before March 4, 2015.
1071 Changes to the local law plan which are otherwise contrary to
1072 minimum benefits and minimum standards may continue in effect
1073 until the earlier of October 1, 2018, or the effective date of a
1074 collective bargaining agreement that is contrary to the changes
1075 to the local law plan.

1076 Section 13. The Legislature finds that a proper and
1077 legitimate state purpose is served when employees and retirees
1078 of this state and its political subdivisions, and the
1079 dependents, survivors, and beneficiaries of such employees and
1080 retirees, are extended the basic protections afforded by
1081 governmental retirement systems that provide fair and adequate
1082 benefits and that are managed, administered, and funded in an
1083 actuarially sound manner as required under s. 14, Article X of
1084 the State Constitution and part VII of chapter 112, Florida
1085 Statutes. Therefore, the Legislature determines and declares
1086 that this act fulfills an important state interest.

1087 Section 14. This act shall take effect July 1, 2015.