

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. 175.061, F.S.;  
9           requiring the board of trustees of the firefighters'  
10          pension trust fund to provide a detailed accounting  
11          report of its expenses and to make the report  
12          available; requiring the board to operate under an  
13          administrative expense budget; providing  
14          applicability; amending s. 175.071, F.S.; conforming a  
15          cross-reference; amending s. 175.091, F.S.; revising  
16          the method of creating and maintaining a firefighters'  
17          pension trust fund; amending s. 175.162, F.S.;  
18          deleting a provision basing the availability of  
19          additional benefits in a firefighter pension plan upon  
20          state funding; revising the calculation of monthly  
21          retirement income for a full-time firefighter;  
22          specifying the minimum benefits that must be  
23          maintained by certain firefighter pension plans after  
24          a specified date; amending s. 175.351, F.S.; exempting  
25          certain firefighter pension plans of a municipality or  
26          special fire control district from meeting certain

27 minimum benefits in order to participate in the  
28 distribution of a premium tax; redesignating the term  
29 "pension plan" as "retirement plan"; revising criteria  
30 governing the use of revenues of the premium tax;  
31 authorizing a pension plan to reduce certain excess  
32 benefits if the plan continues to meet certain minimum  
33 benefits and standards; providing that the use of  
34 premium tax revenues may deviate from the requirements  
35 of chapter 175, F.S., under certain circumstances;  
36 revising the conditions for proposing the adoption of  
37 a pension plan or an amendment to a pension plan;  
38 requiring plan sponsors to have a defined contribution  
39 plan component in place by a certain date; authorizing  
40 a municipality or special fire control district to  
41 implement certain changes to a local law plan which  
42 are contrary to chapter 175, F.S., for a limited time,  
43 under certain circumstances; amending s. 185.01, F.S.;  
44 requiring that police officer pension plans meet the  
45 requirements of chapter 185, F.S., in order to receive  
46 certain insurance premium tax revenues; amending s.  
47 185.02, F.S.; revising definitions to conform to  
48 changes made by the act and providing new definitions;  
49 revising applicability of the limitation on the amount  
50 of overtime payments which may be used for pension  
51 benefit calculations; amending s. 185.05, F.S.;  
52 requiring the board of trustees of the municipal

53 | police officers' retirement trust fund to provide a  
54 | detailed accounting report of its expenses and to make  
55 | the report available; requiring the board to operate  
56 | under an administrative expense budget; providing  
57 | applicability; amending s. 185.06, F.S.; conforming a  
58 | cross-reference; amending s. 185.07, F.S.; revising  
59 | the method of creating and maintaining a police  
60 | officers' retirement trust fund; amending s. 185.16,  
61 | F.S.; deleting a provision basing the availability of  
62 | additional benefits in a police officer pension plan  
63 | upon state funding; revising the calculation of  
64 | monthly retirement income for a police officer;  
65 | specifying the minimum benefits that must be  
66 | maintained by certain police officer pension plans  
67 | after a specified date; amending s. 185.35, F.S.;  
68 | exempting certain municipal police officer pension  
69 | plans from meeting certain minimum benefits in order  
70 | to participate in the distribution of a premium tax;  
71 | redesignating the term "pension plan" as "retirement  
72 | plan"; revising criteria governing the use of revenues  
73 | from the premium tax; authorizing a plan to reduce  
74 | certain excess benefits if the plan continues to meet  
75 | certain minimum benefits and minimum standards;  
76 | providing that the use of premium tax revenues may  
77 | deviate from the requirements of chapter 185, F.S.,  
78 | under specified circumstances; revising the conditions

79 | for proposing the adoption of a pension plan or  
 80 | amendment to a pension plan; conforming a cross-  
 81 | reference; requiring plan sponsors to have a defined  
 82 | contribution plan component in place by a certain  
 83 | date; authorizing a municipality to implement certain  
 84 | changes to a local law plan which are contrary to  
 85 | chapter 185, F.S., for a limited time; providing a  
 86 | declaration of important state interest; providing an  
 87 | effective date.

88 |

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

90 |

91 | Section 1. Subsection (2) of section 175.021, Florida  
 92 | Statutes, is amended to read:

93 | 175.021 Legislative declaration.—

94 | (2) This chapter hereby establishes, for all municipal and  
 95 | special district pension plans existing ~~now or hereafter~~ under  
 96 | this chapter, including chapter plans and local law plans,  
 97 | minimum benefits and minimum standards for the operation and  
 98 | funding of such plans, hereinafter referred to as firefighters'  
 99 | pension trust funds, which must be met as conditions precedent  
 100 | to the plan or plan sponsor's receiving a distribution of  
 101 | insurance premium tax revenues under s. 175.121. ~~The~~ Minimum  
 102 | benefits and minimum standards for each plan set forth in this  
 103 | ~~chapter~~ may not be diminished by local charter, ordinance, or  
 104 | resolution or by special act of the Legislature and may not, nor

105 ~~may the minimum benefits or minimum standards~~ be reduced or  
 106 offset by any other local, state, or federal law that includes  
 107 ~~may include~~ firefighters in its operation, except as provided  
 108 under s. 112.65.

109 Section 2. Section 175.032, Florida Statutes, is amended  
 110 to read:

111 175.032 Definitions.—For any municipality, special fire  
 112 control district, chapter plan, local law municipality, local  
 113 law special fire control district, or local law plan under this  
 114 chapter, the term ~~following words and phrases have the following~~  
 115 ~~meanings:~~

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

119 ~~(2)(1)(a)~~ "Average final compensation" for:

120 (a) A full-time firefighter means one-twelfth of the  
 121 average annual compensation of the 5 best years of the last 10  
 122 years of creditable service before ~~prior to~~ retirement,  
 123 termination, or death, or the career average as a full-time  
 124 firefighter since July 1, 1953, whichever is greater. A year is  
 125 ~~shall be~~ 12 consecutive months or such other consecutive period  
 126 of time as is used and consistently applied.

127 ~~(b) "Average final compensation" for~~ A volunteer  
 128 firefighter means the average salary of the 5 best years of the  
 129 last 10 best contributing years before ~~prior to~~ change in status  
 130 to a permanent full-time firefighter or retirement as a

131 volunteer firefighter or the career average of a volunteer  
132 firefighter, since July 1, 1953, whichever is greater.

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

134 (a) For a local law plan in effect on October 1, 2003, the  
135 revenues received by a municipality or special fire control  
136 district pursuant to s. 175.121 for the 2002 calendar year.

137 (b) For a local law plan created between October 1, 2003,  
138 and March 1, 2015, inclusive, the revenues received by a  
139 municipality or special fire control district pursuant to s.  
140 175.121 based upon the tax collections during the second  
141 calendar year of participation.

142 (4)-(2) "Chapter plan" means a separate defined benefit  
143 pension plan for firefighters which incorporates by reference  
144 the provisions of this chapter and has been adopted by the  
145 governing body of a municipality or special district. Except as  
146 may be specifically authorized in this chapter, the provisions  
147 of a chapter plan may not differ from the plan provisions set  
148 forth in ss. 175.021-175.341 and ss. 175.361-175.401. Actuarial  
149 valuations of chapter plans shall be conducted by the division  
150 as provided by s. 175.261(1).

151 (5)-(3) "Compensation" or "salary" means, for  
152 noncollectively bargained service earned before July 1, 2011, or  
153 for service earned under collective bargaining agreements in  
154 place before July 1, 2011, the fixed monthly remuneration paid a  
155 firefighter. If remuneration is based on actual services  
156 rendered, as in the case of a volunteer firefighter, the term

157 means the total cash remuneration received yearly for such  
158 services, prorated on a monthly basis. For noncollectively  
159 bargained service earned on or after July 1, 2011, or for  
160 service earned under collective bargaining agreements entered  
161 into on or after July 1, 2011, the term has the same meaning  
162 except that when calculating retirement benefits, up to 300  
163 hours per year in overtime compensation may be included as  
164 specified in the plan or collective bargaining agreement, but  
165 payments for accrued unused sick or annual leave may not be  
166 included.

167 (a) Any retirement trust fund or plan that meets the  
168 requirements of this chapter does not, solely by virtue of this  
169 subsection, reduce or diminish the monthly retirement income  
170 otherwise payable to each firefighter covered by the retirement  
171 trust fund or plan.

172 (b) The member's compensation or salary contributed as  
173 employee-elective salary reductions or deferrals to any salary  
174 reduction, deferred compensation, or tax-sheltered annuity  
175 program authorized under the Internal Revenue Code shall be  
176 deemed to be the compensation or salary the member would receive  
177 if he or she were not participating in such program and shall be  
178 treated as compensation for retirement purposes under this  
179 chapter.

180 (c) For any person who first becomes a member in any plan  
181 year beginning on or after January 1, 1996, compensation for  
182 that plan year may not include any amounts in excess of the

183 Internal Revenue Code s. 401(a)(17) limitation, as amended by  
 184 the Omnibus Budget Reconciliation Act of 1993, which limitation  
 185 of \$150,000 shall be adjusted as required by federal law for  
 186 qualified government plans and ~~shall be~~ further adjusted for  
 187 changes in the cost of living in the manner provided by Internal  
 188 Revenue Code s. 401(a)(17)(B). For any person who first became a  
 189 member before the first plan year beginning on or after January  
 190 1, 1996, the limitation on compensation may not be less than the  
 191 maximum compensation amount that was allowed to be taken into  
 192 account under the plan in effect on July 1, 1993, which  
 193 limitation shall be adjusted for changes in the cost of living  
 194 since 1989 in the manner provided by Internal Revenue Code s.  
 195 401(a)(17)(1991).

196 ~~(6)(4)~~ "Creditable service" or "credited service" means  
 197 the aggregate number of years of service~~7~~ and fractional parts  
 198 of years of service~~7~~ of any firefighter, omitting intervening  
 199 years and fractional parts of years when such firefighter may  
 200 not have been employed by the municipality or special fire  
 201 control district, subject to the following conditions:

202 (a) A ~~No~~ firefighter may not ~~will~~ receive credit for years  
 203 or fractional parts of years of service if he or she has  
 204 withdrawn his or her contributions to the fund for those years  
 205 or fractional parts of years of service, unless the firefighter  
 206 repays into the fund the amount he or she has withdrawn, plus  
 207 interest determined by the board. The member has ~~shall have~~ at  
 208 least 90 days after his or her reemployment to make repayment.



209 (b) A firefighter may voluntarily leave his or her  
 210 contributions in the fund for ~~a period of~~ 5 years after leaving  
 211 the employ of the fire department, pending the possibility of  
 212 being rehired by the same department, without losing credit for  
 213 the time he or she has participated actively as a firefighter.  
 214 If the firefighter is not reemployed as a firefighter~~,~~ with the  
 215 same department~~,~~ within 5 years, his or her contributions shall  
 216 be returned without interest.

217 (c) Credited service under this chapter shall be provided  
 218 only for service as a firefighter~~, as defined in subsection (8),~~  
 219 or for military service and does not include credit for any  
 220 other type of service. A municipality ~~may,~~ by local ordinance,  
 221 or a special fire control district ~~may,~~ by resolution, may  
 222 provide for the purchase of credit for military service prior to  
 223 employment as well as for prior service as a firefighter for  
 224 some other employer as long as a firefighter is not entitled to  
 225 receive a benefit for such prior service ~~as a firefighter~~. For  
 226 purposes of determining credit for prior service as a  
 227 firefighter, in addition to service as a firefighter in this  
 228 state, credit may be given for federal, other state, or county  
 229 service if the prior service is recognized by the Division of  
 230 State Fire Marshal as provided in ~~under~~ chapter 633, or the  
 231 firefighter provides proof to the board of trustees that his or  
 232 her service is equivalent to the service required to meet the  
 233 definition of a firefighter ~~under subsection (8)~~.

234 (d) In determining the creditable service of any

235 firefighter, credit for up to 5 years of the time spent in the  
 236 military service of the Armed Forces of the United States shall  
 237 be added to the years of actual service if:

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

242 2. The firefighter is entitled to reemployment under ~~the~~  
 243 ~~provisions of~~ the Uniformed Services Employment and Reemployment  
 244 Rights Act.

245 3. The firefighter returns to his or her employment as a  
 246 firefighter of the municipality or special fire control district  
 247 within 1 year after ~~from~~ the date of release from such active  
 248 service.

249 (7) ~~(5)~~ "Deferred Retirement Option Plan" or "DROP" means a  
 250 local law plan retirement option in which a firefighter may  
 251 elect to participate. A firefighter may retire for all purposes  
 252 of the plan and defer receipt of retirement benefits into a DROP  
 253 account while continuing employment with his or her employer.  
 254 However, a firefighter who enters the DROP and who is otherwise  
 255 eligible to participate may ~~shall~~ not ~~thereby~~ be precluded from  
 256 participation or continued participation ~~participating, or~~  
 257 ~~continuing to participate,~~ in a supplemental plan in existence  
 258 on, or created after, March 12, 1999 ~~the effective date of this~~  
 259 ~~act.~~

260 (8) "Defined contribution plan" means the component of a

261 local law plan, as provided in s. 175.351(1), to which deposits,  
262 if any, are made to provide benefits for firefighters, or for  
263 firefighters and police officers if both are included. Such  
264 component is an element of a local law plan and exists in  
265 conjunction with the defined benefit plan component that meets  
266 minimum benefits and minimum standards. The retirement benefits,  
267 if any, of the defined contribution plan component shall be  
268 provided through individual member accounts in accordance with  
269 the applicable provisions of the Internal Revenue Code and  
270 related regulations and are limited to the contributions, if  
271 any, made into each member's account and the actual accumulated  
272 earnings, net of expenses, earned on the member's account.

273 ~~(9)(6)~~ "Division" means the Division of Retirement of the  
274 Department of Management Services.

275 ~~(10)(7)~~ "Enrolled actuary" means an actuary who is  
276 enrolled under Subtitle C of Title III of the Employee  
277 Retirement Income Security Act of 1974 and who is a member of  
278 the Society of Actuaries or the American Academy of Actuaries.

279 ~~(11)(a)(8)(a)~~ "Firefighter" means a person employed solely  
280 by a constituted fire department of any municipality or special  
281 fire control district who is certified as a firefighter as a  
282 condition of employment in accordance with s. 633.408 and whose  
283 duty it is to extinguish fires, to protect life, or to protect  
284 property. The term includes all certified, supervisory, and  
285 command personnel whose duties include, in whole or in part, the  
286 supervision, training, guidance, and management responsibilities

287 of full-time firefighters, part-time firefighters, or auxiliary  
 288 firefighters but does not include part-time firefighters or  
 289 auxiliary firefighters. However, for purposes of this chapter  
 290 only, the term also includes public safety officers who are  
 291 responsible for performing both police and fire services, who  
 292 are certified as police officers or firefighters, and who are  
 293 certified by their employers to the Chief Financial Officer as  
 294 participating in this chapter before October 1, 1979. Effective  
 295 October 1, 1979, public safety officers who have not been  
 296 certified as participating in this chapter are considered police  
 297 officers for retirement purposes and are eligible to participate  
 298 in chapter 185. Any plan may provide that the fire chief has an  
 299 option to participate, ~~or not,~~ in that plan.

300 (b) "Volunteer firefighter" means any person whose name is  
 301 carried on the active membership roll of a constituted volunteer  
 302 fire department or a combination of a paid and volunteer fire  
 303 department of any municipality or special fire control district  
 304 and whose duty it is to extinguish fires, to protect life, and  
 305 to protect property. Compensation for services rendered by a  
 306 volunteer firefighter does ~~shall~~ not disqualify him or her as a  
 307 volunteer. A person may ~~shall~~ not be disqualified as a volunteer  
 308 firefighter solely because he or she has other gainful  
 309 employment. Any person who volunteers assistance at a fire but  
 310 is not an active member of a department described herein is not  
 311 a volunteer firefighter within the meaning of this paragraph.

312 (12) ~~(9)~~ "Firefighters' Pension Trust Fund" means a trust

313 fund, by whatever name known, as provided under s. 175.041, for  
 314 the purpose of assisting municipalities and special fire control  
 315 districts in establishing and maintaining a retirement plan for  
 316 firefighters.

317 (13)~~(10)~~ "Local law municipality" means ~~is~~ any  
 318 municipality in which ~~there exists~~ a local law plan exists.

319 (14)~~(11)~~ "Local law plan" means a retirement defined  
 320 benefit pension plan that includes both a defined benefit plan  
 321 component and a defined contribution plan component for  
 322 firefighters, or for firefighters and ~~or~~ police officers if both  
 323 are ~~where~~ included, as described in s. 175.351, established by  
 324 municipal ordinance, special district resolution, or special act  
 325 of the Legislature, which enactment sets forth all plan  
 326 provisions. Local law plan provisions may vary from the  
 327 provisions of this chapter if, ~~provided that required~~ minimum  
 328 benefits and minimum standards are met. However, any such  
 329 variance must ~~shall~~ provide a greater benefit for firefighters.  
 330 Actuarial valuations of local law plans shall be conducted by an  
 331 enrolled actuary as provided in s. 175.261(2).

332 (15)~~(12)~~ "Local law special fire control district" means  
 333 ~~is~~ any special fire control district in which ~~there exists~~ a  
 334 local law plan exists.

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

337 (17) "Minimum standards" means the standards specified in  
 338 ss. 175.021-175.401.

339        ~~(18)-(13)~~ "Property insurance" means property insurance as  
 340 defined in s. 624.604 and covers real and personal property  
 341 within the corporate limits of a ~~any~~ municipality, or within the  
 342 boundaries of a ~~any~~ special fire control district, within the  
 343 state. The term "multiple peril" means a combination or package  
 344 policy that includes both property and casualty coverage for a  
 345 single premium.

346        ~~(19)-(14)~~ "Retiree" or "retired firefighter" means a  
 347 firefighter who has entered retirement status. For the purposes  
 348 of a plan that includes a Deferred Retirement Option Plan  
 349 (DROP), a firefighter who enters the DROP is ~~shall be~~ considered  
 350 a retiree for all purposes of the plan. However, a firefighter  
 351 who enters the DROP and who is otherwise eligible to participate  
 352 may ~~shall~~ not ~~thereby~~ be precluded from participation or  
 353 continued participation ~~participating, or continuing to~~  
 354 ~~participate,~~ in a supplemental plan in existence on, or created  
 355 after, March 12, 1999 ~~the effective date of this act.~~

356        ~~(20)-(15)~~ "Retirement" means a firefighter's separation  
 357 from municipal ~~city~~ or fire district employment as a firefighter  
 358 with immediate eligibility for ~~receipt of~~ benefits under the  
 359 plan. For purposes of a plan that includes a Deferred Retirement  
 360 Option Plan (DROP), "retirement" means the date a firefighter  
 361 enters the DROP.

362        (21) "Special act plan" means a plan subject to the  
 363 provisions of this chapter which was created by an act of the  
 364 Legislature and continues to require an act of the Legislature

365 to alter plan benefits.

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

368 (23)-(16) "Special fire control district" means a special  
 369 district, as defined in s. 189.012, established for the purposes  
 370 of extinguishing fires, protecting life, and protecting property  
 371 within the incorporated or unincorporated portions of a any  
 372 county or combination of counties, or within any combination of  
 373 incorporated and unincorporated portions of a any county or  
 374 combination of counties. The term does not include any dependent  
 375 or independent special district, as those terms are defined in  
 376 s. 189.012, the employees of which are members of the Florida  
 377 Retirement System pursuant to s. 121.051(1) or (2).

378 (24)-(17) "Supplemental plan" means a plan to which  
 379 deposits are made to provide special ~~extra~~ benefits for  
 380 firefighters, or for firefighters and police officers if both  
 381 are where included ~~under this chapter~~. Such a plan is an element  
 382 of a local law plan and exists in conjunction with a defined  
 383 benefit plan component that meets ~~the~~ minimum benefits and  
 384 minimum standards ~~of this chapter~~. Any supplemental plan in  
 385 existence on March 1, 2015, shall be deemed to be a defined  
 386 contribution plan in compliance with s. 175.351(6).

387 (25)-(18) "Supplemental plan municipality" means a any  
 388 local law municipality in which any ~~there existed~~ a supplemental  
 389 plan existed, ~~of any type or nature~~, as of December 1, 2000.

390 Section 3. Subsection (8) is added to section 175.061,

391 Florida Statutes, to read:

392 175.061 Board of trustees; members; terms of office;  
393 meetings; legal entity; costs; attorney's fees.—For any  
394 municipality, special fire control district, chapter plan, local  
395 law municipality, local law special fire control district, or  
396 local law plan under this chapter:

397 (8) (a) The board of trustees shall:

398 1. Provide a detailed accounting report of its expenses  
399 for each fiscal year to the plan sponsor and the Department of  
400 Management Services and make the report available to each member  
401 of the plan and post the report on the board's website, if the  
402 board has a website. The report must include all administrative  
403 expenses that, for purposes of this subsection, are expenses  
404 relating to any legal counsel, actuary, plan administrator, and  
405 all other consultants, and all travel and other expenses paid to  
406 or on behalf of the members of the board of trustees or anyone  
407 else on behalf of the plan.

408 2. Operate under an administrative expense budget for each  
409 fiscal year, provide a copy of the budget to the plan sponsor,  
410 and make available a copy of the budget to plan members before  
411 the beginning of the fiscal year. If the board of trustees  
412 amends the administrative expense budget, the board must provide  
413 a copy of the amended budget to the plan sponsor and make  
414 available a copy of the amended budget to plan members.

415 (b) Notwithstanding s. 175.351(2) and (3), a local law  
416 plan created by special act before May 27, 1939, must comply



417 with the provisions of this subsection.

418 Section 4. Subsection (7) of section 175.071, Florida  
419 Statutes, is amended to read:

420 175.071 General powers and duties of board of trustees.—  
421 For any municipality, special fire control district, chapter  
422 plan, local law municipality, local law special fire control  
423 district, or local law plan under this chapter:

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

426 (a) Employ independent legal counsel at the pension fund's  
427 expense.

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

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

433

434 If the board chooses to use the municipality's or special  
435 district's legal counsel or actuary, or chooses to use any of  
436 the municipality's or special district's other professional,  
437 technical, or other advisers, it must do so only under terms and  
438 conditions acceptable to the board.

439 Section 5. Paragraph (d) of subsection (1) of section  
440 175.091, Florida Statutes, is amended to read:

441 175.091 Creation and maintenance of fund.—For any  
442 municipality, special fire control district, chapter plan, local

443 law municipality, local law special fire control district, or  
 444 local law plan under this chapter:

445 (1) The firefighters' pension trust fund in each  
 446 municipality and in each special fire control district shall be  
 447 created and maintained in the following manner:

448 (d) By mandatory payment by the municipality or special  
 449 fire control district of a sum equal to the normal cost of and  
 450 the amount required to fund any actuarial deficiency shown by an  
 451 actuarial valuation conducted under ~~as provided in~~ part VII of  
 452 chapter 112 after taking into account the amounts described in  
 453 paragraphs (b), (c), (e), (f), and (g) and the tax proceeds  
 454 described in paragraph (a) which are used to fund benefits in a  
 455 defined benefit plan component.

456  
 457 Nothing in this section shall be construed to require adjustment  
 458 of member contribution rates in effect on the date this act  
 459 becomes a law, including rates that exceed 5 percent of salary,  
 460 provided that such rates are at least one-half of 1 percent of  
 461 salary.

462 Section 6. Paragraph (a) of subsection (2) of section  
 463 175.162, Florida Statutes, is amended to read:

464 175.162 Requirements for retirement.—For any municipality,  
 465 special fire control district, chapter plan, local law  
 466 municipality, local law special fire control district, or local  
 467 law plan under this chapter, any firefighter who completes 10 or  
 468 more years of creditable service as a firefighter and attains

469 age 55, or completes 25 years of creditable service as a  
470 firefighter and attains age 52, and who for such minimum period  
471 has been a member of the firefighters' pension trust fund  
472 operating under a chapter plan or local law plan, is eligible  
473 for normal retirement benefits. Normal retirement under the plan  
474 is retirement from the service of the municipality or special  
475 fire control district on or after the normal retirement date. In  
476 such event, payment of retirement income will be governed by the  
477 following provisions of this section:

478 (2) (a) 1. The amount of monthly retirement income payable  
479 to a full-time firefighter who retires on or after his or her  
480 normal retirement date shall be an amount equal to the number of  
481 his or her years of credited service multiplied by 2.75 ~~2~~  
482 percent of his or her average final compensation as a full-time  
483 firefighter. ~~However, if current state contributions pursuant to~~  
484 ~~this chapter are not adequate to fund the additional benefits to~~  
485 ~~meet the minimum requirements in this chapter, only such~~  
486 ~~incremental increases shall be required as state moneys are~~  
487 ~~adequate to provide. Such increments shall be provided as state~~  
488 ~~moneys become available.~~

489 2. Effective July 1, 2015, a plan that is in compliance  
490 with this chapter except that the plan provides a benefit that  
491 is less than 2.75 percent of the average final compensation of a  
492 full-time firefighter for all years of credited service or  
493 provides an effective benefit that is less than 2.75 percent as  
494 a result of a maximum benefit limitation:

495 a. Must maintain, at a minimum, the percentage amount or  
 496 maximum benefit limitation in effect on July 1, 2015, and is not  
 497 required to increase the benefit to 2.75 percent of the average  
 498 final compensation of a full-time firefighter for all years of  
 499 credited service; or

500 b. If the plan changes the percentage amount or maximum  
 501 benefit limitation to 2.75 percent or more of the average final  
 502 compensation of a full-time firefighter for all years of  
 503 credited service, the plan may not thereafter decrease the  
 504 percentage amount or maximum benefit limitation to less than  
 505 2.75 percent of the average final compensation of a full-time  
 506 firefighter for all years of credited service.

507 Section 7. Section 175.351, Florida Statutes, is amended  
 508 to read:

509 175.351 Municipalities and special fire control districts  
 510 that have ~~having~~ their own retirement ~~pension~~ plans for  
 511 firefighters. ~~For any municipality, special fire control~~  
 512 ~~district, local law municipality, local law special fire control~~  
 513 ~~district, or local law plan under this chapter,~~ In order for a  
 514 municipality or municipalities and special fire control district  
 515 that has its districts with their own retirement plan ~~pension~~  
 516 ~~plans~~ for firefighters, or for firefighters and police officers  
 517 if both are included, to participate in the distribution of the  
 518 tax fund established under ~~pursuant to~~ s. 175.101, a local law  
 519 plan ~~plans~~ must meet ~~the~~ minimum benefits and minimum standards,  
 520 except as provided in the mutual consent provisions in paragraph

521 (1)(g) with respect to the minimum benefits not met as of  
522 October 1, 2012 set forth in this chapter.

523 (1) If a municipality has a retirement ~~pension~~ plan for  
524 firefighters, or a ~~pension plan~~ for firefighters and police  
525 officers if both are included, which in the opinion of the  
526 division meets ~~the~~ minimum benefits and minimum standards ~~set~~  
527 ~~forth in this chapter~~, the board of trustees of the retirement  
528 ~~pension plan must, as approved by a majority of firefighters of~~  
529 ~~the municipality, may:~~

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

538 (a) The base premium tax revenues must be used to fund  
539 minimum benefits or other retirement benefits in excess of the  
540 minimum benefits as determined by the municipality or special  
541 fire control district.

542 (b) Of the additional premium tax revenues received that  
543 are in excess of the amount received for the 2012 calendar year,  
544 50 percent must be used to fund minimum benefits or other  
545 retirement benefits in excess of the minimum benefits as  
546 determined by the municipality or special fire control district,

547 and 50 percent must be placed in a defined contribution plan to  
548 fund special benefits.

549 (c) Additional premium tax revenues not described in  
550 paragraph (b) must be used to fund benefits that are not  
551 included in the minimum benefits. If the additional premium tax  
552 revenues subject to this paragraph exceed the full annual cost  
553 of benefits provided through the plan which are in excess of the  
554 minimum benefits, any amount in excess of the full annual cost  
555 must be used as provided in paragraph (b).

556 (d) Of any accumulations of additional premium tax  
557 revenues which have not been allocated to fund benefits in  
558 excess of the minimum benefits, 50 percent of the amount of the  
559 accumulations must be used to fund special benefits, and 50  
560 percent must be applied to fund any unfunded actuarial  
561 liabilities of the plan; provided that any amount of  
562 accumulations in excess of the amount required to fund the  
563 unfunded actuarial liabilities must be used to fund special  
564 benefits to pay extra benefits to the firefighters included in  
565 that pension plan; or

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

570 (e) For a plan created after March 1, 2015, 50 percent of  
571 the insurance premium tax revenues must be used to fund defined  
572 benefit plan component benefits, with the remainder used to fund

573 defined contribution plan component benefits.

574 (f) If a plan offers benefits in excess of the minimum  
575 benefits, such benefits, excluding supplemental plan benefits in  
576 effect as of September 30, 2014, may be reduced if the plan  
577 continues to meet minimum benefits and minimum standards. The  
578 amount of insurance premium tax revenues previously used to fund  
579 benefits in excess of minimum benefits before the reduction,  
580 excluding the amount of any additional premium tax revenues  
581 distributed to a supplemental plan for the 2012 calendar year,  
582 must be used as provided in paragraph (b). However, benefits in  
583 excess of minimum benefits may not be reduced if a plan does not  
584 meet the minimum percentage amount of 2.75 percent of the  
585 average final compensation of a full-time firefighter, as  
586 required by s. 175.162(2)(a)1., or provides an effective benefit  
587 that is below 2.75 percent as a result of a maximum benefit  
588 limitation as described in s. 175.162(2)(a)2.

589 (g) Notwithstanding paragraphs (a)-(f), the use of premium  
590 tax revenues, including any accumulations of additional premium  
591 tax revenues which have not been allocated to fund benefits in  
592 excess of minimum benefits, may deviate from the provisions of  
593 this subsection by mutual consent of the members' collective  
594 bargaining representative or, if there is no representative, by  
595 a majority of the firefighter members of the fund, and by  
596 consent of the municipality or special fire control district,  
597 provided that the plan continues to meet minimum benefits and  
598 minimum standards; however, a plan that operates pursuant to

599 this paragraph and does not meet minimum benefits as of October  
600 1, 2012, may continue to provide the benefits that do not meet  
601 the minimum benefits at the same level as was provided as of  
602 October 1, 2012, and all other benefit levels must continue to  
603 meet the minimum benefits. Such mutually agreed deviation must  
604 continue until modified or revoked by subsequent mutual consent  
605 of the members' collective bargaining representative or, if  
606 none, by a majority of the firefighter members of the fund, and  
607 the municipality or special fire control district. An existing  
608 arrangement for the use of premium tax revenues contained within  
609 a special act plan or a plan within a supplemental plan  
610 municipality is considered, as of July 1, 2015, to be a  
611 deviation for which mutual consent has been granted.

612 (2) The premium tax provided by this chapter must ~~shall in~~  
613 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~  
614 benefits to firefighters, or to firefighters and police officers  
615 if both are included. ~~However, local law plans in effect on~~  
616 ~~October 1, 1998, must comply with the minimum benefit provisions~~  
617 ~~of this chapter only to the extent that additional premium tax~~  
618 ~~revenues become available to incrementally fund the cost of such~~  
619 ~~compliance as provided in s. 175.162(2)(a). If a plan is in~~  
620 ~~compliance with such minimum benefit provisions, as subsequent~~  
621 ~~additional premium tax revenues become available, they must be~~  
622 ~~used to provide extra benefits.~~ Local law plans created by  
623 special act before May 27, 1939, are deemed to comply with this  
624 chapter. ~~For the purpose of this chapter, the term:~~



625 ~~(a) "Additional premium tax revenues" means revenues~~  
626 ~~received by a municipality or special fire control district~~  
627 ~~pursuant to s. 175.121 which exceed that amount received for~~  
628 ~~calendar year 1997.~~

629 ~~(b) "Extra benefits" means benefits in addition to or~~  
630 ~~greater than those provided to general employees of the~~  
631 ~~municipality and in addition to those in existence for~~  
632 ~~firefighters on March 12, 1999.~~

633 (3) A retirement plan or amendment to a retirement plan  
634 may not be proposed for adoption unless the proposed plan or  
635 amendment contains an actuarial estimate of the costs involved.  
636 Such proposed plan or proposed plan change may not be adopted  
637 without the approval of the municipality, special fire control  
638 district, or, where required ~~permitted~~, the Legislature. Copies  
639 of the proposed plan or proposed plan change and the actuarial  
640 impact statement of the proposed plan or proposed plan change  
641 shall be furnished to the division before the last public  
642 hearing on the proposal is held ~~thereon~~. Such statement must  
643 also indicate whether the proposed plan or proposed plan change  
644 is in compliance with s. 14, Art. X of the State Constitution  
645 and those provisions of part VII of chapter 112 which are not  
646 expressly provided in this chapter. Notwithstanding any other  
647 provision, only those local law plans created by special act of  
648 legislation before May 27, 1939, are deemed to meet ~~the~~ minimum  
649 benefits and minimum standards ~~only in this chapter~~.

650 (4) Notwithstanding any other provision, with respect to

651 any supplemental plan municipality:

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

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

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

662 (5) The retirement plan setting forth the benefits and the  
663 trust agreement, if any, covering the duties and  
664 responsibilities of the trustees and the regulations of the  
665 investment of funds must be in writing, and copies made  
666 available to the participants and to the general public.

667 (6) In addition to the defined benefit plan component of  
668 the local law plan, each plan sponsor must have a defined  
669 contribution plan component within the local law plan by October  
670 1, 2015, for noncollectively bargained service, upon entering  
671 into a collective bargaining agreement on or after July 1, 2015,  
672 or upon the creation date of a new participating plan. Depending  
673 upon the application of subsection (1), a defined contribution  
674 plan component may or may not receive any funding.

675 (7) Notwithstanding any other provision of this chapter, a  
676 municipality or special fire control district that has

677 implemented or proposed changes to a local law plan based on the  
678 municipality's or district's reliance on an interpretation of  
679 this chapter by the Department of Management Services on or  
680 after August 14, 2012, and before March 3, 2015, may continue  
681 the implemented changes or continue to implement proposed  
682 changes. Such reliance must be evidenced by a written collective  
683 bargaining proposal or agreement, or formal correspondence  
684 between the municipality or district and the Department of  
685 Management Services which describes the specific changes to the  
686 local law plan, with the initial proposal, agreement, or  
687 correspondence from the municipality or district dated before  
688 March 3, 2015. Changes to the local law plan which are otherwise  
689 contrary to minimum benefits and minimum standards may continue  
690 in effect until the earlier of October 1, 2018, or the effective  
691 date of a collective bargaining agreement that is contrary to  
692 the changes to the local law plan.

693 Section 8. Subsection (2) of section 185.01, Florida  
694 Statutes, is amended to read:

695 185.01 Legislative declaration.—

696 (2) This chapter hereby establishes, for all municipal  
697 pension plans ~~now or hereinafter~~ provided for under this  
698 chapter, including chapter plans and local law plans, minimum  
699 benefits and minimum standards for the operation and funding of  
700 such plans, hereinafter referred to as municipal police  
701 officers' retirement trust funds, which must be met as  
702 conditions precedent to the plan or plan sponsor's receiving a

703 distribution of insurance premium tax revenues under s. 185.10.  
 704 ~~The~~ Minimum benefits and minimum standards for each plan ~~set~~  
 705 ~~forth in this chapter~~ may not be diminished by local ordinance  
 706 or by special act of the Legislature and may not, ~~nor may the~~  
 707 ~~minimum benefits or minimum standards~~ be reduced or offset by  
 708 any other local, state, or federal plan that includes ~~may~~  
 709 ~~include~~ police officers in its operation, except as provided  
 710 under s. 112.65.

711 Section 9. Section 185.02, Florida Statutes, is amended to  
 712 read:

713 185.02 Definitions.—For any municipality, chapter plan,  
 714 local law municipality, or local law plan under this chapter,  
 715 the term ~~following words and phrases as used in this chapter~~  
 716 ~~shall have the following meanings, unless a different meaning is~~  
 717 ~~plainly required by the context:~~

718 (1) "Additional premium tax revenues" means revenues  
 719 received by a municipality pursuant to s. 185.10 which exceed  
 720 base premium tax revenues.

721 (2) ~~(1)~~ "Average final compensation" means one-twelfth of  
 722 the average annual compensation of the 5 best years of the last  
 723 10 years of creditable service before ~~prior to~~ retirement,  
 724 termination, or death.

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

726 (a) For a local law plan in effect on October 1, 2003, the  
 727 revenues received by a municipality pursuant to s. 185.10 for  
 728 the 2002 calendar year.

729        (b) For a local law plan created between October 1, 2003,  
730 and March 1, 2015, inclusive, the revenues received by a  
731 municipality pursuant to s. 185.10 based upon the tax  
732 collections during the second calendar year of participation.

733        (4)-(2) "Casualty insurance" means automobile public  
734 liability and property damage insurance to be applied at the  
735 place of residence of the owner, or if the subject is a  
736 commercial vehicle, to be applied at the place of business of  
737 the owner; automobile collision insurance; fidelity bonds;  
738 burglary and theft insurance; and plate glass insurance. The  
739 term "multiple peril" means a combination or package policy that  
740 includes both property coverage and casualty coverage for a  
741 single premium.

742        (5)-(3) "Chapter plan" means a separate defined benefit  
743 pension plan for police officers which incorporates by reference  
744 the provisions of this chapter and has been adopted by the  
745 governing body of a municipality as provided in s. 185.08.  
746 Except as ~~may be~~ specifically authorized in this chapter, the  
747 provisions of a chapter plan may not differ from the plan  
748 provisions set forth in ss. 185.01-185.341 and ss. 185.37-  
749 185.39. Actuarial valuations of chapter plans shall be conducted  
750 by the division as provided by s. 185.221(1)(b).

751        (6)-(4) "Compensation" or "salary" means, for  
752 noncollectively bargained service earned before July 1, 2011, or  
753 for service earned under collective bargaining agreements in  
754 place before July 1, 2011, the total cash remuneration including

755 "overtime" paid by the primary employer to a police officer for  
756 services rendered, but not including any payments for extra duty  
757 or special detail work performed on behalf of a second party  
758 employer. Overtime may be limited before July 1, 2011, in a  
759 local law plan by the plan provisions ~~A local law plan may limit~~  
760 ~~the amount of overtime payments which can be used for retirement~~  
761 ~~benefit calculation purposes; however, such overtime limit may~~  
762 ~~not be less than 300 hours per officer per calendar year.~~ For  
763 noncollectively bargained service earned on or after July 1,  
764 2011, or for service earned under collective bargaining  
765 agreements entered into on or after July 1, 2011, the term has  
766 the same meaning except that when calculating retirement  
767 benefits, up to 300 hours per year in overtime compensation may  
768 be included as specified in the plan or collective bargaining  
769 agreement, but payments for accrued unused sick or annual leave  
770 may not be included.

771 (a) Any retirement trust fund or plan that meets the  
772 requirements of this chapter does not, solely by virtue of this  
773 subsection, reduce or diminish the monthly retirement income  
774 otherwise payable to each police officer covered by the  
775 retirement trust fund or plan.

776 (b) The member's compensation or salary contributed as  
777 employee-elective salary reductions or deferrals to any salary  
778 reduction, deferred compensation, or tax-sheltered annuity  
779 program authorized under the Internal Revenue Code shall be  
780 deemed to be the compensation or salary the member would receive

781 if he or she were not participating in such program and shall be  
 782 treated as compensation for retirement purposes under this  
 783 chapter.

784 (c) For any person who first becomes a member in any plan  
 785 year beginning on or after January 1, 1996, compensation for  
 786 that plan year may not include any amounts in excess of the  
 787 Internal Revenue Code s. 401(a)(17) limitation, as amended by  
 788 the Omnibus Budget Reconciliation Act of 1993, which limitation  
 789 of \$150,000 shall be adjusted as required by federal law for  
 790 qualified government plans and ~~shall be~~ further adjusted for  
 791 changes in the cost of living in the manner provided by Internal  
 792 Revenue Code s. 401(a)(17)(B). For any person who first became a  
 793 member before the first plan year beginning on or after January  
 794 1, 1996, the limitation on compensation may not be less than the  
 795 maximum compensation amount that was allowed to be taken into  
 796 account under the plan ~~as~~ in effect on July 1, 1993, which  
 797 limitation shall be adjusted for changes in the cost of living  
 798 since 1989 in the manner provided by Internal Revenue Code s.  
 799 401(a)(17)(1991).

800 (7) ~~(5)~~ "Creditable service" or "credited service" means  
 801 the aggregate number of years of service and fractional parts of  
 802 years of service of any police officer, omitting intervening  
 803 years and fractional parts of years when such police officer may  
 804 not have been employed by the municipality subject to the  
 805 following conditions:

806 (a) A ~~No~~ police officer may not ~~will~~ receive credit for

807 | years or fractional parts of years of service if he or she has  
808 | withdrawn his or her contributions to the fund for those years  
809 | or fractional parts of years of service, unless the police  
810 | officer repays into the fund the amount he or she has withdrawn,  
811 | plus interest as determined by the board. The member has ~~shall~~  
812 | ~~have~~ at least 90 days after his or her reemployment to make  
813 | repayment.

814 |         (b) A police officer may voluntarily leave his or her  
815 | contributions in the fund for ~~a period of~~ 5 years after leaving  
816 | the employ of the police department, pending the possibility of  
817 | his or her being rehired by the same department, without losing  
818 | credit for the time he or she has participated actively as a  
819 | police officer. If he or she is not reemployed as a police  
820 | officer with the same department within 5 years, his or her  
821 | contributions shall be returned ~~to him or her~~ without interest.

822 |         (c) Credited service under this chapter shall be provided  
823 | only for service as a police officer, ~~as defined in subsection~~  
824 | ~~(11)~~, or for military service and may not include credit for any  
825 | other type of service. A municipality ~~may~~, by local ordinance,  
826 | may provide for the purchase of credit for military service  
827 | occurring before employment as well as prior service as a police  
828 | officer for some other employer as long as the police officer is  
829 | not entitled to receive a benefit for such ~~other~~ prior service  
830 | ~~as a police officer~~. For purposes of determining credit for  
831 | prior service, in addition to service as a police officer in  
832 | this state, credit may be given for federal, other state, or



833 county service as long as such service is recognized by the  
834 Criminal Justice Standards and Training Commission within the  
835 Department of Law Enforcement as provided in ~~under~~ chapter 943  
836 or the police officer provides proof to the board of trustees  
837 that such service is equivalent to the service required to meet  
838 the definition of a police officer ~~under subsection (11)~~.

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

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

847 2. The police officer is entitled to reemployment under  
848 ~~the provisions of~~ the Uniformed Services Employment and  
849 Reemployment Rights Act.

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

853 (8) ~~(6)~~ "Deferred Retirement Option Plan" or "DROP" means a  
854 local law plan retirement option in which a police officer may  
855 elect to participate. A police officer may retire for all  
856 purposes of the plan and defer receipt of retirement benefits  
857 into a DROP account while continuing employment with his or her  
858 employer. However, a police officer who enters the DROP and who

859 is otherwise eligible to participate may ~~shall~~ not ~~thereby~~ be  
860 precluded from participation or continued participation  
861 ~~participating, or continuing to participate,~~ in a supplemental  
862 plan in existence on, or created after, March 12, 1999 ~~the~~  
863 ~~effective date of this act.~~

864 (9) "Defined contribution plan" means the component of a  
865 local law plan, as provided in s. 185.35(1), to which deposits,  
866 if any, are made to provide benefits for police officers, or for  
867 police officers and firefighters if both are included. Such  
868 component is an element of a local law plan and exists in  
869 conjunction with the defined benefit component that meets  
870 minimum benefits and minimum standards. The retirement benefits,  
871 if any, of the defined contribution plan shall be provided  
872 through individual member accounts in accordance with the  
873 applicable provisions of the Internal Revenue Code and related  
874 regulations and are limited to the contributions, if any, made  
875 into each member's account and the actual accumulated earnings,  
876 net of expenses, earned on the member's account.

877 (10)-(7) "Division" means the Division of Retirement of the  
878 Department of Management Services.

879 (11)-(8) "Enrolled actuary" means an actuary who is  
880 enrolled under Subtitle C of Title III of the Employee  
881 Retirement Income Security Act of 1974 and who is a member of  
882 the Society of Actuaries or the American Academy of Actuaries.

883 (12)-(9) "Local law municipality" means ~~is~~ any municipality  
884 in which ~~there exists~~ a local law plan exists.

885        (13)~~(10)~~ "Local law plan" means a retirement defined  
 886 ~~benefit-pension~~ plan that includes both a defined benefit plan  
 887 component and a defined contribution plan component for police  
 888 officers, or for police officers and firefighters if both are,  
 889 ~~where~~ included, as described in s. 185.35, established by  
 890 municipal ordinance or special act of the Legislature, which  
 891 ~~enactment~~ sets forth all plan provisions. Local law plan  
 892 provisions may vary from the provisions of this chapter if,  
 893 ~~provided that required~~ minimum benefits and minimum standards  
 894 are met. However, any such variance must ~~shall~~ provide a greater  
 895 benefit for police officers. Actuarial valuations of local law  
 896 plans shall be conducted by an enrolled actuary as provided in  
 897 s. 185.221(2) (b).

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

900        (15) "Minimum standards" means the standards specified in  
 901 ss. 185.01-185.50.

902        (16)~~(11)~~ "Police officer" means any person who is elected,  
 903 appointed, or employed full time by a ~~any~~ municipality, who is  
 904 certified or required to be certified as a law enforcement  
 905 officer in compliance with s. 943.1395, who is vested with  
 906 authority to bear arms and make arrests, and whose primary  
 907 responsibility is the prevention and detection of crime or the  
 908 enforcement of the penal, criminal, traffic, or highway laws of  
 909 the state. The term ~~This definition~~ includes all certified  
 910 supervisory and command personnel whose duties include, in whole

911 or in part, the supervision, training, guidance, and management  
912 responsibilities of full-time law enforcement officers, part-  
913 time law enforcement officers, or auxiliary law enforcement  
914 officers, but does not include part-time law enforcement  
915 officers or auxiliary law enforcement officers as those terms  
916 ~~the same~~ are defined in s. 943.10(6) and (8), respectively. For  
917 the purposes of this chapter only, the term also includes  
918 ~~"police officer" also shall include~~ a public safety officer who  
919 is responsible for performing both police and fire services. Any  
920 plan may provide that the police chief shall have an option to  
921 participate, ~~or not,~~ in that plan.

922 (17)~~(12)~~ "Police Officers' Retirement Trust Fund" means a  
923 trust fund, by whatever name known, as provided under s. 185.03  
924 for the purpose of assisting municipalities in establishing and  
925 maintaining a retirement plan for police officers.

926 (18)~~(13)~~ "Retiree" or "retired police officer" means a  
927 police officer who has entered retirement status. For the  
928 purposes of a plan that includes a Deferred Retirement Option  
929 Plan (DROP), a police officer who enters the DROP is ~~shall be~~  
930 considered a retiree for all purposes of the plan. However, a  
931 police officer who enters the DROP and who is otherwise eligible  
932 to participate may ~~shall not thereby~~ be precluded from  
933 participation or continued participation ~~participating, or~~  
934 ~~continuing to participate,~~ in a supplemental plan in existence  
935 on, or created after, March 12, 1999 ~~the effective date of this~~  
936 act.

937        ~~(19)-(14)~~ "Retirement" means a police officer's separation  
938 from municipal ~~city~~ employment as a police officer with  
939 immediate eligibility for ~~receipt of~~ benefits under the plan.  
940 For purposes of a plan that includes a Deferred Retirement  
941 Option Plan (DROP), "retirement" means the date a police officer  
942 enters the DROP.

943        (20) "Special act plan" means a plan subject to the  
944 provisions of this chapter which was created by an act of the  
945 Legislature and continues to require an act of the Legislature  
946 to alter plan benefits.

947        (21) "Special benefits" means benefits provided in a  
948 defined contribution plan component for police officers.

949        ~~(22)-(15)~~ "Supplemental plan" means a plan to which  
950 deposits of the premium tax moneys as provided in s. 185.08 are  
951 made to provide special ~~extra~~ benefits to police officers, or  
952 police officers and firefighters if both are ~~where~~ included,  
953 ~~under this chapter~~. Such a plan is an element of a local law  
954 plan and exists in conjunction with a defined benefit plan  
955 component that meets ~~the~~ minimum benefits and minimum standards  
956 ~~of this chapter~~. Any supplemental plan in existence on March 1,  
957 2015, shall be deemed to be a defined contribution plan in  
958 compliance with s. 185.35(6).

959        ~~(23)-(16)~~ "Supplemental plan municipality" means a ~~any~~  
960 local law municipality in which any ~~there existed~~ a supplemental  
961 plan existed as of December 1, 2000.

962        Section 10. Subsection (8) is added to section 185.05,

963 Florida Statutes, to read:

964 185.05 Board of trustees; members; terms of office;  
965 meetings; legal entity; costs; attorney's fees.—For any  
966 municipality, chapter plan, local law municipality, or local law  
967 plan under this chapter:

968 (8) (a) The board of trustees shall:

969 1. Provide a detailed accounting report of its expenses  
970 for each fiscal year to the plan sponsor and the Department of  
971 Management Services and make the report available to each member  
972 of the plan and post the report on the board's website, if the  
973 board has a website. The report must include all administrative  
974 expenses that, for purposes of this subsection, are expenses  
975 relating to any legal counsel, actuary, plan administrator, and  
976 all other consultants, and all travel and other expenses paid to  
977 or on behalf of the members of the board of trustees or anyone  
978 else on behalf of the plan.

979 2. Operate under an administrative expense budget for each  
980 fiscal year, provide a copy of the budget to the plan sponsor,  
981 and make available a copy of the budget to plan members before  
982 the beginning of the fiscal year. If the board of trustees  
983 amends the administrative expense budget, the board must provide  
984 a copy of the amended budget to the plan sponsor and make  
985 available a copy of the amended budget to plan members.

986 (b) Notwithstanding s. 185.35(2) and (3), a local law plan  
987 created by special act before May 27, 1939, must comply with the  
988 provisions of this subsection.

989 Section 11. Subsection (6) of section 185.06, Florida  
 990 Statutes, is amended to read:

991 185.06 General powers and duties of board of trustees.—For  
 992 any municipality, chapter plan, local law municipality, or local  
 993 law plan under this chapter:

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

996 (a) Employ independent legal counsel at the pension fund's  
 997 expense.

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

1000 (c) Employ such independent professional, technical, or  
 1001 other advisers as it deems necessary at the pension fund's  
 1002 expense.

1003  
 1004 If the board chooses to use the municipality's or special  
 1005 district's legal counsel or actuary, or chooses to use any of  
 1006 the municipality's other professional, technical, or other  
 1007 advisers, it must do so only under terms and conditions  
 1008 acceptable to the board.

1009 Section 12. Paragraph (d) of subsection (1) of section  
 1010 185.07, Florida Statutes, is amended to read:

1011 185.07 Creation and maintenance of fund.—For any  
 1012 municipality, chapter plan, local law municipality, or local law  
 1013 plan under this chapter:

1014 (1) The municipal police officers' retirement trust fund

1015 in each municipality described in s. 185.03 shall be created and  
 1016 maintained in the following manner:

1017 (d) By payment by the municipality or other sources of a  
 1018 sum equal to the normal cost and the amount required to fund any  
 1019 actuarial deficiency shown by an actuarial valuation conducted  
 1020 under as provided in part VII of chapter 112 after taking into  
 1021 account the amounts described in paragraphs (b), (c), (e), (f),  
 1022 and (g) and the tax proceeds described in paragraph (a) which  
 1023 are used to fund benefits provided in a defined benefit plan  
 1024 component.

1025  
 1026 Nothing in this section shall be construed to require adjustment  
 1027 of member contribution rates in effect on the date this act  
 1028 becomes a law, including rates that exceed 5 percent of salary,  
 1029 provided that such rates are at least one-half of 1 percent of  
 1030 salary.

1031 Section 13. Subsection (2) of section 185.16, Florida  
 1032 Statutes, is amended to read:

1033 185.16 Requirements for retirement.—For any municipality,  
 1034 chapter plan, local law municipality, or local law plan under  
 1035 this chapter, any police officer who completes 10 or more years  
 1036 of creditable service as a police officer and attains age 55, or  
 1037 completes 25 years of creditable service as a police officer and  
 1038 attains age 52, and for such period has been a member of the  
 1039 retirement fund is eligible for normal retirement benefits.  
 1040 Normal retirement under the plan is retirement from the service



1041 of the city on or after the normal retirement date. In such  
1042 event, for chapter plans and local law plans, payment of  
1043 retirement income will be governed by the following provisions  
1044 of this section:

1045 (2) (a) The amount of the monthly retirement income payable  
1046 to a police officer who retires on or after his or her normal  
1047 retirement date shall be an amount equal to the number of the  
1048 police officer's years of credited service multiplied by 2.75 ~~2~~  
1049 percent of his or her average final compensation. ~~However, if~~  
1050 ~~current state contributions pursuant to this chapter are not~~  
1051 ~~adequate to fund the additional benefits to meet the minimum~~  
1052 ~~requirements in this chapter, only increment increases shall be~~  
1053 ~~required as state moneys are adequate to provide. Such~~  
1054 ~~increments shall be provided as state moneys become available.~~

1055 (b) Effective July 1, 2015, a plan that is in compliance  
1056 with this chapter except that the plan provides a benefit that  
1057 is less than 2.75 percent of the average final compensation of a  
1058 police officer for all years of credited service or provides an  
1059 effective benefit that is less than 2.75 percent as a result of  
1060 a maximum benefit limitation:

1061 1. Must maintain, at a minimum, the percentage amount or  
1062 maximum benefit limitation in effect on July 1, 2015, and is not  
1063 required to increase the benefit to 2.75 percent of the average  
1064 final compensation of a police officer for all years of credited  
1065 service; or

1066 2. If the plan changes the percentage amount or maximum

1067 benefit limitation to 2.75 percent or more of the average final  
 1068 compensation of a police officer for all years of credited  
 1069 service, the plan may not thereafter decrease the percentage  
 1070 amount or the maximum benefit limitation to less than 2.75  
 1071 percent of the average final compensation of a police officer  
 1072 for all years of credited service.

1073 Section 14. Section 185.35, Florida Statutes, is amended  
 1074 to read:

1075 185.35 Municipalities that have ~~having~~ their own  
 1076 retirement ~~pension~~ plans for police officers. ~~For any~~  
 1077 ~~municipality, chapter plan, local law municipality, or local law~~  
 1078 ~~plan under this chapter,~~ In order for a municipality that has  
 1079 its municipalities with their own retirement plan ~~pension plans~~  
 1080 for police officers, or for police officers and firefighters if  
 1081 both are included, to participate in the distribution of the tax  
 1082 fund established under ~~pursuant to~~ s. 185.08, a local law plan  
 1083 ~~plans~~ must meet ~~the~~ minimum benefits and minimum standards,  
 1084 except as provided in the mutual consent provisions in paragraph  
 1085 (1)(g) with respect to the minimum benefits not met as of  
 1086 October 1, 2012. ~~set forth in this chapter:~~

1087 (1) If a municipality has a retirement ~~pension~~ plan for  
 1088 police officers, or for police officers and firefighters if both  
 1089 are included, which, in the opinion of the division, meets ~~the~~  
 1090 minimum benefits and minimum standards ~~set forth in this~~  
 1091 ~~chapter,~~ the board of trustees of the retirement ~~pension~~ plan  
 1092 must, ~~as approved by a majority of police officers of the~~

1093 ~~municipality, may:~~

1094 ~~(a)~~ place the income from the premium tax in s. 185.08 in  
1095 such ~~pension~~ plan for the sole and exclusive use of its police  
1096 officers, or its police officers and firefighters if both are  
1097 included, where it shall become an integral part of that ~~pension~~  
1098 plan and ~~shall~~ be used to fund benefits as provided herein.  
1099 Effective October 1, 2015, for noncollectively bargained service  
1100 or upon entering into a collective bargaining agreement on or  
1101 after July 1, 2015:

1102 (a) The base premium tax revenues must be used to fund  
1103 minimum benefits or other retirement benefits in excess of the  
1104 minimum benefits as determined by the municipality.

1105 (b) Of the additional premium tax revenues received that  
1106 are in excess of the amount received for the 2012 calendar year,  
1107 50 percent must be used to fund minimum benefits or other  
1108 retirement benefits in excess of the minimum benefits as  
1109 determined by the municipality, and 50 percent must be placed in  
1110 a defined contribution plan component to fund special benefits.

1111 (c) Additional premium tax revenues not described in  
1112 paragraph (b) must be used to fund benefits that are not  
1113 included in the minimum benefits. If the additional premium tax  
1114 revenues subject to this paragraph exceed the full annual cost  
1115 of benefits provided through the plan which are in excess of the  
1116 minimum benefits, any amount in excess of the full annual cost  
1117 must be used as provided in paragraph (b).

1118 (d) Of any accumulations of additional premium tax

1119 revenues which have not been allocated to fund benefits in  
1120 excess of the minimum benefits, 50 percent of the amount of the  
1121 accumulations must be used to fund special benefits and 50  
1122 percent must be applied to fund any unfunded actuarial  
1123 liabilities of the plan; provided that any amount of  
1124 accumulations in excess of the amount required to fund the  
1125 unfunded actuarial liabilities must be used to fund special  
1126 benefits ~~pay extra benefits to the police officers included in~~  
1127 ~~that pension plan; or~~

1128 ~~(b) May place the income from the premium tax in s. 185.08~~  
1129 ~~in a separate supplemental plan to pay extra benefits to the~~  
1130 ~~police officers, or police officers and firefighters if~~  
1131 ~~included, participating in such separate supplemental plan.~~

1132 (e) For a plan created after March 1, 2015, 50 percent of  
1133 the insurance premium tax revenues must be used to fund defined  
1134 benefit plan component benefits, with the remainder used to fund  
1135 defined contribution plan component benefits.

1136 (f) If a plan offers benefits in excess of the minimum  
1137 benefits, such benefits, excluding supplemental plan benefits in  
1138 effect as of September 30, 2014, may be reduced if the plan  
1139 continues to meet minimum benefits and the minimum standards.  
1140 The amount of insurance premium tax revenues previously used to  
1141 fund benefits in excess of the minimum benefits before the  
1142 reduction, excluding the amount of any additional premium tax  
1143 revenues distributed to a supplemental plan for the 2012  
1144 calendar year, must be used as provided in paragraph (b).

1145 However, benefits in excess of the minimum benefits may not be  
1146 reduced if a plan does not meet the minimum percentage amount of  
1147 2.75 percent of the average final compensation of a police  
1148 officer or provides an effective benefit that is less than 2.75  
1149 percent as a result of a maximum benefit limitation, as  
1150 described in s. 185.16(2) (b).

1151 (g) Notwithstanding paragraphs (a)-(f), the use of premium  
1152 tax revenues, including any accumulations of additional premium  
1153 tax revenues which have not been allocated to fund benefits in  
1154 excess of the minimum benefits, may deviate from the provisions  
1155 of this subsection by mutual consent of the members' collective  
1156 bargaining representative or, if none, by a majority of the  
1157 police officer members of the fund, and by consent of the  
1158 municipality, provided that the plan continues to meet minimum  
1159 benefits and minimum standards; however, a plan that operates  
1160 pursuant to this paragraph and does not meet the minimum  
1161 benefits as of October 1, 2012, may continue to provide the  
1162 benefits that do not meet the minimum benefits at the same level  
1163 as was provided as of October 1, 2012, and all other benefit  
1164 levels must continue to meet the minimum benefits. Such mutually  
1165 agreed deviation must continue until modified or revoked by  
1166 subsequent mutual consent of the members' collective bargaining  
1167 representative or, if none, by a majority of the police officer  
1168 members of the fund, and the municipality. An existing  
1169 arrangement for the use of premium tax revenues contained within  
1170 a special act plan or a plan within a supplemental plan

1171 municipality is considered, as of July 1, 2015, to be a  
 1172 deviation for which mutual consent has been granted.

1173 (2) The premium tax provided by this chapter must ~~shall in~~  
 1174 ~~all cases~~ be used in its entirety to provide retirement ~~extra~~  
 1175 benefits to police officers, or to police officers and  
 1176 firefighters if both are included. ~~However, local law plans in~~  
 1177 ~~effect on October 1, 1998, must comply with the minimum benefit~~  
 1178 ~~provisions of this chapter only to the extent that additional~~  
 1179 ~~premium tax revenues become available to incrementally fund the~~  
 1180 ~~cost of such compliance as provided in s. 185.16(2). If a plan~~  
 1181 ~~is in compliance with such minimum benefit provisions, as~~  
 1182 ~~subsequent additional tax revenues become available, they shall~~  
 1183 ~~be used to provide extra benefits.~~ Local law plans created by  
 1184 special act before May 27, 1939, shall be deemed to comply with  
 1185 this chapter. ~~For the purpose of this chapter, the term:~~

1186 (a) ~~"Additional premium tax revenues" means revenues~~  
 1187 ~~received by a municipality pursuant to s. 185.10 which exceed~~  
 1188 ~~the amount received for calendar year 1997.~~

1189 (b) ~~"Extra benefits" means benefits in addition to or~~  
 1190 ~~greater than those provided to general employees of the~~  
 1191 ~~municipality and in addition to those in existence for police~~  
 1192 ~~officers on March 12, 1999.~~

1193 (3) A retirement plan or amendment to a retirement plan  
 1194 may not be proposed for adoption unless the proposed plan or  
 1195 amendment contains an actuarial estimate of the costs involved.  
 1196 Such proposed plan or proposed plan change may not be adopted

1197 without the approval of the municipality or, where required  
1198 ~~permitted~~, the Legislature. Copies of the proposed plan or  
1199 proposed plan change and the actuarial impact statement of the  
1200 proposed plan or proposed plan change shall be furnished to the  
1201 division before the last public hearing on the proposal is held  
1202 ~~thereon~~. Such statement must also indicate whether the proposed  
1203 plan or proposed plan change is in compliance with s. 14, Art. X  
1204 of the State Constitution and those provisions of part VII of  
1205 chapter 112 which are not expressly provided in this chapter.  
1206 Notwithstanding any other provision, only those local law plans  
1207 created by special act of legislation before May 27, 1939, are  
1208 deemed to meet the minimum benefits and minimum standards only  
1209 in this chapter.

1210 (4) Notwithstanding any other provision, with respect to  
1211 any supplemental plan municipality:

1212 (a) Section 185.02(6)(a) ~~185.02(4)(a)~~ does not apply, and  
1213 a local law plan and a supplemental plan may continue to use  
1214 their definition of compensation or salary in existence on March  
1215 12, 1999.

1216 (b) A local law plan and a supplemental plan must continue  
1217 to be administered by a board or boards of trustees numbered,  
1218 constituted, and selected as the board or boards were numbered,  
1219 constituted, and selected on December 1, 2000.

1220 ~~(c) The election set forth in paragraph (1)(b) is deemed~~  
1221 ~~to have been made.~~

1222 (5) The retirement plan setting forth the benefits and the

1223 trust agreement, if any, covering the duties and  
1224 responsibilities of the trustees and the regulations of the  
1225 investment of funds must be in writing and copies made available  
1226 to the participants and to the general public.

1227 (6) In addition to the defined benefit component of the  
1228 local law plan, each plan sponsor must have a defined  
1229 contribution plan component within the local law plan by October  
1230 1, 2015, for noncollectively bargained service, upon entering  
1231 into a collective bargaining agreement on or after July 1, 2015,  
1232 or upon the creation date of a new participating plan. Depending  
1233 upon the application of subsection (1), a defined contribution  
1234 component may or may not receive any funding.

1235 (7) Notwithstanding any other provision of this chapter, a  
1236 municipality that has implemented or proposed changes to a local  
1237 law plan based on the municipality's reliance on an  
1238 interpretation of this chapter by the Department of Management  
1239 Services on or after August 14, 2012, and before March 3, 2015,  
1240 may continue the implemented changes or continue to implement  
1241 proposed changes. Such reliance must be evidenced by a written  
1242 collective bargaining proposal or agreement, or formal  
1243 correspondence between the municipality and the Department of  
1244 Management Services which describes the specific changes to the  
1245 local law plan, with the initial proposal, agreement, or  
1246 correspondence from the municipality dated before March 3, 2015.  
1247 Changes to the local law plan which are otherwise contrary to  
1248 minimum benefits and minimum standards may continue in effect



1249 until the earlier of October 1, 2018, or the effective date of a  
1250 collective bargaining agreement that is contrary to the changes  
1251 to the local law plan.

1252       Section 15. The Legislature finds that a proper and  
1253 legitimate state purpose is served when employees and retirees  
1254 of this state and its political subdivisions, and the  
1255 dependents, survivors, and beneficiaries of such employees and  
1256 retirees, are extended the basic protections afforded by  
1257 governmental retirement systems that provide fair and adequate  
1258 benefits and that are managed, administered, and funded in an  
1259 actuarially sound manner as required under s. 14, Article X of  
1260 the State Constitution and part VII of chapter 112, Florida  
1261 Statutes. Therefore, the Legislature determines and declares  
1262 that this act fulfills an important state interest.

1263       Section 16. This act shall take effect July 1, 2015.