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LEGISLATIVE ACTION

Senate

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House

The Committee on Education (Mayfield) recommended the following:

1 **Senate Amendment to Amendment (826696) (with title**
2 **amendment)**

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4 Before line 5
5 insert:

6 Section 1. Paragraph (b) of subsection (13) of section
7 121.091, Florida Statutes, is amended to read:

8 121.091 Benefits payable under the system.—Benefits may not
9 be paid under this section unless the member has terminated
10 employment as provided in s. 121.021(39) (a) or begun
11 participation in the Deferred Retirement Option Program as



12 provided in subsection (13), and a proper application has been
13 filed in the manner prescribed by the department. The department
14 may cancel an application for retirement benefits when the
15 member or beneficiary fails to timely provide the information
16 and documents required by this chapter and the department's
17 rules. The department shall adopt rules establishing procedures
18 for application for retirement benefits and for the cancellation
19 of such application when the required information or documents
20 are not received.

21 (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and
22 subject to this section, the Deferred Retirement Option Program,
23 hereinafter referred to as DROP, is a program under which an
24 eligible member of the Florida Retirement System may elect to
25 participate, deferring receipt of retirement benefits while
26 continuing employment with his or her Florida Retirement System
27 employer. The deferred monthly benefits shall accrue in the
28 Florida Retirement System on behalf of the member, plus interest
29 compounded monthly, for the specified period of the DROP
30 participation, as provided in paragraph (c). Upon termination of
31 employment, the member shall receive the total DROP benefits and
32 begin to receive the previously determined normal retirement
33 benefits. Participation in the DROP does not guarantee
34 employment for the specified period of DROP. Participation in
35 DROP by an eligible member beyond the initial 60-month period as
36 authorized in this subsection shall be on an annual contractual
37 basis for all participants.

38 (b) Participation in DROP.—Except as provided in this
39 paragraph, an eligible member may elect to participate in DROP
40 for a period not to exceed a maximum of 60 calendar months.



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41 1.a. An eligible member may elect to participate in DROP
42 for a period not to exceed a maximum of 60 calendar months.
43 However, members who are instructional personnel employed by the
44 Florida School for the Deaf and the Blind and authorized by the
45 Board of Trustees of the Florida School for the Deaf and the
46 Blind, who are instructional personnel as defined in s.
47 1012.01(2)(a)-(d) in grades K-12 and authorized by the district
48 school superintendent, or who are instructional personnel as
49 defined in s. 1012.01(2)(a) employed by a developmental research
50 school and authorized by the school's director, or if the school
51 has no director, by the school's principal, may participate in
52 DROP for up to 36 calendar months beyond the 60-month period.
53 Effective July 1, 2018, instructional personnel who are
54 authorized to extend DROP participation beyond the 60-month
55 period must have a termination date that is the last day of the
56 last calendar month of the school year within the DROP extension
57 granted by the employer. If, on July 1, 2018, the member's DROP
58 participation has already been extended for the maximum 36
59 calendar months and the extension period concludes before the
60 end of the school year, the member's DROP participation may be
61 extended through the last day of the last calendar month of that
62 school year. The employer shall notify the division of the
63 change in termination date and the additional period of DROP
64 participation for the affected instructional personnel.

65 b. Administrative personnel in grades K-12, as defined in
66 s. 1012.01(3), who have a DROP termination date on or after July
67 1, 2018, may be authorized to extend DROP participation beyond
68 the initial 60 calendar month period if the administrative
69 personnel's termination date is before the end of the school



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70 year. Such administrative personnel may have DROP participation
71 extended until the last day of the last calendar month of the
72 school year in which their original DROP termination date
73 occurred if a date other than the last day of the last calendar
74 month of the school year is designated. The employer shall
75 notify the division of the change in termination date and the
76 additional period of DROP participation for the affected
77 administrative personnel.

78 2. Upon deciding to participate in DROP, the member shall
79 submit, on forms required by the division:

80 a. A written election to participate in DROP;

81 b. Selection of DROP participation and termination dates
82 that satisfy the limitations stated in paragraph (a) and
83 subparagraph 1. The termination date must be in a binding letter
84 of resignation to the employer establishing a deferred
85 termination date. The member may change the termination date
86 within the limitations of subparagraph 1., but only with the
87 written approval of the employer;

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

90 d. Any other information required by the division.

91 3. The DROP participant is a retiree under the Florida
92 Retirement System for all purposes, except for paragraph (5)(f)
93 and subsection (9) and ss. 112.3173, 112.363, 121.053, and
94 121.122. DROP participation is final and may not be canceled by
95 the participant after the first payment is credited during the
96 DROP participation period. However, participation in DROP does
97 not alter the participant's employment status, and the member is
98 not deemed retired from employment until his or her deferred



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99 resignation is effective and termination occurs as defined in s.
100 121.021.

101 4. Elected officers are eligible to participate in DROP
102 subject to the following:

103 a. An elected officer who reaches normal retirement date
104 during a term of office may defer the election to participate
105 until the next succeeding term in that office. An elected
106 officer who exercises this option may participate in DROP for up
107 to 60 calendar months or no longer than the succeeding term of
108 office, whichever is less.

109 b. An elected or a nonelected participant may run for a
110 term of office while participating in DROP and, if elected,
111 extend the DROP termination date accordingly; however, if such
112 additional term of office exceeds the 60-month limitation
113 established in subparagraph 1., and the officer does not resign
114 from office within such 60-month limitation, the retirement and
115 the participant's DROP is null and void as provided in sub-
116 subparagraph (c)5.d.

117 c. An elected officer who is dually employed and elects to
118 participate in DROP must terminate all employment relationships
119 as provided in s. 121.021(39) for the nonelected position within
120 the original 60-month period or maximum participation period as
121 provided in subparagraph 1. For DROP participation ending:

122 (I) Before July 1, 2010, the officer may continue
123 employment as an elected officer as provided in s. 121.053. The
124 elected officer shall be enrolled as a renewed member in the
125 Elected Officers' Class or the Regular Class, as provided in ss.
126 121.053 and 121.122, on the first day of the month after
127 termination of employment in the nonelected position and



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128 termination of DROP. Distribution of the DROP benefits shall be
129 made as provided in paragraph (c).

130 (II) On or after July 1, 2010, the officer may continue
131 employment as an elected officer but must defer termination as
132 provided in s. 121.053.

133 Section 2. The Legislature finds that a proper and
134 legitimate state purpose is served when employees and retirees
135 of the state and its political subdivisions, and the dependents,
136 survivors, and beneficiaries of such employees and retirees, are
137 extended the basic protections afforded by governmental
138 retirement systems. These persons must be provided benefits that
139 are fair and adequate and that are managed, administered, and
140 funded in an actuarially sound manner, as required by s. 14,
141 Article X of the State Constitution and part VII of chapter 112,
142 Florida Statutes. Therefore, the Legislature determines and
143 declares that the amendments made to s. 121.091, Florida
144 Statutes, by this act fulfills an important state interest.

145
146 ===== T I T L E A M E N D M E N T =====

147 And the title is amended as follows:

148 Delete line 3048

149 and insert:

150 An act relating to education; amending s. 121.091,
151 F.S.; revising limitations on the maximum length of
152 participation in the Deferred Retirement Option
153 Program for certain instructional personnel and
154 administrative personnel; requiring an employer to
155 notify the Division of Retirement of the Department of
156 Management Services regarding any change in



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157 termination date and program participation for each
158 affected member; providing a statement of important
159 state interest; creating s. 212.1832,