

February 17, 2011

MEMORANDUM #011-13HR

TO: Agency Administrators
FROM: Bobbie Chappell
VIA: Rip Colvin, Executive Director
RE: 2011 Retirement Legislation Update

The following retirement bills have been filed for consideration during the 2011 Regular Session of the Florida Legislature. You can click on the bill number to link to Sunshine Online where you can view any version of a bill, review a bill's progress, and locate any related bills.

Bills Listed By Subject Area

FRS Membership Classes:

Elected Officers' Class - [SB 290](#), [HB 303](#), [SB 1130](#)
Regular Class - [HB 303](#), [SB 1130](#)
Senior Management Service Class - [HB 303](#), [SB 1130](#)
Special Risk Class - [HB 303](#), [SB 442](#), [SB 1130](#)

FRS Pension Plan Benefits, Rights and Features:

Average Final Compensation - [HB 303](#), [SB 1130](#)
Compensation/Bonuses - [HB 303](#), [SB 1130](#)
Contributions/Funding - [HB 303](#), [SB 1130](#)
Military Service Credit -
Other - [HB 337](#), [SB 348](#)

FRS Programs:

Deferred Retirement Option Program (DROP) - [HB 303](#), [SB 1130](#)
Public Employee Optional Retirement Program (PEORP) - [SB 1130](#)

Local Governments:

Administration - [HB 303](#), [SB 1128](#)
Local Bills - [HB 229](#), [HB 231](#), [SB 752](#), [SB 754](#)

The following bills are not being analyzed by the Division of Retirement, but are listed here for informational purposes. Questions concerning any of these bills should be directed to the sponsor of the bill.

State Board of Administration

[HB 335](#) -

This bill by, Representative Corcoran, would prohibit state investment funds from being used to pay fees, or commissions, of placement agents; requires State Board of Administration to deal directly with private equity firms and companies issuing securities.

Summary of Proposed House Bills

[HB 229](#) -

This bill, by Representative Young relating to the City of Tampa, would revise General Employees' Pension Plan for the city; revise definitions; provide that all employee contributions to the pension fund after a certain date are mandatory, and that the city shall pay contributions to the fund on behalf of employee; revise the provision that addresses reemployment of retired employees; and provide for a default distribution when a member fails to elect a distribution option.

[HB 231](#) -

This bill, by Representative Young relating to the City Pension Fund for Firefighters and Police Officers in the City of Tampa, would authorize the City of Tampa to enter into a supplemental contract with certain firefighters and police officers to comply with ch. 2009-97, Laws of Florida; revise manner in which elective trustees are elected; increase investment cap on foreign securities; allows retired members to elect to receive reduced retirement benefits, in order to provide surviving spouse benefits under certain circumstances; and would prohibit members from selecting certain pension contract changes and rejecting others.

[HB 303](#) - **[Withdrawn]**

This bill by Representative Costello would have reduced the accrual value earned for each year of retirement credit to 1.6 percent effective for Fiscal Years beginning after June 30, 2011, for current and new plan participants; revised definitions relating to compensation and average final compensation by removing overtime, unused leave, and other such compensation; eliminated the DROP effective December 31, 2012, and required all participants in DROP to cease participation and receive their distribution on or before December 31, 2012; revised applicability of ch. 175, F.S., to firefighters who are eligible for FRS; revised applicability of ch. 185, F.S., to police officers who are eligible for FRS; revised provisions relating to firefighter and police officer benefits; repealed provisions relating to presumption with respect to diseases of firefighters suffered in line of duty; and repealed provisions relating to presumption with respect to police officer disability in line of duty.

[HB 337](#) -

This bill by Representative Pafford would introduce definitions and qualifications for domestic partnerships to be recognized by the state with equivalent rights to a marriage.

Summary of Proposed Senate Bills

[SB 290](#) -

This bill, by Senator Fasano, would reduce the accrual value to 2 percent for each year of creditable service earned effective July 1, 2011, for members of the Elected Officers' Class.

[SB 348](#) -

This bill, by Senator Sobel, would introduce definitions and qualifications for domestic partnerships to be recognized by the state with equivalent rights to a marriage.

[SB 442](#) -

This bill, by Senator Hill, would revise criteria for membership in the special risk class to include members employed by public acute care hospitals serving certain patients.

[SB 752](#) -

This bill, by Senator Joyner relating to the City of Tampa, would revise General Employees' Pension Plan for the city; revise definitions; provide that all employee contributions to the pension fund after a certain date are mandatory and that the city shall pay contributions to the fund on behalf of employees; revise provision that addresses reemployment of retired employees; and provide a default distribution when a member fails to elect a distribution option.

[SB 754](#) -

This bill, by Senator Joyner relating to the City Pension Fund for Firefighters and Police Officers in the City of Tampa, would authorize the City of Tampa to enter into a supplemental contract with certain firefighters and police officers to comply with ch. 2009-97, Laws of Florida; revise manner in which elective trustees are elected; increase investment cap on foreign securities; allows retired members to elect to receive reduced retirement benefits in order to provide a surviving spouse benefit under certain circumstances; and would prohibit members from selecting certain pension contract changes and rejecting others.

[SB 1128](#) -

This bill, by Senator Ring, would provide that a local governmental entity may not offer a defined benefit retirement plan to a plan member hired on or after a certain date; provide that local plans must use at least five years to determine a plan member's average final compensation for calculating retirement benefits for members hired on or after a certain date; direct the Department of Financial Services to rate the financial strength of local government defined benefit plans; and would create the Task Force on Public Employee Disability Presumptions.

[SB 1130](#) -

This bill, by Senator Ring, would require employee and employer contributions to the retirement system by a certain date, change the definitions of average final compensation and compensation, change the deferral date for entering DROP for members enrolled after a certain date, change the name of the Public Employee Optional Retirement Program to the Florida Retirement System Investment Plan, and require all members hired after July 1, 2011, to be enrolled in the FRS Investment Plan and remove the option of enrolling in the defined benefit plan.

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