

PUBLIC EMPLOYEE BENEFITS

HB 251 — Firefighter and Police Pensions

By Rep. Sansom and others (CS/SB 654 by Governmental Oversight and Productivity Committee and Senators Fasano, Pruitt, Webster, Smith, Haridopolos, Campbell, Lynn, and Crist)

Florida has provided statutory provision for the creation and management of local government-based firefighter and municipal police pension plans since 1939. State law specifies minimum benefit provisions and provides the duties of plan fiduciaries. Portions of the state's insurance premium taxes are allocated to these plans for their financial support as a consequence of their meeting minimum state standards. The 1999 Legislature increased provisions for minimum plan benefits and further determined how benefits determined to be "extra" by the participating governments were to be allocated.

House Bill 251 (Chapter 2004-21, L.O.F.) further clarifies the term "extra benefits" to include those benefits determined after March 12, 1999, the effective date of ch. 1999-1, L.O.F.

The bill additionally requires the Department of Revenue to create and maintain data bases for use by insurers that report or remit excise taxes on property and casualty insurance premiums. Each participating local taxing jurisdiction must provide this information to enable the department to properly allocate the proper insurance premium tax remittances due the firefighter and police pension plans under respective chs. 175 and 185, F.S. The bill specifies when an insurance company has engaged in due diligence for purposes of compliance with the database requirement. A specific appropriation of \$300,000 is provided for the creation of the initial databases.

Since the bill affects local governments impacted by the provisions of s. 18, Art. VII, State Constitution, on unfunded mandates, the bill provides a statement of important state interest.

When authorized by the employee or beneficiary, these pension plans may provide a payroll deduction code for the payments of benefits received by the employee or beneficiary or to pay alimony or child support.

Lastly, the bill provides a popular name title for chs. 175 and 185, F.S., respectively: the Marvin B. Clayton Firefighters Pension Trust Fund Act and the Marvin B. Clayton Police Officers Pension Trust Fund Act.

These provisions became law upon approval by the Governor on April 27, 2004.

Vote: Senate 39-0; House 117-0

CS/SB 1650 — State Financial Matters/Florida Retirement System

by Appropriations Committee and Senators Wise and Lynn

This bill makes a number of administrative changes to the implementation of the Public Employees' Optional Retirement Program, or Investment Plan, managed by the State Board of Administration (SBA). Specifically the bill:

- Makes the spouse at the time of death the beneficiary for receipt of the Health Insurance Benefit subsidy payment provided under s. 112.363, F.S.
- Applies the same definition of "retiree" as used in the defined benefit Pension Plan for the Investment Plan.
- Extends the period of time for election of the Investment Plan to the last business day of the fifth month for those employees returning from an approved leave of absence.
- Extends the new hire election date for the Investment Plan to the last business day of the fifth month so that this day does not fall on a weekend or holiday when government offices are closed and the choice cannot be processed.
- Permits new employees to use their second election prior to the end of the fifth month of employment so they may reassess their original choice and not be forced to repurchase service in the Pension Plan during that period.
- Requires public employers to inform their employees about the materials available from the SBA and the Division of Retirement about the pension and Investment Plan choices. This is designed to avoid steering employees to a choice that may reflect management's preferences and not those that are in the employees' best interests.
- Permits the SBA to provide Investment Plan participants with fund prospectus information based upon its reduced institutional fees. Existing prospectus documents available directly from fund companies provide retail pricing information only and will not accurately reflect the lower SBA charges to employee accounts.
- Members receiving a disability benefit under the Investment Plan who opt to rejoin the Pension Plan may receive a lump sum benefit and a monthly disability payment. Changes made to s. 121.591, F.S., will eliminate this dual track provision such that members applying for and receiving disability retirement benefits in the future will receive a monthly pension benefit and no lump sum. The SBA may cash out small Investment Plan account balances of \$5000 or less.

- Amends s. 121.78, F.S., clarifying that employers are responsible for the financial consequences of incorrect payroll data submission and employees are responsible for the return of overpaid benefits.
- Finally, the bill gives the SBA the clear legal authority in s. 215.47, F.S., to buy investment-grade debt obligations in both U.S. dollar and non-dollar denominations.

If approved by the Governor, these provisions take effect July 1, 2004.

Vote: Senate 34-0; House 116-0

CS/SB 2230 — Florida Retirement System Payroll Contribution Rates

by Governmental Oversight and Productivity Committee

It has been the recent custom since the enactment of the Public Employees' Optional Retirement Program, or Investment Plan, of ch. 121, part II, F.S., to enact annual legislation prescribing the employer payroll contributions rates for the defined benefit, or Pension Plan, of the Florida Retirement System. The annual legislation permits the setting of the normalized actuarial rates and the rates that permit a recognition of the pension surplus through the rate stabilization mechanism authorized by ss. 121.031 and 121.0312, F.S. Contribution rates for the Investment Plan are fixed and do not vary with actuarial experience.

The Conference Report on CS/SB 2230 establishes the rate for the more than 800 individual employers in this pension plan. For the fiscal year beginning July 1, 2004, each employer will pay the current year rate for each retirement class plus 2 basis points (.0002).

The bill also reduces the maximum employer fee for administrative and educational expenses charged by the Board of Administration for the defined benefit and optional retirement programs from 10 to 8 basis points.

The bill provides a statement of important state interest in compliance with s. 18, Art. VII, State Constitution.

If approved by the Governor, these provisions take effect July 1, 2004.

Vote: Senate 40-0; House 113-0

SB 3010 — Reemployment After Retirement/Florida Retirement System

by Senators Constantine, Wilson, Lynn, and Crist

The multi-employer Florida Retirement System provides limited circumstances under which retired members may be reemployed without a suspension of their pension benefits during the first twelve months of retirement. The 2003 Legislature removed some of these restrictions to

enable district school boards to have the benefit of meeting their instructional personnel demands as they deemed appropriate.

Senate Bill 3010 expands upon the 2003 legislation by extending the reemployment without benefit suspension for those few instructional personnel remaining in the now closed Teachers' Retirement System, one of the predecessor systems to the Florida Retirement System. The extended 96-month participation limits in the Deferred Retirement Option Program are also extended to the instructional personnel of the Florida School for the Deaf and Blind in St. Augustine, the four state university laboratory, or developmental research schools, and any other charter schools that employ eligible instructional personnel.

Because the benefit for the Teachers' Retirement System personnel was funded but not authorized by the 2003 Legislature, the bill contains a statement of important state interest which indicates that the authorization was intended to apply to the effective date of the 2003 changes made by ch. 2003-260, L.O.F. Any employer or employee that had benefits suspended who acted in reliance upon the statute will have the benefits reinstated or contributions refunded without penalty.

If approved by the Governor, these provisions take effect upon becoming law and ss. 1 and 2 of the bill operate retroactively to July 1, 2003.

Vote: Senate 38-0; House 117-0

PUBLIC RECORDS AND OPEN MEETINGS

HB 635 — Public Records Exemption for Identity of Children

by Rep. Vana and others (SB 2082 by Senators Aronberg and Crist)

The bill creates an exemption for any information that would identify or help to locate a child who participates in government-sponsored recreation programs or camps or the parents or guardians of such child. The bill specifically exempts the name, home address, telephone number, social security number, or photograph of the child, as well as the names and locations of schools attended by the child. Additionally, the names, home addresses, and social security numbers of parents or guardians of the child are exempt.

The exemption is made subject to the Open Government Sunset Review Act of 1995 and will repeal on October 2, 2009, unless reviewed and saved from repeal through reenactment by the Legislature.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 38-1; House 115-0

CS/SB 1678 — Public Records

by Governmental Oversight and Productivity Committee

The Senate President assigned staff of the Committee on Governmental Oversight and Productivity an interim project to review and reorganize ch. 119, F.S., the Public Records Act, during the 2003-2004 interim.¹ The Public Records Act (the “act”) contains policy statements regarding public records, maintenance and custody requirements, inspection, copying and fee standards, an exemption review process, and exemptions. Senate Interim Project Report 2004-139 notes that since the act was first enacted in 1967, it has been amended numerous times but it has not undergone a comprehensive review and revision. As a result, it has become disjointed and unorganized. For example, while the act has a definitions section, terms are defined and dispersed throughout the act, making them difficult to locate. More importantly, various requirements for access, maintenance and preservation of public records, and fees for copies are not organized in a logical manner and are difficult to find and apply. The report found that a reorganized act will provide for greater clarity and simplicity, as well as assist in future topical reviews of the issues affecting public records. The report concluded that a comprehensive revision of the act is warranted in order to facilitate its use by the governmental employees who must implement it and the public that relies on it for access.

The committee substitute rearranges the act into topical sections. Legislative policy statements are co-located; definitions are placed in one section and alphabetized; fee standards and requirements are placed in one section of the act; penalty provisions are also consolidated. Additionally, the committee substitute corrects numerous cross-references necessitated by the renumbering of sections in the Act, and adds other sections of law that need reference changes; and transfers some exemptions that relate only to specific agencies to other sections of law. The committee substitute also creates a definition for the term “redact.” The committee substitute also clarifies and makes uniform records retention provisions of law.

If approved by the Governor, these provisions take effect October 1, 2004.

Vote: Senate 39-0; House 119-0

GOVERNMENTAL OPERATIONS

CS/SB 444 — Abrogating Offensive Place Names

by Governmental Oversight and Productivity Committee and Senators Geller, Miller, Bullard, Bennett, and Dawson

The bill provides that the Legislature finds that certain place names for geographic sites are offensive or derogatory to the state’s people, history, and heritage and that those place names should be replaced by names that reflect the state’s people, history, and heritage without

¹ See, Senate Interim Project Report 2004-139 by the Senate Committee on Governmental Oversight and Productivity.

resorting to offensive stereotypes, slurs, names, words, or phrases. This bill requires the Division of Historic Resources to aid state agencies and local governments in identifying geographic sites that have offensive or derogatory place names and to find replacement names. "Offensive or derogatory place names" is defined to mean only racial, religious or ethnic slurs. The division is required to select replacement names and to file a formal request with the United States Board on Geographic Names to render a decision on the proposed name change so that new names will be reflected on official maps. Further, the division is required to notify specified state agencies as to name changes to ensure that markers, maps, and informational literature reflect the changes.

If approved by the Governor, these provisions take effect July 1, 2004.

Vote: Senate 38-0; House 117-0

HB 1127 — Preserving Florida's History

by Rep. Harrington and others (CS/SB 2246 by Governmental Oversight and Productivity Committee and Senators Carlton and Dockery)

This bill assigns the Division of Cultural Resources in the Department of State responsibility to advise and assist federal and state agencies, local governments, organizations and individuals regarding recognition, protection, and preservation of archaeological sites and artifacts of Florida through a memorandum of agreement with a network of public archaeology centers. The purpose of the centers is to stem the rapid deterioration of Florida's buried past and to expand the public interest in archaeology. The division is authorized to enter into a memorandum of agreement with the University of West Florida to coordinate the establishment and operation of a network of regional public archaeology centers. The University of West Florida is assigned the responsibility for administering the network. Additional centers are to be established throughout the state with each center located in an existing facility of a state university with a local archaeological program, a regional historic preservation office, the facility of a nonprofit organization that is involved in the archaeology of a region, or other locations as set forth in a memorandum of agreement.

The bill also establishes the Discovery of Florida Quincentennial Commemoration Commission within the Department of State to celebrate the 500 year anniversary of Juan Ponce de Leon's discovery of Florida. The commission is to develop a statewide master plan for commemorating the event. An initial draft of the plan is due to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 2007. The completed master plan must be submitted by January 2008.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 39-0; House 115-0