

1 A bill to be entitled

2 An act relating to reemployment after retirement;  
3 amending s. 121.091, F.S.; authorizing Florida  
4 Retirement System members to be reemployed after  
5 retirement under certain conditions; amending s.  
6 121.591, F.S.; conforming provisions to changes made  
7 by the act; providing an effective date.

8  
9 Be It Enacted by the Legislature of the State of Florida:

10  
11 Section 1. Subsection (9) of section 121.091, Florida  
12 Statutes, is amended to read:

13 121.091 Benefits payable under the system.—Benefits may  
14 not be paid under this section unless the member has terminated  
15 employment as provided in s. 121.021(39)(a) or begun  
16 participation in the Deferred Retirement Option Program as  
17 provided in subsection (13), and a proper application has been  
18 filed in the manner prescribed by the department. The department  
19 may cancel an application for retirement benefits when the  
20 member or beneficiary fails to timely provide the information  
21 and documents required by this chapter and the department's  
22 rules. The department shall adopt rules establishing procedures  
23 for application for retirement benefits and for the cancellation  
24 of such application when the required information or documents  
25 are not received.

26 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

27 (a) A ~~Any~~ person who is retired under this chapter, except  
28 under the disability retirement provisions of subsection (4),  
29 may be employed by an employer that does not participate in a  
30 state-administered retirement system and receive compensation  
31 from that employment without limiting or restricting in any way  
32 the retirement benefits payable to that person.

33 (b) A ~~Any~~ person who is retired under this chapter ~~whose~~  
34 ~~retirement is effective before July 1, 2010, or whose~~  
35 ~~participation in the Deferred Retirement Option Program~~  
36 ~~terminates before July 1, 2010,~~ except under the disability  
37 retirement provisions of subsection (4) or as provided in s.  
38 121.053, may be reemployed by an employer that participates in a  
39 state-administered retirement system and receive retirement  
40 benefits and compensation from that employer, ~~except that the~~  
41 ~~person may not be reemployed by an employer participating in the~~  
42 ~~Florida Retirement System before meeting the definition of~~  
43 ~~termination in s. 121.021 and may not receive both a salary from~~  
44 ~~the employer and retirement benefits for 12 calendar months~~  
45 ~~immediately subsequent to the date of retirement. However, A~~  
46 DROP participant shall continue employment and receive a salary  
47 during the period of participation in the Deferred Retirement  
48 Option Program, as provided in subsection (13).

49 ~~1. A retiree who violates such reemployment limitation~~  
50 ~~before completion of the 12-month limitation period must give~~  
51 ~~timely notice of this fact in writing to the employer and to the~~  
52 ~~Division of Retirement or the state board and shall have his or~~

53 ~~her retirement benefits suspended for the months employed or the~~  
54 ~~balance of the 12-month limitation period as required in sub-~~  
55 ~~subparagraphs b. and c. A retiree employed in violation of this~~  
56 ~~paragraph and an employer who employs or appoints such person~~  
57 ~~are jointly and severally liable for reimbursement to the~~  
58 ~~retirement trust fund, including the Florida Retirement System~~  
59 ~~Trust Fund and the Public Employee Optional Retirement Program~~  
60 ~~Trust Fund, from which the benefits were paid. The employer must~~  
61 ~~have a written statement from the retiree that he or she is not~~  
62 ~~retired from a state-administered retirement system. Retirement~~  
63 ~~benefits shall remain suspended until repayment has been made.~~  
64 ~~Benefits suspended beyond the reemployment limitation shall~~  
65 ~~apply toward repayment of benefits received in violation of the~~  
66 ~~reemployment limitation.~~

67 ~~a. A district school board may reemploy a retiree as a~~  
68 ~~substitute or hourly teacher, education paraprofessional,~~  
69 ~~transportation assistant, bus driver, or food service worker on~~  
70 ~~a noncontractual basis after he or she has been retired for 1~~  
71 ~~calendar month. A district school board may reemploy a retiree~~  
72 ~~as instructional personnel, as defined in s. 1012.01(2)(a), on~~  
73 ~~an annual contractual basis after he or she has been retired for~~  
74 ~~1 calendar month. Any member who is reemployed within 1 calendar~~  
75 ~~month after retirement shall void his or her application for~~  
76 ~~retirement benefits. District school boards reemploying such~~  
77 ~~teachers, education paraprofessionals, transportation~~  
78 ~~assistants, bus drivers, or food service workers are subject to~~

79 ~~the retirement contribution required by subparagraph 2.~~

80 ~~b. A Florida College System institution board of trustees~~  
81 ~~may reemploy a retiree as an adjunct instructor or as a~~  
82 ~~participant in a phased retirement program within the Florida~~  
83 ~~College System, after he or she has been retired for 1 calendar~~  
84 ~~month. A member who is reemployed within 1 calendar month after~~  
85 ~~retirement shall void his or her application for retirement~~  
86 ~~benefits. Boards of trustees reemploying such instructors are~~  
87 ~~subject to the retirement contribution required in subparagraph~~  
88 ~~2. A retiree may be reemployed as an adjunct instructor for no~~  
89 ~~more than 780 hours during the first 12 months of retirement. A~~  
90 ~~retiree reemployed for more than 780 hours during the first 12~~  
91 ~~months of retirement must give timely notice in writing to the~~  
92 ~~employer and to the Division of Retirement or the state board of~~  
93 ~~the date he or she will exceed the limitation. The division~~  
94 ~~shall suspend his or her retirement benefits for the remainder~~  
95 ~~of the 12 months of retirement. Any retiree employed in~~  
96 ~~violation of this sub-subparagraph and any employer who employs~~  
97 ~~or appoints such person without notifying the division to~~  
98 ~~suspend retirement benefits are jointly and severally liable for~~  
99 ~~any benefits paid during the reemployment limitation period. The~~  
100 ~~employer must have a written statement from the retiree that he~~  
101 ~~or she is not retired from a state administered retirement~~  
102 ~~system. Any retirement benefits received by the retiree while~~  
103 ~~reemployed in excess of 780 hours during the first 12 months of~~  
104 ~~retirement must be repaid to the Florida Retirement System Trust~~

105 ~~Fund, and retirement benefits shall remain suspended until~~  
106 ~~repayment is made. Benefits suspended beyond the end of the~~  
107 ~~retiree's first 12 months of retirement shall apply toward~~  
108 ~~repayment of benefits received in violation of the 780-hour~~  
109 ~~reemployment limitation.~~

110 ~~e. The State University System may reemploy a retiree as~~  
111 ~~an adjunct faculty member or as a participant in a phased~~  
112 ~~retirement program within the State University System after the~~  
113 ~~retiree has been retired for 1 calendar month. A member who is~~  
114 ~~reemployed within 1 calendar month after retirement shall void~~  
115 ~~his or her application for retirement benefits. The State~~  
116 ~~University System is subject to the retired contribution~~  
117 ~~required in subparagraph 2., as appropriate. A retiree may be~~  
118 ~~reemployed as an adjunct faculty member or a participant in a~~  
119 ~~phased retirement program for no more than 780 hours during the~~  
120 ~~first 12 months of his or her retirement. A retiree reemployed~~  
121 ~~for more than 780 hours during the first 12 months of retirement~~  
122 ~~must give timely notice in writing to the employer and to the~~  
123 ~~Division of Retirement or the state board of the date he or she~~  
124 ~~will exceed the limitation. The division shall suspend his or~~  
125 ~~her retirement benefits for the remainder of the 12 months. Any~~  
126 ~~retiree employed in violation of this sub-subparagraph and any~~  
127 ~~employer who employs or appoints such person without notifying~~  
128 ~~the division to suspend retirement benefits are jointly and~~  
129 ~~severally liable for any benefits paid during the reemployment~~  
130 ~~limitation period. The employer must have a written statement~~

131 ~~from the retiree that he or she is not retired from a state-~~  
132 ~~administered retirement system. Any retirement benefits received~~  
133 ~~by the retiree while reemployed in excess of 780 hours during~~  
134 ~~the first 12 months of retirement must be repaid to the Florida~~  
135 ~~Retirement System Trust Fund, and retirement benefits shall~~  
136 ~~remain suspended until repayment is made. Benefits suspended~~  
137 ~~beyond the end of the retiree's first 12 months of retirement~~  
138 ~~shall apply toward repayment of benefits received in violation~~  
139 ~~of the 780-hour reemployment limitation.~~

140 ~~d. The Board of Trustees of the Florida School for the~~  
141 ~~Deaf and the Blind may reemploy a retiree as a substitute~~  
142 ~~teacher, substitute residential instructor, or substitute nurse~~  
143 ~~on a noncontractual basis after he or she has been retired for 1~~  
144 ~~calendar month. Any member who is reemployed within 1 calendar~~  
145 ~~month after retirement shall void his or her application for~~  
146 ~~retirement benefits. The Board of Trustees of the Florida School~~  
147 ~~for the Deaf and the Blind reemploying such teachers,~~  
148 ~~residential instructors, or nurses is subject to the retirement~~  
149 ~~contribution required by subparagraph 2.~~

150 ~~e. A developmental research school may reemploy a retiree~~  
151 ~~as a substitute or hourly teacher or an education~~  
152 ~~paraprofessional as defined in s. 1012.01(2) on a noncontractual~~  
153 ~~basis after he or she has been retired for 1 calendar month. A~~  
154 ~~developmental research school may reemploy a retiree as~~  
155 ~~instructional personnel, as defined in s. 1012.01(2)(a), on an~~  
156 ~~annual contractual basis after he or she has been retired for 1~~

157 ~~calendar month after retirement. Any member who is reemployed~~  
158 ~~within 1 calendar month voids his or her application for~~  
159 ~~retirement benefits. A developmental research school that~~  
160 ~~reemploys retired teachers and education paraprofessionals is~~  
161 ~~subject to the retirement contribution required by subparagraph~~  
162 ~~2.~~

163 ~~f. A charter school may reemploy a retiree as a substitute~~  
164 ~~or hourly teacher on a noncontractual basis after he or she has~~  
165 ~~been retired for 1 calendar month. A charter school may reemploy~~  
166 ~~a retired member as instructional personnel, as defined in s.~~  
167 ~~1012.01(2) (a), on an annual contractual basis after he or she~~  
168 ~~has been retired for 1 calendar month after retirement. Any~~  
169 ~~member who is reemployed within 1 calendar month voids his or~~  
170 ~~her application for retirement benefits. A charter school that~~  
171 ~~reemploys such teachers is subject to the retirement~~  
172 ~~contribution required by subparagraph 2.~~

173 1.2. The employment of a retiree or DROP participant of a  
174 state-administered retirement system does not affect the average  
175 final compensation or years of creditable service of the retiree  
176 or DROP participant. Before July 1, 1991, upon employment of any  
177 person, other than an elected officer as provided in s. 121.053,  
178 who is retired under a state-administered retirement program,  
179 the employer shall pay retirement contributions in an amount  
180 equal to the unfunded actuarial liability portion of the  
181 employer contribution which would be required for regular  
182 members of the Florida Retirement System. Effective July 1,

183 1991, contributions shall be made as provided in s. 121.122 for  
184 retirees who have renewed membership or, as provided in  
185 subsection (13), for DROP participants.

186 2.3. Any person who is holding an elective public office  
187 which is covered by the Florida Retirement System and who is  
188 concurrently employed in nonelected covered employment may elect  
189 to retire while continuing employment in the elective public  
190 office if he or she terminates his or her nonelected covered  
191 employment. Such person shall receive his or her retirement  
192 benefits in addition to the compensation of the elective office  
193 ~~without regard to the time limitations otherwise provided in~~  
194 ~~this subsection~~. A person who seeks to exercise the provisions  
195 of this subparagraph as they existed before May 3, 1984, may not  
196 be deemed to be retired under those provisions, unless such  
197 person is eligible to retire under this subparagraph, as amended  
198 by chapter 84-11, Laws of Florida.

199 ~~(c) Any person whose retirement is effective on or after~~  
200 ~~July 1, 2010, or whose participation in the Deferred Retirement~~  
201 ~~Option Program terminates on or after July 1, 2010, who is~~  
202 ~~retired under this chapter, except under the disability~~  
203 ~~retirement provisions of subsection (4) or as provided in s.~~  
204 ~~121.053, may be reemployed by an employer that participates in a~~  
205 ~~state-administered retirement system and receive retirement~~  
206 ~~benefits and compensation from that employer. However, a person~~  
207 ~~may not be reemployed by an employer participating in the~~  
208 ~~Florida Retirement System before meeting the definition of~~



209 ~~termination in s. 121.021 and may not receive both a salary from~~  
210 ~~the employer and retirement benefits for 6 calendar months after~~  
211 ~~meeting the definition of termination. However, A DROP~~  
212 ~~participant shall continue employment and receive a salary~~  
213 ~~during the period of participation in the Deferred Retirement~~  
214 ~~Option Program, as provided in subsection (13).~~

215 ~~1. The reemployed retiree may not renew membership in the~~  
216 ~~Florida Retirement System.~~

217 ~~2. The employer shall pay retirement contributions in an~~  
218 ~~amount equal to the unfunded actuarial liability portion of the~~  
219 ~~employer contribution that would be required for active members~~  
220 ~~of the Florida Retirement System in addition to the~~  
221 ~~contributions required by s. 121.76.~~

222 ~~3. A retiree initially reemployed in violation of this~~  
223 ~~paragraph and an employer that employs or appoints such person~~  
224 ~~are jointly and severally liable for reimbursement of any~~  
225 ~~retirement benefits paid to the retirement trust fund from which~~  
226 ~~the benefits were paid, including the Florida Retirement System~~  
227 ~~Trust Fund and the Public Employee Optional Retirement Program~~  
228 ~~Trust Fund, as appropriate. The employer must have a written~~  
229 ~~statement from the employee that he or she is not retired from a~~  
230 ~~state-administered retirement system. Retirement benefits shall~~  
231 ~~remain suspended until repayment is made. Benefits suspended~~  
232 ~~beyond the end of the retiree's 6-month reemployment limitation~~  
233 ~~period shall apply toward the repayment of benefits received in~~  
234 ~~violation of this paragraph.~~

235 ~~(d) This subsection applies to retirees, as defined in s.~~  
 236 ~~121.4501(2), of the Florida Retirement System Investment Plan,~~  
 237 ~~subject to the following conditions:~~

238 ~~1. A retiree may not be reemployed with an employer~~  
 239 ~~participating in the Florida Retirement System until such person~~  
 240 ~~has been retired for 6 calendar months.~~

241 ~~2. A retiree employed in violation of this subsection and~~  
 242 ~~an employer that employs or appoints such person are jointly and~~  
 243 ~~severally liable for reimbursement of any benefits paid to the~~  
 244 ~~retirement trust fund from which the benefits were paid. The~~  
 245 ~~employer must have a written statement from the retiree that he~~  
 246 ~~or she is not retired from a state-administered retirement~~  
 247 ~~system.~~

248 (c)(e) The limitations of this subsection apply to  
 249 reemployment in any capacity irrespective of the category of  
 250 funds from which the person is compensated.

251 Section 2. Paragraph (a) of subsection (1) of section  
 252 121.591, Florida Statutes, is amended to read:

253 121.591 Payment of benefits.—Benefits may not be paid  
 254 under the Florida Retirement System Investment Plan unless the  
 255 member has terminated employment as provided in s.  
 256 121.021(39) (a) or is deceased and a proper application has been  
 257 filed as prescribed by the state board or the department.  
 258 Benefits, including employee contributions, are not payable  
 259 under the investment plan for employee hardships, unforeseeable  
 260 emergencies, loans, medical expenses, educational expenses,

261 purchase of a principal residence, payments necessary to prevent  
262 eviction or foreclosure on an employee's principal residence, or  
263 any other reason except a requested distribution for retirement,  
264 a mandatory de minimis distribution authorized by the  
265 administrator, or a required minimum distribution provided  
266 pursuant to the Internal Revenue Code. The state board or  
267 department, as appropriate, may cancel an application for  
268 retirement benefits if the member or beneficiary fails to timely  
269 provide the information and documents required by this chapter  
270 and the rules of the state board and department. In accordance  
271 with their respective responsibilities, the state board and the  
272 department shall adopt rules establishing procedures for  
273 application for retirement benefits and for the cancellation of  
274 such application if the required information or documents are  
275 not received. The state board and the department, as  
276 appropriate, are authorized to cash out a de minimis account of  
277 a member who has been terminated from Florida Retirement System  
278 covered employment for a minimum of 6 calendar months. A de  
279 minimis account is an account containing employer and employee  
280 contributions and accumulated earnings of not more than \$5,000  
281 made under the provisions of this chapter. Such cash-out must be  
282 a complete lump-sum liquidation of the account balance, subject  
283 to the provisions of the Internal Revenue Code, or a lump-sum  
284 direct rollover distribution paid directly to the custodian of  
285 an eligible retirement plan, as defined by the Internal Revenue  
286 Code, on behalf of the member. Any nonvested accumulations and

287 associated service credit, including amounts transferred to the  
288 suspense account of the Florida Retirement System Investment  
289 Plan Trust Fund authorized under s. 121.4501(6), shall be  
290 forfeited upon payment of any vested benefit to a member or  
291 beneficiary, except for de minimis distributions or minimum  
292 required distributions as provided under this section. If any  
293 financial instrument issued for the payment of retirement  
294 benefits under this section is not presented for payment within  
295 180 days after the last day of the month in which it was  
296 originally issued, the third-party administrator or other duly  
297 authorized agent of the state board shall cancel the instrument  
298 and credit the amount of the instrument to the suspense account  
299 of the Florida Retirement System Investment Plan Trust Fund  
300 authorized under s. 121.4501(6). Any amounts transferred to the  
301 suspense account are payable upon a proper application, not to  
302 include earnings thereon, as provided in this section, within 10  
303 years after the last day of the month in which the instrument  
304 was originally issued, after which time such amounts and any  
305 earnings attributable to employer contributions shall be  
306 forfeited. Any forfeited amounts are assets of the trust fund  
307 and are not subject to chapter 717.

308 (1) NORMAL BENEFITS.—Under the investment plan:

309 (a) Benefits in the form of vested accumulations as  
310 described in s. 121.4501(6) are payable under this subsection in  
311 accordance with the following terms and conditions:

312 1. Benefits are payable only to a member, an alternate

313 payee of a qualified domestic relations order, or a beneficiary.

314 2. Benefits shall be paid by the third-party administrator  
315 or designated approved providers in accordance with the law, the  
316 contracts, and any applicable board rule or policy.

317 3. The member must be terminated from all employment with  
318 all Florida Retirement System employers, as provided in s.  
319 121.021(39).

320 4. Benefit payments may not be made until the member has  
321 been terminated for 3 calendar months, except that the state  
322 board may authorize by rule for the distribution of up to 10  
323 percent of the member's account after being terminated for 1  
324 calendar month if the member has reached the normal retirement  
325 date as defined in s. 121.021.

326 5. If a member or former member of the Florida Retirement  
327 System receives an invalid distribution, such person must either  
328 repay the full amount within 90 days after receipt of final  
329 notification by the state board or the third-party administrator  
330 that the distribution was invalid, or, in lieu of repayment, the  
331 member must terminate employment from all participating  
332 employers. If such person fails to repay the full invalid  
333 distribution within 90 days after receipt of final notification,  
334 the person may be deemed retired from the investment plan by the  
335 state board and is subject to s. 121.122. If such person is  
336 deemed retired, ~~any joint and several liability set out in s.~~  
337 ~~121.091(9)(d)2. is void,~~ and the state board, the department, or  
338 the employing agency is not liable for gains on payroll

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339 contributions that have not been deposited to the person's  
340 account in the investment plan, pending resolution of the  
341 invalid distribution. The member or former member who has been  
342 deemed retired or who has been determined by the state board to  
343 have taken an invalid distribution may appeal the agency  
344 decision through the complaint process as provided under s.  
345 121.4501(9)(g)3. As used in this subparagraph, the term "invalid  
346 distribution" means any distribution from an account in the  
347 investment plan which is taken in violation of this section, s.  
348 121.091(9), or s. 121.4501.

349 Section 3. This act shall take effect July 1, 2015.