

STATE BOARD OF ADMINISTRATION OF FLORIDA ("SBA")

2017-2018 ANNUAL REGULATORY PLAN

[Required pursuant to Chapter 2015-162, Laws of Florida]

OCTOBER 1, 2017

- Laws Amended/Created over previous 12 months that modify the agency's duties or authority (as required by Section 120.74(1)(a), Florida Statutes):

Chapter 2017-088, Laws of Florida (SB 7022): Florida Retirement System:
Renewed Membership; In-Line-of-Duty Death Benefits Revisions

This law provides, *inter alia*, that retirees of the Florida Retirement System ("FRS") Investment Plan (and of certain specified optional retirement plans) who are re-employed on or after July 1, 2017, are mandatory renewed members of the FRS Investment Plan (or specified optional retirement plans). Such members are not permitted to elect the FRS Pension Plan. The new law also extends in-line-of-duty death benefits to the spouse and dependent children of any Investment Plan member and not just special risk Investment Plan members.

Adoption of Rules: A Notice of Development of Rulemaking for the following rules was filed in the *Florida Administrative Register* on August 30, 2016: Rule 19-11.001, F.A.C. is being amended to indicate that a "member" of the Investment Plan includes an individual who is deemed to be a renewed member pursuant to Section 121.122, Florida Statutes, as amended by Chapter 2017-88, Laws of Florida. Rule 19-11.002, F.A.C. is being amended to indicate that an Investment Plan member who is killed in the line of duty shall have certain survivorship benefits paid; to indicate the dates that certain enrollment forms and second election enrollment forms have been amended; and update the name of the investment fund used to hold account funds where the beneficiary cannot be located. The amendments to Rule 19-11.003, F.A.C. adopt the latest version of the Employment Termination Form and to make a few minor editorial revisions. Rule 19-11.004, F.A.C. is being amended to adopt the revised Transfer Request Form- Excessive Fund Trading Violators. Rule 19-11.006 is being amended to adopt the latest versions of the applicable enrollment forms; and to update and clarify information concerning specific enrollment procedures. Rule 19-11.007, F.A.C. is being amended to adopt the latest versions of the Second Election enrollment forms; and to indicate that an Investment Plan member that is eligible to be a renewed Investment Plan member on or after July 1, 2017 is not eligible to use the second election to transfer to the Pension Plan. Rule 19-11.008, F.A.C. is being amended to indicate the any unvested account balances will be transferred to a suspense account which is invested in the FRS Intermediate Bond Fund. Rule 19-11.009, F.A.C. is being amended to indicate that, as provided by amendments to Section 121.122, Florida Statutes, a retiree of the Investment Plan, Senior Management Service Optional Annuity Program (SMSOAP), State University System Optional Retirement Program (SUSORP) and State Community College System Optional Retirement Program (SCCSORP) who is

reemployed with a FRS-participating employer in a covered position on or after July 1, 2017 will be a mandatory renewed member of the Investment Plan, unless employed in a position eligible for participation in the SUSORP or SCCSORP. Such renewed member will be enrolled in the Regular Class, unless the position meets the requirements to enroll in the Special Risk Class, Elected Officers' Class or Senior Management Service Class. Rule 19-11.012, F.A.C. is amended to adopt the latest version of the rollover forms. Rule 19-11.013, F.A.C. is amended to set forth how the Self-Directed Brokerage Account enrollment form can be obtained and to make a few clarifications. Rule 19-11.014, F.A.C. is being updated to indicate that the survivorship benefit s paid to the surviving children of an Investment Plan member killed in the line-of-duty shall be paid as provided in Section 121.091(7)(d) and (i), Florida Statutes.

In addition, rule amendments are being made to Rule 19-13.002, F.A.C. to recognize that special in line-of-duty death benefits are available for the spouse and child(ren) of any investment plan member, and not just special risk class members. The rule indicates that the Division of Retirement will now administer in-line-of-duty death benefits for all members.

The Trustees of the SBA will be asked to approve the filing of a Notice of Proposed Rule for the foregoing amendments at its next meeting on October 17, 2017.

The rules should be filed for adoption during December 2017.

Note: There are a few laws that affect all Florida governmental entities, but that do not need to be implemented by rulemaking by the governmental entities, nor by the sending of reports or other information to another governmental entity. The SBA recognizes the existence of these new laws and may revise, or has revised, its internal policies, procedures and contracts in view of these changes. The new laws are as follows:

Chapter 2017-021, Laws of Florida (CS/CS for Senate Bill 80): Public Records

This law requires a court to determine, in any civil action brought against an agency to enforce the provisions of Chapter 119, Florida Statutes (Public Records), whether or not the complainant requested to inspect or copy a public record or participated in the civil action for an improper purpose. The law defines "improper purpose" as including a request or an action filed for a "frivolous purpose." This law appears to be designed to address situations in which certain requestors of public records intentionally send emails to state employees who do not regularly process public records requests. If such employees fail to recognize and address the request, the requestors will then bring an action against the agency for non-compliance with the Florida Public Records law. The requestors often seek to receive costs and attorney fees that may be grossly over-stated, thereby allowing the requestors to receive a windfall. The new law specifically states that no private action for monetary damages is available for a noncompliance. Instead, the only funds a complainant may receive are the reasonable costs actually incurred (including applicable attorney fees) in enforcing the provisions of Chapter 119. Effective Date: May 23, 2017.

Chapter 2017-103, Laws of Florida (CS/CS/CS for HB 397): Public Records

In situations in which there is an allegation of sexual harassment, this law makes the “personal identifying information” of the alleged victim of sexual harassment confidential and exempt from public records requirements. The information is subject to disclosure only to another governmental entity in furtherance of its official duties. The Legislature indicated there is a public necessity for the protection of such information to prevent alleged victims from further harassment and retaliation. Further, if the information were to be disclosed, the disclosure potentially would have a chilling effect on reporting instances of sexual harassment. Effective Date: June 14, 2017.

Chapter 2017-096, Laws of Florida (CS/SB 273): Public Records

This law expands the exemption from public records requirements for the personal identifying and location information of certain current firefighters, their spouses and children to include the personal identifying and location information of former firefighters and their spouses and children. The law is designed to protect the covered individuals from acts of revenge by disgruntled individuals. Effective Date: October 1, 2017.

Chapter 2017-185, Laws of Florida (CS/CS/HB 1107): Public Records

This law provides an exemption from public records requirements for the personal identifying information of an injured or deceased employee that is contained in reports, notices, records, or supporting documentation held by the Department of Financial Services pursuant to the Florida Workers' Compensation Law. The law specifically defines “personal identifying information” as: the injured or deceased employee’s name; date of birth; home address or mailing address; email address; or telephone number. Further, the law provides a criminal penalty for the willful and knowing disclosure of such information to an unauthorized person or entity. The stated purpose of the law is to prevent employment discrimination; avoid invasion of privacy; and to prevent of unwanted solicitation of victims and their families. Effective Date: July 1, 2017.

- Laws not otherwise listed that the Agency expects to implement by rulemaking before the following July:

N/A

- Updates to prior year's plan or supplement. If in a prior year, a law was identified requiring rulemaking to implement but notice of proposed rule has not been published:

N/A

Additional Information: Proposed Changes to Rules that are required by existing laws:

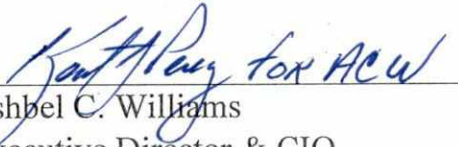
See attached sheet.

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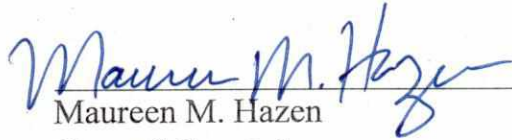
STATE BOARD OF ADMINISTRATION OF FLORIDA

ANNUAL REGULATORY PLAN CERTIFICATION

I HEREBY CERTIFY that the Annual Regulatory Plan (ARP) for the State Board of Administration of Florida ("SBA"), including the Florida Hurricane Catastrophe Fund, as required pursuant to Section 120.74(1), Florida Statutes has been reviewed by the undersigned. I also certify that the SBA, including the Florida Hurricane Catastrophe Fund, at least annually reviews all of its rules, the most recent review occurring in June 2017, to determine whether the rules remain consistent with the SBA's rulemaking authority and the laws implemented.



Ashbel C. Williams
Executive Director & CIO
State Board of Administration of
Florida



Maureen M. Hazen
General Counsel
State Board of Administration of
Florida

ENTERED this 28th day of September, 2017.

A copy of this Regulatory Plan will be posted on the SBA's website on or before October 1, 2017.



STATE BOARD OF ADMINISTRATION
OF FLORIDA

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RICK SCOTT
GOVERNOR
CHAIR

JIMMY PATRONIS
CHIEF FINANCIAL OFFICER

PAM BONDI
ATTORNEY GENERAL

ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

MEMORANDUM

Date: September 26, 2017
To: Kent Perez
Deputy Executive Director
From: Ash Williams
Executive Director/CIO
Subject: Delegation of Authority

I will be out of the office from **3:00 p.m. on Tuesday, September 26, 2017 through 5:00 p.m. on Wednesday, October 4, 2017**. I hereby appoint as my designees:

Mike McCauley, September 27, 2017

Kent Perez, September 28, 2017 – October 4, 2017

to carry out the duties and responsibilities that have been delegated to me by the members of the State Board of Administration/Executive Director.

Prior to carrying out these duties and responsibilities, **Mike** or **Kent** will consult and coordinate with Executive Service Staff and other employees of the State Board of Administration, as needed.

If, because of unforeseen circumstances, this absence from the office extends beyond **5:00 p.m., Wednesday, October 4, 2017**, the delegate listed above will continue to be my designee as described above for a reasonable period thereafter.

A handwritten signature in cursive script, appearing to read "Ash Williams".

cc: Executive Service Staff
WorkSmart Portal