

FOR CONSIDERATION By the Committee on Governmental Oversight and Accountability

585-00170A-17

20177022pb

1 A bill to be entitled
 2 An act relating to state-administered retirement
 3 systems; amending s. 121.71, F.S.; revising required
 4 employer retirement contribution rates for each
 5 membership class and subclass of the Florida
 6 Retirement System; providing a declaration of
 7 important state interest; providing an effective date.

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

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 11 Section 1. Subsections (4) and (5) of section 121.71,
 12 Florida Statutes, are amended to read:

13 121.71 Uniform rates; process; calculations; levy.—

14 (4) Required employer retirement contribution rates for
 15 each membership class and subclass of the Florida Retirement
 16 System for both retirement plans are as follows:

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2017</u> 2016
Regular Class	<u>2.89%</u> 2.97%
Special Risk Class	<u>11.81%</u> 11.80%

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Special Risk

Administrative

Support Class

3.81% ~~3.87%~~

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Elected Officers' Class-

Legislators, Governor,

Lt. Governor,

Cabinet Officers,

State Attorneys,

Public Defenders

6.41% ~~6.63%~~

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Elected Officers' Class-

Justices, Judges

11.66% ~~11.68%~~

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Elected Officers' Class-

County Elected Officers

8.48% ~~8.55%~~

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Senior Management Class

4.28% ~~4.38%~~

26

DROP

4.17% ~~4.23%~~

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28 (5)

29 In order to address unfunded actuarial liabilities of the
 30 system, the required employer retirement contribution rates for
 31 each membership class and subclass of the Florida Retirement
 32 System for both retirement plans are as follows:

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Membership Class

Percentage of

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Gross
 Compensation,
 Effective
 July 1, 2017 ~~2016~~

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Regular Class	<u>3.30%</u> 2.83%
Special Risk Class	<u>9.57%</u> 9.05%
Special Risk Administrative Support Class	<u>29.08%</u> 22.47%
Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>42.69%</u> 33.75%
Elected Officers' Class— Justices, Judges	<u>26.25%</u> 23.30%
Elected Officers' Class— County Elected Officers	<u>35.24%</u> 32.20%
Senior Management Service	<u>16.70%</u> 15.67%

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Class

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DROP

7.43% ~~7.10%~~

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

Section 3. This act shall take effect July 1, 2017.