

Committee on Governmental Oversight and Accountability

CS/CS/HB 1309 — Publicly Funded Retirement Plans

by State Affairs Committee; Government Operations Subcommittee; and Rep. Drake (CS/SB 242 by Community Affairs Committee and Senator Brandes)

The bill requires each local government pension plan, in conducting the actuarial valuations of its pension plans, to use mortality table methodologies consistent with the methodologies used in either of the two most recently published actuarial valuation reports of the Florida Retirement System (FRS). In most instances, the mortality tables used will recognize longer lifetimes for annuitants and result in higher annual contributions being required to be paid into the pension funds in the near term. To the extent the use of the updated mortality tables result in increases to the normal costs or unfunded liabilities of local government pension plans, this bill will result in higher contributions being paid into the local government pension plans in the near term.

Similarly, the bill revises the mortality tables to be used in the actuarial disclosures in financial statements submitted to the Department of Management Services. This modification does not impact the actuarial funding of the various pension plans but does provide some information that may be useful when comparing local pension plans and the FRS.

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

Vote: Senate 38-0; House 81-37