

By the Committees on Finance & Taxation, Governmental Operations and Representatives Boyd, Crady, Stafford, Turnbull, Bloom, Lynn, Smith, Albright and Posey

1                                   A bill to be entitled  
2           An act relating to the Florida Retirement  
3           System; amending s. 112.363, F.S.; increasing  
4           the retiree health insurance subsidy payment  
5           and the contribution rate; providing for  
6           retroactive payments under certain  
7           circumstances; amending s. 121.011, F.S.;  
8           clarifying benefits payable under existing  
9           systems; amending s. 121.021, F.S.; revising  
10          and adding definitions; amending ss. 121.052,  
11          121.055, and 121.071, F.S.; modifying the  
12          statutory limit on the number of nonelective  
13          full-time positions that may be designated by a  
14          local agency employer for inclusion in the  
15          Senior Management Service Class; changing  
16          contribution rates for specified classes and  
17          subclasses of the system and for the retiree  
18          health insurance subsidy; amending s. 121.091,  
19          F.S.; providing for benefit computations using  
20          dual retirement ages for service in the Senior  
21          Management Service Class and the Elected  
22          Officer's Class; providing for nullification of  
23          a joint annuitant designation in the event of  
24          dissolution of marriage; providing for purchase  
25          of additional service credit using a deceased  
26          member's accumulated leave, out-of-state  
27          service, or in-state service under certain  
28          circumstances; specifying that a member's  
29          spouse at the time of death shall be the  
30          member's beneficiary under certain  
31          circumstances; providing a directive to statute

1 editors; amending s. 121.1122, F.S.; deleting  
2 reference to nonsectarian schools and colleges;  
3 amending s. 121.121, F.S.; providing for  
4 eligibility to purchase retirement credit for  
5 certain leaves of absence; amending s. 121.122,  
6 F.S.; allowing members with renewed membership  
7 in the Senior Management Service Class to  
8 purchase additional retirement credit for  
9 certain postretirement service; amending s.  
10 121.30, F.S.; conforming to the Internal  
11 Revenue Code; creating s. 121.133, F.S.;  
12 providing intent; requiring the Comptroller to  
13 cancel any benefit warrant issued from the  
14 Florida Retirement System Trust Fund, or from  
15 certain other pension trust funds, if such  
16 warrants are not presented within a specified  
17 timeframe; providing that such funds shall be  
18 transferred and recredited to specified trust  
19 funds; providing for issuance of replacement  
20 warrants; amending s. 121.40, F.S.; changing  
21 contribution rates for the supplemental  
22 retirement plan for the Institute of Food and  
23 Agricultural Sciences at the University of  
24 Florida; repealing ss. 121.0505 and 121.0516,  
25 F.S.; relating to duplicative contribution  
26 rates; directing the Division of Statutory  
27 Revision to make described adjustments to the  
28 statutes with respect to contribution rates;  
29 providing a finding of important state  
30 interest; providing effective dates.  
31

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

2

3 Section 1. Paragraph (d) is added to subsection (3),  
4 paragraph (e) is added to subsection (8), and subsection (9)  
5 of section 112.363, Florida Statutes, is amended, to read:

6 112.363 Retiree health insurance subsidy.--

7 (3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.--

8 (d) Beginning January 1, 1999, each eligible retiree  
9 or, if the retiree is deceased, his or her beneficiary who is  
10 receiving a monthly benefit from such retiree's account and  
11 who is a spouse, or a person who meets the definition of joint  
12 annuitant in s. 121.021(28), shall receive a monthly retiree  
13 health insurance subsidy payment equal to the number of years  
14 of creditable service, as defined in s. 121.021(17), completed  
15 at the time of retirement multiplied by \$4; however, no  
16 eligible retiree or such beneficiary may receive a subsidy  
17 payment of more than \$120 or less than \$40. If there are  
18 multiple beneficiaries, the total payment must not be greater  
19 than the payment to which the retiree was entitled.

20 (8) CONTRIBUTIONS.--For purposes of funding the  
21 insurance subsidy provided by this section:

22 (e) Beginning July 1, 1998, the employer of each  
23 member of a state-administered retirement plan shall  
24 contribute 0.80 percent of gross compensation each pay period.

25

26 Such contributions shall be submitted to the Division of  
27 Retirement and deposited in the Retiree Health Insurance  
28 Subsidy Trust Fund.

29 (9) BENEFITS.--Subsidy payments shall be payable under  
30 the retiree health insurance subsidy program only to  
31 participants in the program or their beneficiaries, beginning

1 with the month the division receives certification of coverage  
2 for health insurance for the eligible retiree or beneficiary.  
3 If the division receives such certification at any time during  
4 the 6 months after retirement benefits commence, the retiree  
5 health insurance subsidy shall be paid retroactive to the  
6 effective retirement date. If, however, the division receives  
7 such certification 7 or more months after commencement of  
8 benefits, the retroactive retiree health insurance subsidy  
9 payment will cover a maximum of 6 months. Such subsidy  
10 payments shall not be subject to assignment, execution, or  
11 attachment or to any legal process whatsoever.

12 Section 2. Paragraph (b) of subsection (2) of section  
13 121.011, Florida Statutes, is amended to read:

14 121.011 Florida Retirement System.--

15 (2) CONSOLIDATION OF EXISTING SYSTEMS AND LAWS.--

16 (b) The chapters or retirement system laws named in  
17 paragraph (a) are hereby consolidated as separate instruments  
18 appended to the "Florida Retirement System Act" established by  
19 this chapter, and the administration of said chapters or  
20 retirement systems shall be consolidated with the  
21 administration of the Florida Retirement System established by  
22 this chapter and the Florida Retirement System shall assume  
23 all liabilities related to the payment of benefits to members  
24 and their beneficiaries.

25 Section 3. Effective July 1, 1998, subsections (22),  
26 (24), (28), (29), and (30) of section 121.021, Florida  
27 Statutes, are amended, and subsections (45) through (54) are  
28 added to said section, to read:

29 121.021 Definitions.--The following words and phrases  
30 as used in this chapter have the respective meanings set forth  
31 unless a different meaning is plainly required by the context:

1           (22) "Compensation" means the monthly salary paid a  
2 member by his or her employer for work performed arising from  
3 that employment, ~~including~~  
4           (a) Compensation shall include:  
5           1. Overtime payments paid from a salary fund, ~~except~~  
6 ~~that:~~  
7           2. Accumulated annual leave payments.  
8           3. Payments in addition to the employee's base rate of  
9 pay if all the following apply:  
10           a. The payments are paid according to a formal written  
11 policy that applies to all eligible employees equally;  
12           b. The policy provides that payments shall commence no  
13 later than the 11th year of employment;  
14           c. The payments are paid for as long as the employee  
15 continues his or her employment; and  
16           d. The payments are paid at least annually.  
17           4. Amounts withheld for tax sheltered annuities or  
18 deferred compensation programs, or any other type of salary  
19 reduction plan authorized under the Internal Revenue Code.  
20           5. Payments made in lieu of a permanent increase in  
21 the base rate of pay, whether made annually or in 12 or 26  
22 equal payments within a 12-month period, when the member's  
23 base pay is at the maximum of his or her pay range. When a  
24 portion of a member's annual increase raises his or her pay  
25 range and the excess is paid as a lump sum payment, such lump  
26 sum payment shall be compensation for retirement purposes.  
27           (b)(a) Under no circumstances shall compensation  
28 include:  
29           1. Fees paid professional persons for special or  
30 particular services or include salary payments made from a  
31 faculty practice plan operated by rule of the Board of Regents

1 for eligible clinical faculty at the University of Florida and  
2 the University of South Florida; or-

3 2. Any bonuses or other payments prohibited from  
4 inclusion in the member's average final compensation and  
5 defined in subsection (47).

6 (c)~~(b)~~ For all purposes under this chapter, the  
7 member's compensation or gross compensation contributed as  
8 employee-elective salary reductions or deferrals to any salary  
9 reduction, deferred compensation, or tax-sheltered annuity  
10 program authorized under the Internal Revenue Code shall be  
11 deemed to be the compensation or gross compensation which the  
12 member would receive if he or she were not participating in  
13 such program and shall be treated as compensation for  
14 retirement purposes under this chapter. Any public funds  
15 otherwise paid by an employer into an employee's salary  
16 reduction, deferred compensation, or tax-sheltered annuity  
17 program on or after July 1, 1990 (the date as of which all  
18 employers were notified in writing by the division to cease  
19 making contributions to the System Trust Fund based on such  
20 amounts), shall be considered a fringe benefit and shall not  
21 be treated as compensation for retirement purposes under this  
22 chapter. However, if an employer was notified in writing by  
23 the division to cease making such contributions as of a  
24 different date, that employer shall be subject to the  
25 requirements of said written notice.

26 (d)~~(e)~~ For any person who first becomes a member on or  
27 after July 1, 1996, compensation for any plan year shall not  
28 include any amounts in excess of the s. 401(a)(17), Internal  
29 Revenue Code limitation (as amended by the Omnibus Budget  
30 Reconciliation Act of 1993), which limitation of \$150,000  
31 effective July 1, 1996, shall be adjusted as required by

1 federal law for qualified government plans and shall be  
2 further adjusted for changes in the cost of living in the  
3 manner provided by s. 401(a)(17)(B), Internal Revenue Code.  
4 For any person who first became a member prior to July 1,  
5 1996, compensation for all plan years beginning on or after  
6 July 1, 1990, shall not include any amounts in excess of the  
7 compensation limitation (originally \$200,000) established by  
8 s. 401(a)(17), Internal Revenue Code prior to the Omnibus  
9 Budget Reconciliation Act of 1993, which limitation shall be  
10 adjusted for changes in the cost of living since 1989, in the  
11 manner provided by s. 401(a)(17) of the Internal Revenue Code  
12 of 1991. This limitation, which has been part of the Florida  
13 Retirement System since plan years beginning on or after July  
14 1, 1990, shall be adjusted as required by federal law for  
15 qualified government plans.

16 (24) "Average final compensation" means the average of  
17 the 5 highest fiscal years of compensation for creditable  
18 service prior to retirement, termination, or death. For  
19 in-line-of-duty disability benefits, if less than 5 years of  
20 creditable service have been completed, the term "average  
21 final compensation" means the average annual compensation of  
22 the total number of years of creditable service. Each year  
23 used in the calculation of average final compensation shall  
24 commence on July 1.

25 (a) The average final compensation shall include:

26 1. Accumulated annual leave payments, not to exceed  
27 500 hours; and

28 2. All payments defined as compensation in subsection  
29 (22).

30 (b) The average final compensation shall not include:

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- 1           1. Compensation paid to professional persons for  
2 special or particular services;  
3           2. Payments for accumulated sick leave made due to  
4 retirement or termination;  
5           3. Payments for accumulated annual leave in excess of  
6 500 hours;  
7           4. Bonuses as defined in subsection (47);  
8           5. Third party payments made on and after July 1,  
9 1990; or  
10          6. Fringe benefits (for example, automobile allowances  
11 or housing allowances).~~The payment for accumulated sick~~  
12 ~~leave, accumulated annual leave in excess of 500 hours, and~~  
13 ~~bonuses, whether paid as salary or otherwise, shall not be~~  
14 ~~used in the calculation of the average final compensation.~~  
15          (28) "Joint annuitant" ~~or "dependent beneficiary"~~  
16 means any person designated by the member to receive a  
17 retirement benefit upon the member's death who is either:  
18          (a) The spouse of the member;  
19          (b) The member's natural or adopted child who is under  
20 age 25, or is physically or mentally disabled and incapable of  
21 self-support, regardless of age; or any person other than the  
22 spouse for whom the member is the legal guardian, provided  
23 that such person is under age 25 and is financially dependent  
24 for no less than one-half of his or her support from the  
25 member at retirement or at the time of death of such member,  
26 whichever occurs first; or  
27          (c) A parent or grandparent, or a person age 25 or  
28 older for whom the member is the legal guardian, provided that  
29 such parent, grandparent, or other person is financially  
30 dependent for no less than one-half of his or her support from  
31



1 the member at retirement or at time of the death of such  
2 member, whichever occurs first.

3 (29) "Normal retirement date" means the first day of  
4 any month following the date a member attains one of the  
5 following statuses:

6 (a) If a Regular Class member, the member:

7 1. Completes 10 or more years of creditable service  
8 and attains age 62; or

9 2. ~~(b)~~ Completes 30 years of creditable service,  
10 regardless of age, which may include a maximum of 4 years of  
11 military service credit as, so long as such credit is not  
12 claimed under any other system, regardless of age;

13 ~~(b)(c)~~ If a Special Risk Class member, the member:

14 1. Completes 10 or more years of creditable service in  
15 the Special Risk Class and attains age 55;

16 2. Completes 25 years of creditable service in the  
17 Special Risk Class, regardless of age; or

18 3. Completes 25 years of creditable service and  
19 attains age 52, which service may include a maximum of 4 years  
20 of military service credit as long as such credit is not  
21 claimed under any other system and the remaining years are in  
22 the Special Risk Class, and attains age 52; or

23 ~~(c)(d)~~ If a Senior Management Service Class member,  
24 the member:

25 1. Completes 7 years of creditable service in the  
26 Senior Management Service Class and attains age 62; or

27 2. Completes 30 years of any creditable service,  
28 regardless of age, which may include a maximum of 4 years of  
29 military service credit as long as such credit is not claimed  
30 under any other system; or, regardless of age.

31

1        (d) If an Elected State County Officers' Class member,  
2 the member:

3            1. Completes 8 years of creditable service in the  
4 Elected State and County Officers' Class and attains age 62;

5 or

6            2. Completes 30 years of any creditable service,  
7 regardless of age, which may include a maximum of 4 years of  
8 military service credit as long as such credit is not claimed  
9 under any other system.

10

11 "Normal retirement age" is attained on the "normal retirement  
12 date."

13            (30) "Early retirement date" means the first day of  
14 the month following the date a member becomes vested ~~completes~~  
15 ~~10 years of creditable service~~ and elects to receive  
16 retirement benefits in accordance with this chapter. Such  
17 benefits shall be based on average monthly compensation and  
18 creditable service as of the member's early retirement date,  
19 and the benefit so computed shall be reduced by five-twelfths  
20 of 1 percent for each complete month by which the early  
21 retirement date precedes his or her normal retirement date as  
22 provided in s. 121.091(3).

23            (45) "Vested" or "vesting" means the guarantee that a  
24 member is eligible to receive a future retirement benefit upon  
25 completion of the required years of creditable service for the  
26 employee's class of membership even though the member may have  
27 terminated covered employment before reaching normal or early  
28 retirement date. Being vested does not entitle a member to a  
29 disability benefit based on a disability caused by an injury  
30 or disease that occurs after termination of covered  
31 employment.

1       (46) "Beneficiary" means the joint annuitant or any  
2 other person, organization, estate, or trust fund designated  
3 by the member to receive a retirement benefit, if any, which  
4 may be payable upon the member's death.

5       (47) "Bonus" means a payment made in addition to an  
6 employee's regular or overtime salary. A bonus is usually  
7 nonrecurring, does not increase the employee's base rate of  
8 pay, and includes no commitment for payment in a subsequent  
9 year. Such payments are not considered compensation. Effective  
10 July 1, 1999, employers may not report such payments to the  
11 division as salary, and may not make retirement contributions  
12 on such payments.

13       (a) A payment is a bonus if any of the following  
14 circumstances apply:

15           1. The payment is not made according to a formal  
16 written policy that applies to all eligible employees equally.

17           2. The payment commences later than the 11th year of  
18 employment.

19           3. The payment is not based on permanent eligibility.

20           4. The payment is made less frequently than annually.

21       (b) Bonuses shall include, but not be limited to, the  
22 following:

23           1. Exit bonus or severance pay.

24           2. Longevity payments in conformance with the  
25 provisions of paragraph (a).

26           3. Salary increases granted pursuant to an employee's  
27 agreement to retire, including increases paid over several  
28 months or years prior to retirement.

29           4. Payments for accumulated overtime or compensatory  
30 time, reserve time, or holiday time worked, if not made within  
31 11 months of the month in which the work was performed.

1           5. Quality Instruction Incentives Program (QUIIP)  
2 Payments.  
3           6. Lump sum payments in recognition of employees'  
4 accomplishments.  
5           (48) "Accumulated annual leave payment" means any  
6 payment, made either during an employee's employment or at  
7 termination or retirement, for leave accrued during such  
8 employee's career, which leave was intended for, but never  
9 utilized by the employee for, his or her personal use. General  
10 leave, which may be used for both sickness and vacation, is  
11 considered accumulated annual leave. When leave is initially  
12 accrued separately as annual leave or sick leave and is later  
13 combined into a consolidated leave account, only the payment  
14 for that portion of the account which represents annual leave  
15 shall be considered as compensation. If any single lump-sum  
16 annual leave payment, made at anytime during a member's  
17 employment, exceeds 500 hours, only a maximum of 500 hours of  
18 such annual leave payment shall be considered as compensation.  
19           (49) "Accumulated sick leave payment" means leave  
20 accrued during an employee's career which was intended for use  
21 in the event of sickness, injury, or other health problems of  
22 a member or his or her family. General leave which may be used  
23 for both sickness and vacation is not considered sick leave.  
24 When leave is initially accrued separately as annual leave or  
25 sick leave and is later combined into a consolidated leave  
26 account, the payment for that portion of the account which  
27 represents sick leave shall not be considered compensation.  
28           (50) "Independent contractor" means an individual who  
29 is not subject to the control and direction of the employer  
30 for whom work is being performed, with respect not only to  
31 what shall be done but to how it shall be done. If the

1 employer has the right to exert such control, an  
2 employee-employer relationship exists, and, for purposes of  
3 this chapter, the person is an employee and not an independent  
4 contractor. The division shall adopt rules providing criteria  
5 for determining whether an individual is an employee or an  
6 independent contractor.

7 (51) "Previous service" means the number of years,  
8 complete months, and any fractional part of a month, as  
9 recognized and credited by an employer and approved by the  
10 administrator, of service under one of the retirement systems  
11 established by this chapter, chapter 122, former chapter 123,  
12 chapter 238, or chapter 321, on which the required  
13 contributions were paid at the member's termination of  
14 employment, and for which the member has received no refund of  
15 contributions.

16 (52) "Regularly established position" is defined as  
17 follows:

18 (a) In a state agency, the term means a position which  
19 is authorized and established pursuant to law and is  
20 compensated from a salaries appropriation pursuant to s.  
21 216.011(1)(x)1. and 2., or an established position which is  
22 authorized pursuant to s. 216.262(1)(a) and (b) and is  
23 compensated from a salaries account as provided by rule.

24 (b) In a local agency (district school board, county  
25 agency, community college, city, or special district), the  
26 term means a regularly established position which will be in  
27 existence for a period beyond 6 consecutive months, except as  
28 provided by rule.

29 (53) "Temporary position" is defined as follows:  
30  
31

1       (a) In a state agency, the term means an employment  
2 position which is compensated from an other personal services  
3 (OPS) account, as provided for in s. 216.011(1)(x).

4       (b) In a local agency, the term means an employment  
5 position which will exist for less than 6 consecutive months,  
6 or other employment position as determined by rule of the  
7 division, regardless of whether it will exist for 6  
8 consecutive months or longer.

9       (54) "Work year" means the period of time an employee  
10 is required to work to receive a full year of retirement  
11 credit, as provided by rule.

12       Section 4. Paragraphs (a) and (c) of subsection (7) of  
13 section 121.052, Florida Statutes, are amended to read:

14       121.052 Membership class of elected ~~state and county~~  
15 officers.--

16       (7) CONTRIBUTIONS.--

17       (a) The following table states the required retirement  
18 contribution rates for members of the Elected ~~State and County~~  
19 Officers' Class and their employers in terms of a percentage  
20 of the member's gross compensation. A change in a contribution  
21 rate is effective with the first salary paid on or after the  
22 beginning date of the change. Contributions shall be made or  
23 deducted as may be appropriate for each pay period and are in  
24 addition to the contributions required for social security and  
25 the Retiree Health Insurance Subsidy Trust Fund.

26			
27	Dates of Contribution		
28	Rate Changes	Members	Employers
29			
30	July 1, 1972, through September 30, 1977		
31	Legislators	8%	8%

1	All Other Members	8%	8%
2			
3	October 1, 1977, through September 30, 1978		
4	Legislators	8%	8%
5	All Other Members	4%	12%
6			
7	October 1, 1978, through September 30, 1979		
8	Legislators	8%	10.57%
9	All Other Members	4%	16.78%
10			
11	October 1, 1979, through September 30, 1981		
12	Legislators	8%	10.57%
13	Governor, Lt. Governor, Cabinet		
14	Officers	4%	16.78%
15	All Other Members	0%	20.78%
16			
17	July 1, 1981, through June 30, 1984		
18	County Elected Officers	0%	19.30%
19			
20	July 1, 1984, through September 30, 1984		
21	County Elected Officers	0%	20.25%
22			
23	October 1, 1981, through September 30, 1984		
24	Legislators	0%	19.30%
25	Governor, Lt. Governor, Cabinet		
26	Officers	0%	21.03%
27	State Attorneys, Public Defenders	0%	20.95%
28	Justices, Judges	0%	22.55%
29			
30	October 1, 1984, through September 30, 1986		
31	Legislators	0%	10.98%

1	Governor, Lt. Governor, Cabinet		
2	Officers	0%	10.98%
3	State Attorneys, Public Defenders	0%	10.98%
4	Justices, Judges	0%	21.79%
5	County Elected Officers	0%	16.97%
6			
7	October 1, 1986, through December 31, 1988		
8	Legislators	0%	11.50%
9	Governor, Lt. Governor, Cabinet		
10	Officers	0%	11.50%
11	State Attorneys, Public Defenders	0%	11.50%
12	Justices, Judges	0%	20.94%
13	County Elected Officers	0%	17.19%
14			
15	January 1, 1989, through December 31, 1989		
16	Legislators	0%	13.70%
17	Governor, Lt. Governor, Cabinet		
18	Officers	0%	13.70%
19	State Attorneys, Public Defenders	0%	13.70%
20	Justices, Judges	0%	22.58%
21	County Elected Officers	0%	18.44%
22			
23	January 1, 1990, through December 31, 1990		
24	Legislators	0%	15.91%
25	Governor, Lt. Governor, Cabinet		
26	Officers	0%	15.91%
27	State Attorneys, Public Defenders	0%	15.91%
28	Justices, Judges	0%	24.22%
29	County Elected Officers	0%	19.71%
30			
31	January 1, 1991, through December 31, 1991		



1	Legislators	0%	17.73%
2	Governor, Lt. Governor, Cabinet		
3	Officers	0%	17.73%
4	State Attorneys, Public Defenders	0%	17.73%
5	Justices, Judges	0%	26.63%
6	County Elected Officers	0%	23.32%
7			
8	January 1, 1992, through December 31, 1992		
9	Legislators	0%	19.94%
10	Governor, Lt. Governor, Cabinet		
11	Officers	0%	19.94%
12	State Attorneys, Public Defenders	0%	19.94%
13	Justices, Judges	0%	28.27%
14	County Elected Officers	0%	24.59%
15			
16	January 1, 1993, through December 31, 1993		
17	Legislators	0%	22.14%
18	Governor, Lt. Governor, Cabinet		
19	Officers	0%	22.14%
20	State Attorneys, Public Defenders	0%	22.14%
21	Justices, Judges	0%	29.91%
22	County Elected Officers	0%	25.84%
23			
24	January 1, 1994, through December 31, 1994		
25	Legislators	0%	22.65%
26	Governor, Lt. Governor, Cabinet		
27	Officers	0%	22.65%
28	State Attorneys, Public Defenders	0%	22.65%
29	Justices, Judges	0%	30.52%
30	County Elected Officers	0%	26.07%
31			

1	January 1, 1995, through December 31, 1995		
2	Legislators	0%	22.80%
3	Governor, Lt. Governor, Cabinet		
4	Officers	0%	22.80%
5	State Attorneys, Public Defenders	0%	22.80%
6	Justices, Judges	0%	30.21%
7	County Elected Officers	0%	27.48%
8			
9	January 1, 1996, through June 30, 1996		
10	Legislators	0%	22.90%
11	Governor, Lt. Governor, Cabinet		
12	Officers	0%	22.90%
13	State Attorneys, Public Defenders	0%	22.90%
14	Justices, Judges	0%	30.15%
15	County Elected Officers	0%	27.54%
16			
17	<del>Effective</del> <u>July 1, 1996, through June 30, 1998</u>		
18	Legislators	0%	23.07%
19	Governor, Lt. Governor, Cabinet		
20	Officers	0%	23.07%
21	State Attorneys, Public Defenders	0%	23.07%
22	Justices, Judges	0%	29.55%
23	County Elected Officers	0%	27.33%
24			
25	<u>Effective July 1, 1998</u>		
26	<u>Legislators</u>	<u>0%</u>	<u>22.33%</u>
27	<u>Governor, Lt. Governor, Cabinet Officers</u>	<u>0%</u>	<u>22.33%</u>
28	<u>State Attorneys, Public Defenders</u>	<u>0%</u>	<u>22.33%</u>
29	<u>Justices, Judges</u>	<u>0%</u>	<u>27.21%</u>
30	<u>County elected officers</u>	<u>0%</u>	<u>26.99%</u>
31			

1 (c) The following table states the required employer  
2 contribution on behalf of each member of the Elected ~~State and~~  
3 ~~County~~ Officers' Class in terms of a percentage of the  
4 member's gross compensation. Such contribution constitutes the  
5 entire health insurance subsidy contribution with respect to  
6 the member. A change in the contribution rate is effective  
7 with the first salary paid on or after the beginning date of  
8 the change. The retiree health insurance subsidy contribution  
9 rate is as follows:

11 Dates of Contribution	Contribution
12 Rate Changes	Rate
14 October 1, 1987, through December 31, 1988	0.24%
15 January 1, 1989, through December 31, 1993	0.48%
16 January 1, 1994, through December 31, 1994	0.56%
17 <del>Effective</del> <u>January 1, 1995, through June 30,</u>	
18 <u>1998</u>	0.66%
19 <u>Effective July 1, 1998</u>	<u>0.80%</u>

20  
21 Such contributions shall be deposited by the administrator in  
22 the Retiree Health Insurance Subsidy Trust Fund.

23 Section 5. Paragraph (b) of subsection (1) and  
24 paragraphs (a) and (c) of subsection (3) of section 121.055,  
25 Florida Statutes, are amended to read:

26 121.055 Senior Management Service Class.--There is  
27 hereby established a separate class of membership within the  
28 Florida Retirement System to be known as the "Senior  
29 Management Service Class," which shall become effective  
30 February 1, 1987.

31 (1)

1           (b)1. Except as provided in subparagraph 2., effective  
2 January 1, 1990, participation in the Senior Management  
3 Service Class shall be compulsory for the president of each  
4 community college, the manager of each participating city or  
5 county, and all appointed district school superintendents.  
6 Effective January 1, 1994, additional positions may be  
7 designated for inclusion in the Senior Management Service  
8 Class of the Florida Retirement System, provided that:  
9           a. Positions to be included in the class shall be  
10 designated by the local agency employer. Notice of intent to  
11 designate positions for inclusion in the class shall be  
12 published once a week for 2 consecutive weeks in a newspaper  
13 of general circulation published in the county or counties  
14 affected, as provided in chapter 50.  
15           b. One nonelective full-time position may be  
16 designated for each local agency employer reporting to the  
17 Division of Retirement; for local agencies with 100 ~~200~~ or  
18 more regularly established positions, additional nonelective  
19 full-time positions may be designated, not to exceed 1 ~~0.5~~  
20 percent of the regularly established positions within the  
21 agency.  
22           c. Each position added to the class must be a  
23 managerial or policymaking position filled by an employee who  
24 is not subject to continuing contract and serves at the  
25 pleasure of the local agency employer without civil service  
26 protection, and who:  
27           (I) Heads an organizational unit; or  
28           (II) Has responsibility to effect or recommend  
29 personnel, budget, expenditure, or policy decisions in his or  
30 her areas of responsibility.  
31

1           2. In lieu of participation in the Senior Management  
2 Service Class, members of the Senior Management Service Class  
3 pursuant to the provisions of subparagraph 1. may withdraw  
4 from the Florida Retirement System altogether and participate  
5 in a lifetime monthly annuity program which may be provided by  
6 the employing agency. The cost to the employer for such  
7 annuity shall equal the normal cost portion of the  
8 contributions required in the Senior Management Service Class.  
9 The employer providing such annuity shall contribute an  
10 additional amount to the Florida Retirement System Trust Fund  
11 equal to the unfunded actuarial accrued liability portion of  
12 the Senior Management Service Class contribution rate. The  
13 decision to participate in such local government annuity shall  
14 be irrevocable for as long as the employee holds a position  
15 eligible for the annuity. Any service creditable under the  
16 Senior Management Service Class shall be retained after the  
17 member withdraws from the Florida Retirement System; however,  
18 additional service credit in the Senior Management Service  
19 Class shall not be earned after such withdrawal. Such members  
20 shall not be eligible to participate in the Senior Management  
21 Service Optional Annuity Program.

22           (3)(a) The following table states the required  
23 retirement contribution rates for members of the Senior  
24 Management Service Class and their employers in terms of a  
25 percentage of the member's gross compensation. A change in  
26 the contribution rate is effective with the first salary paid  
27 on or after the beginning date of the change. Contributions  
28 shall be made for each pay period and are in addition to the  
29 contributions required for social security and the Retiree  
30 Health Insurance Subsidy Trust Fund.

31

1   Dates of Contribution	Members	Employers
2   Rate Changes		
3		
4   February 1, 1987, through		
5   December 31, 1988	0%	13.88%
6   January 1, 1989, through		
7   December 31, 1989	0%	14.95%
8   January 1, 1990, through		
9   December 31, 1990	0%	16.04%
10   January 1, 1991, through		
11   December 31, 1991	0%	18.39%
12   January 1, 1992, through		
13   December 31, 1992	0%	19.48%
14   January 1, 1993, through		
15   December 31, 1993	0%	20.55%
16   January 1, 1994, through		
17   December 31, 1994	0%	23.07%
18   January 1, 1995, through		
19   December 31, 1995	0%	23.88%
20   January 1, 1996, through		
21   June 30, 1996	0%	24.14%
22   <del>Effective</del> <u>July 1, 1996, through June 30,</u>		
23   <u>1998</u>	0%	21.58%
24   <u>Effective July 1, 1998</u>	<u>0%</u>	<u>23.10%</u>
25		

26 | (c) The following table states the required employer  
 27 | contribution on behalf of each member of the Senior Management  
 28 | Service Class in terms of a percentage of the member's gross  
 29 | compensation. Such contribution constitutes the entire health  
 30 | insurance subsidy contribution with respect to the member. A  
 31 | change in the contribution rate is effective with the first

1 salary paid on or after the beginning date of the change. The  
2 retiree health insurance subsidy contribution rate is as  
3 follows:

4	5 Dates of Contribution	6 Contribution
7	8 Rate Changes	9 Rate
10	11 October 1, 1987, through December 31, 1988	12 0.24%
11	13 January 1, 1989, through December 31, 1993	14 0.48%
12	15 January 1, 1994, through December 31, 1994	16 0.56%
13	17 <del>Effective</del> January 1, 1995, <u>through June 30,</u>	18
14	19 <u>1998</u>	20 0.66%
15	21 <u>Effective July 1, 1998</u>	22 <u>0.80%</u>

16 Such contributions shall be deposited by the administrator in  
17 the Retiree Health Insurance Subsidy Trust Fund.

18 Section 6. Subsections (1) and (4) of section 121.071,  
19 Florida Statutes, are amended to read:

20 121.071 Contributions.--Contributions to the system  
21 shall be made as follows:

22 (1) The following tables state the required retirement  
23 contribution rates for members of the Regular Class, Special  
24 Risk Class, or Special Risk Administrative Support Class and  
25 their employers in terms of a percentage of the member's gross  
26 compensation. A change in a contribution rate is effective  
27 with the first salary paid on or after the beginning date of  
28 the change. Contributions shall be made or deducted as may be  
29 appropriate for each pay period and are in addition to the  
30 contributions required for social security and the Retiree  
31 Health Insurance Subsidy Trust Fund.

1	(a) Retirement contributions for regular members are		
2	as follows:		
3			
4	Dates of Contribution		
5	Rate Changes	Members	Employers
6			
7	December 1, 1970, through December		
8	31, 1974, for state agencies, state		
9	universities, community colleges,		
10	and district school boards	4%	4%
11			
12	December 1, 1970, through September		
13	30, 1975, for all other local		
14	government agencies	4%	4%
15			
16	January 1, 1975, through September		
17	30, 1978, for state agencies and		
18	state universities	0%	9%
19			
20	January 1, 1975, through July 31,		
21	1978, for community colleges and		
22	district school boards	0%	9%
23			
24	October 1, 1975, through September		
25	30, 1978, for all other local		
26	government agencies	0%	9%
27			
28	August 1, 1978, through September 30,		
29	1981, for community colleges and		
30	district school boards	0%	9.1%
31			



1			
2	October 1, 1978, through September		
3	30, 1981, for all other agencies	0%	9.1%
4			
5	October 1, 1981, through		
6	September 30, 1984	0%	10.93%
7	October 1, 1984, through		
8	September 30, 1986	0%	12.24%
9	October 1, 1986, through		
10	December 31, 1988	0%	13.14%
11	January 1, 1989, through		
12	December 31, 1989	0%	13.90%
13	January 1, 1990, through		
14	December 31, 1990	0%	14.66%
15	January 1, 1991, through		
16	December 31, 1991	0%	15.72%
17	January 1, 1992, through		
18	December 31, 1992	0%	16.51%
19	January 1, 1993, through		
20	December 31, 1993	0%	17.27%
21	January 1, 1994, through		
22	December 31, 1994	0%	17.10%
23	January 1, 1995, through		
24	December 31, 1995	0%	16.91%
25	January 1, 1996, through		
26	June 30, 1996	0%	17.00%
27	<del>Effective</del> July 1, 1996, <u>through June 30,</u>		
28	<u>1998</u>	0%	16.77%
29	<u>Effective July 1, 1998</u>	<u>0%</u>	<u>15.51%</u>
30			
31			

1 2	(b) Retirement contributions for special risk members are as follows:		
3 4	Dates of Contribution		
5 6	Rate Changes	Members	Employers
7 8	December 1, 1970, through September 30, 1974	6%	6%
9 10 11 12 13	October 1, 1974, through December 31, 1974, for state agencies, state universities, community colleges, and district school boards	8%	8%
14 15 16 17	October 1, 1974, through September 30, 1975, for all other local government agencies	8%	8%
18 19 20 21 22	January 1, 1975, through September 30, 1978, for state agencies, state universities, community colleges, and district school boards	0%	13%
23 24 25 26	October 1, 1975, through September 30, 1978, for other local government agencies	0%	13%
27 28 29	October 1, 1978, through September 30, 1981	0%	13.95%
30 31	October 1, 1981, through September 30, 1984	0%	13.91%



1	September 30, 1984	0%	11.14%
2	October 1, 1984, through		
3	September 30, 1986	0%	13.09%
4	October 1, 1986, through		
5	December 31, 1988	0%	15.44%
6	January 1, 1989, through		
7	December 31, 1989	0%	14.76%
8	January 1, 1990, through		
9	December 31, 1990	0%	14.09%
10	January 1, 1991, through		
11	December 31, 1991	0%	20.16%
12	January 1, 1992, through		
13	December 31, 1992	0%	19.51%
14	January 1, 1993, through		
15	December 31, 1993	0%	18.83%
16	January 1, 1994, through		
17	December 31, 1994	0%	18.59%
18	January 1, 1995, through		
19	December 31, 1995	0%	17.81%
20	January 1, 1996, through		
21	June 30, 1996	0%	17.80%
22	<del>Effective</del> <u>July 1, 1996, through June 30,</u>		
23	<u>1998</u>	0%	17.20%
24	<u>Effective July 1, 1998</u>	<u>0%</u>	<u>14.64%</u>

25

26 (4) The following table states the required employer  
 27 contribution on behalf of each member of the Regular Class,  
 28 Special Risk Class, or Special Risk Administrative Support  
 29 Class in terms of a percentage of the member's gross  
 30 compensation. Such contribution constitutes the entire health  
 31 insurance subsidy contribution with respect to the member. A

1 change in the contribution rate is effective with the first  
2 salary paid on or after the beginning date of the change. The  
3 retiree health insurance subsidy contribution rate is as  
4 follows:

5	6 Dates of Contribution	7 Contribution
8	9 Rate Changes	10 Rate
11	12 October 1, 1987, through December 31, 1988	13 0.24%
14	15 January 1, 1989, through December 31, 1993	16 0.48%
17	18 January 1, 1994, through December 31, 1994	19 0.56%
20	21 <del>Effective</del> January 1, 1995, <u>through June 30,</u>	22
23	23 <u>1998</u>	24 0.66%
24	25 <u>Effective July 1, 1998</u>	26 <u>0.80%</u>

27 Such contributions shall be deposited by the administrator in  
28 the Retiree Health Insurance Subsidy Trust Fund.

29 Section 7. Subsection (2), paragraph (d) of subsection  
30 (6), paragraph (a) of subsection (7), and subsection (8) of  
31 section 121.091, Florida Statutes, are amended, paragraphs (f)  
and (g) of subsection (7) of said section are redesignated as  
paragraphs (g) and (h), respectively, and a new paragraph (f)  
is added to said subsection, to read:

121.091 Benefits payable under the system.--No  
benefits shall be paid under this section unless the member  
has terminated employment as provided in s. 121.021(39) and a  
proper application has been filed in the manner prescribed by  
the division.

(2) BENEFITS PAYABLE FOR DUAL NORMAL RETIREMENT  
AGES.--In the event a member accumulates retirement benefits  
to commence at different normal retirement ages by virtue of

1 having performed duties for an employer which would entitle  
2 him or her to benefits as both a ~~regular member and special~~  
3 ~~risk~~ member of the Special Risk Class and a member of either  
4 the Regular Class, Senior Management Service Class, or Elected  
5 Officers' Class, the amount of benefits payable shall be  
6 computed separately with respect to each such age and the sum  
7 of such computed amounts shall be paid as provided in this  
8 section.

9 (6) OPTIONAL FORMS OF RETIREMENT BENEFITS AND  
10 DISABILITY RETIREMENT BENEFITS.--

11 (d) A member who elects the option in subparagraph  
12 (a)3. or subparagraph (a)4. shall, on a form provided for that  
13 purpose, designate a joint annuitant to receive the benefits  
14 which continue to be payable upon the death of the member.  
15 After benefits have commenced under the option in subparagraph  
16 (a)3. or subparagraph (a)4., the following shall apply:

17 1. A retired member may change his or her designation  
18 of a joint annuitant only twice. If such a retired member  
19 desires to change his or her designation of a joint annuitant,  
20 he or she shall file with the division a notarized "change of  
21 joint annuitant" form and shall notify the former joint  
22 annuitant in writing of such change. Upon receipt of a  
23 completed change of joint annuitant form, the division shall  
24 adjust the member's monthly benefit by the application of  
25 actuarial tables and calculations developed to ensure that the  
26 benefit paid is the actuarial equivalent of the present value  
27 of the member's current benefit. The consent of a retired  
28 member's first designated joint annuitant to any such change  
29 shall not be required.

30 2. In the event of the dissolution of marriage of a  
31 retired member and a joint annuitant, such member may make an

1 election to nullify the joint annuitant designation of the  
2 former spouse, unless there is an existing qualified domestic  
3 relations order preventing such action. The member shall file  
4 with the division a written, notarized nullification which  
5 shall be effective on the first day of the next month  
6 following receipt by the division. Benefits shall be paid as  
7 if the former spouse predeceased the member. A member who  
8 makes such an election may not reverse the nullification but  
9 may designate a new joint annuitant in accordance with  
10 subparagraph 1.

11 (7) DEATH BENEFITS.--

12 (a) If the employment of a member is terminated by  
13 reason of his or her death prior to the completion of 10 years  
14 of creditable service, except as provided in paragraph (f),  
15 there shall be payable to his or her designated beneficiary  
16 the member's accumulated contributions.

17 (f) Notwithstanding any other provisions in this  
18 chapter to the contrary and upon application to the  
19 administrator, an eligible joint annuitant, of a member whose  
20 employment is terminated by death within 1 year of such member  
21 satisfying the service requirements for vesting and retirement  
22 eligibility, shall be permitted to purchase only the  
23 additional service credit necessary to vest and qualify for  
24 retirement benefits by one of the following methods:

25 1. Such eligible joint annuitant may use the deceased  
26 member's accumulated hours of annual, sick, and compensatory  
27 leave to purchase additional creditable service, on an hour by  
28 hour basis, provided that such deceased member's accumulated  
29 leave is sufficient to cover the additional months required.  
30 For each month of service credit needed prior to the final  
31 month, credit for the total number of work hours in that month

1 must be purchased, using an equal number of the deceased  
2 member's accumulated leave hours. Service credit required for  
3 the final month in which the deceased member would have become  
4 vested shall be awarded upon the purchase of 1 hour of credit.  
5 Such eligible joint annuitant shall pay the contribution rate  
6 in effect at the time of purchase of the deceased member's  
7 class of membership, multiplied by such member's monthly  
8 salary at the time of death. The accumulated leave payment  
9 used in the average final compensation shall not include that  
10 portion of the payment that represents any leave hours used in  
11 the purchase of such creditable service.

12 2. Such eligible joint annuitant may purchase  
13 additional months of creditable service, up to a maximum of 1  
14 year, for any periods of out-of-state service as provided in  
15 s. 121.1115, or in-state service as provided in s. 121.1122,  
16 that the deceased member would have been eligible to purchase  
17 prior to his or her death.

18  
19 Service purchased under this paragraph shall be added to the  
20 creditable service of the member and used to vest for  
21 retirement eligibility, and shall be used in the calculation  
22 of any benefits which may be payable to the eligible joint  
23 annuitant. Any benefits paid in accordance with this  
24 paragraph shall only be made prospectively.

25 (8) DESIGNATION OF BENEFICIARIES.--Each member may, on  
26 a form provided for that purpose, signed and filed with the  
27 division, designate a choice of one or more persons, named  
28 sequentially or jointly, as his or her beneficiary who shall  
29 receive the benefits, if any, which may be payable in the  
30 event of the member's death pursuant to the provisions of this  
31 chapter. If no beneficiary is named in the manner provided



1 above, or if no beneficiary designated by the member survives  
2 the member, the beneficiary shall be the spouse of the  
3 deceased, if living. If the member's spouse is not alive at  
4 his or her death, the beneficiary shall be the living children  
5 of the member. If no children survive, the beneficiary shall  
6 be the member's father or mother, if living; otherwise, the  
7 beneficiary shall be the member's estate. The beneficiary  
8 most recently designated by a member on a form or letter filed  
9 with the division shall be the beneficiary entitled to any  
10 benefits payable at the time of the member's death, except  
11 benefits shall be paid as provided in paragraph (7)(d) when  
12 death occurs in the line of duty. Notwithstanding any other  
13 provisions in this subsection to the contrary, for a member  
14 who dies prior to his or her effective date of retirement on  
15 or after January 1, 1999, the spouse at the time of death  
16 shall be the member's beneficiary unless such member  
17 designates a different beneficiary as provided herein  
18 subsequent to the member's most recent marriage.

19 Section 8. Subsection (1) of section 121.1122, Florida  
20 Statutes, is amended to read:

21 121.1122 Purchase of retirement credit for in-state  
22 public service and in-state service in accredited nonpublic,  
23 ~~nonsectarian~~ schools and colleges, including charter  
24 schools.--Effective January 1, 1998, a member of the Florida  
25 Retirement System may purchase creditable service for periods  
26 of certain public or nonpublic, ~~nonsectarian~~ employment  
27 performed in this state, as provided in this section.

28 (1) PURCHASE OF RETIREMENT CREDIT AUTHORIZED.--Subject  
29 to the provisions of subsections (2) and (3), a member of the  
30 Florida Retirement System may purchase up to 5 years of  
31 retirement credit for:

1 (a) Periods of public employment in this state; or  
2 (b) Periods of employment in charter schools or in any  
3 nonpublic, ~~nonsectarian~~ school or college in this state that  
4 is accredited by the Southern Association of Colleges and  
5 Schools.

6  
7 Credit for 1 year of such service may be purchased for each  
8 year of creditable service a member completes under the  
9 Florida Retirement System.

10 Section 9. Section 121.121, Florida Statutes, is  
11 amended to read:

12 121.121 ~~Future service to include~~ Authorized leaves of  
13 absence.--

14 (1) A member may purchase creditable service for  
15 ~~Future service of any member as defined in s. 121.021(21)~~  
16 ~~shall also include~~ up to 2 work years of ~~creditable service~~  
17 ~~for~~ authorized leaves of absence if:

18 (a)~~(1)~~ The member has completed a minimum of 10 years  
19 of creditable service, excluding periods of leave of absence;

20 (b)~~(2)~~ The leave of absence is authorized in writing  
21 by the employer of the member and approved by the  
22 administrator;

23 (c)~~(3)~~ The member returns to active employment  
24 performing service with a Florida Retirement System employer  
25 in a regularly established position immediately upon  
26 termination of the leave of absence and remains on the  
27 employer's payroll for 1 calendar month, except that a member  
28 who retires on disability while on a medical leave of absence  
29 shall not be required to return to employment; and

30 (d)~~(4)~~ The member makes the required contributions for  
31 service credit during the leave of absence, which shall be 8

1 percent until January 1, 1975, and 9 percent thereafter of his  
2 or her rate of monthly compensation in effect immediately  
3 prior to the commencement of such leave for each month of such  
4 period, plus 4 percent interest until July 1, 1975, and 6.5  
5 percent interest thereafter on such contributions, compounded  
6 annually each June 30 from the due date of the contribution to  
7 date of payment. Effective July 1, 1980, any leave of absence  
8 purchased pursuant to this section shall be at the  
9 contribution rates specified in s. 121.071 in effect at the  
10 time the leave is granted for the class of membership from  
11 which the leave of absence was granted; however, any member  
12 who purchased leave-of-absence credit prior to July 1, 1980,  
13 for a leave of absence from a position in a class other than  
14 the regular membership class, may pay the appropriate  
15 additional contributions plus compound interest thereon and  
16 receive creditable service for such leave of absence in the  
17 membership class from which the member was granted the leave  
18 of absence.

19 (2) A member who is required to resign his or her  
20 office as a subordinate officer, deputy sheriff, or police  
21 officer because he or she is a candidate for a public office  
22 which is currently held by his or her superior officer who is  
23 also a candidate for reelection to the same office, in  
24 accordance with s. 99.012(5), shall, upon return to covered  
25 employment, be eligible to purchase retirement credit for the  
26 period between his or her date of resignation and the  
27 beginning of the term of office for which he or she was a  
28 candidate as a leave of absence without pay, as provided in  
29 subsection (1).

30 Section 10. Subsection (3) of section 121.122, Florida  
31 Statutes, is amended to read:

1           121.122 Renewed membership in system.--Except as  
2 provided in s. 121.053, effective July 1, 1991, any retiree of  
3 a state-administered retirement system who is employed in a  
4 regularly established position with a covered employer shall  
5 be enrolled as a compulsory member of the Regular Class of the  
6 Florida Retirement System or, effective July 1, 1997, any  
7 retiree of a state-administered retirement system who is  
8 employed in a position included in the Senior Management  
9 Service Class shall be enrolled as a compulsory member of the  
10 Senior Management Service Class of the Florida Retirement  
11 System as provided in s. 121.055, and shall be entitled to  
12 receive an additional retirement benefit, subject to the  
13 following conditions:

14           (3) Such member shall be entitled to purchase  
15 additional retirement credit in the Regular Class or the  
16 Senior Management Service Class, as applicable,for any  
17 postretirement service performed in a regularly established  
18 position as follows:

19           (a) For regular class service prior to July 1, 1991,  
20 by paying the Regular Class applicable employee and employer  
21 contributions for the period being claimed, plus 4 percent  
22 interest compounded annually from first year of service  
23 claimed until July 1, 1975, and 6.5 percent interest  
24 compounded thereafter, until full payment is made to the  
25 Florida Retirement System Trust Fund; or

26           (b) For Senior Management Service Class prior to June  
27 1, 1997, as provided in s. 121.055(1)(h).

28  
29 The contribution for postretirement service between July 1,  
30 1985, and July 1, 1991, for which the reemployed retiree  
31 contribution was paid, shall be the difference between such

1 contribution and the total applicable contribution for the  
2 period being claimed, plus interest. The employer of such  
3 member may pay the applicable employer contribution in lieu of  
4 the member.

5 Section 11. Subsection (5) of section 121.30, Florida  
6 Statutes, is amended to read:

7 121.30 Statements of purpose and intent and other  
8 provisions required for qualification under the Internal  
9 Revenue Code of the United States.--Any other provisions in  
10 this chapter to the contrary notwithstanding, it is  
11 specifically provided that:

12 (5) No benefit payable hereunder for any limitation  
13 year shall exceed the maximum amount, including cost-of-living  
14 adjustments, allowable by law for qualified pension plans  
15 under applicable provisions of the Internal Revenue Code of  
16 the United States. In the event of any participation of a  
17 Florida Retirement System member in any other plan that is  
18 maintained by the participating employer, benefits that accrue  
19 under the Florida Retirement System shall be considered  
20 primary for any aggregate limitation applicable under s. 415  
21 of the Internal Revenue Code.

22 Section 12. Section 121.133, Florida Statutes, is  
23 created to read:

24 121.133 Cancellation of uncashed  
25 warrants.--Notwithstanding the provisions of s. 17.26 or s.  
26 717.123 to the contrary, effective July 1, 1998, if any state  
27 warrant issued by the Comptroller for the payment of  
28 retirement benefits from the Florida Retirement System Trust  
29 Fund, or any other pension trust fund administered by the  
30 division, is not presented for payment within 1 year after the  
31 last day of the month in which it was originally issued, the

1 Comptroller shall cancel the benefit warrant and credit the  
2 amount of the warrant to the Florida Retirement System Trust  
3 Fund or other pension trust fund administered by the division,  
4 as appropriate. The Division of Retirement may provide for  
5 issuance of a replacement warrant when deemed appropriate.

6 Section 13. Paragraph (b) of subsection (12) of  
7 section 121.40, Florida Statutes, is amended to read:

8 121.40 Cooperative extension personnel at the  
9 Institute of Food and Agricultural Sciences; supplemental  
10 retirement benefits.--

11 (12) CONTRIBUTIONS.--

12 (b) The monthly contributions required to be paid  
13 pursuant to paragraph (a) on the gross monthly salaries, from  
14 all sources with respect to such employment, paid to those  
15 employees of the institute who hold both state and federal  
16 appointments and who participate in the federal Civil Service  
17 Retirement System shall be as follows:

18	19 Dates of Contribution	Percentage
20	Rate Changes	Due
21		
22	July 1, 1985, through December 31, 1988	6.68%
23	January 1, 1989, through December 31, 1993	6.35%
24	January 1, 1994, through December 31, 1994	6.69%
25	January 1, 1995, through June 30, 1996	6.82%
26	<del>Effective</del> <u>July 1, 1996, through June 30,</u>	
27	<u>1998</u>	5.64%
28	<u>Effective July 1, 1998</u>	<u>7.17%</u>
29		

30 Section 14. Sections 121.0505 and 121.0516, Florida  
31 Statutes, are repealed.

1           Section 15. (1) The changes to the retirement  
2 contribution rates for the Florida Retirement System included  
3 in this act are the result of the 1997 Actuarial Valuation of  
4 the Florida Retirement System as recommended by the consulting  
5 actuaries. These changes shall remain in effect until such  
6 rates are further amended, or until such rates are adjusted as  
7 provided in subsection (2).

8           (2) The rate adjustments set forth in this act are in  
9 addition to all other changes to such contribution rates which  
10 are separately enacted into law and applicable on July 1,  
11 1998. With respect to such other changes, the Division of  
12 Statutory Revision of the Joint Legislative Management  
13 Committee is directed to edit the statutes as necessary to  
14 adjust the contribution rate percentages listed under ss.  
15 121.052(7)(a), 121.055(3)(a), and 121.071(1), Florida  
16 Statutes, as appropriate. Pursuant to s. 11.242(5)(i),  
17 Florida Statutes, the provisions of this section shall be  
18 omitted from publication in the Florida Statutes or any  
19 revision or supplement thereof.

20           Section 16. The Legislature finds that a proper and  
21 legitimate state purpose is served when employees and retirees  
22 of the state and its political subdivisions, and the  
23 dependents, survivors, and beneficiaries of such employees and  
24 retirees, are extended the basic protections afforded by  
25 governmental retirement systems that provide fair and adequate  
26 benefits and are managed, administered, and funded in an  
27 actuarially sound manner, as required by s. 14, Art. X of the  
28 State Constitution and part VII of chapter 112, Florida  
29 Statutes. Therefore, the Legislature hereby determines and  
30 declares that the provisions of this act fulfill an important  
31 state interest.

1           Section 17. In editing manuscript for the next edition  
2 of the official Florida Statutes, the Statutory Revision  
3 Division of the Joint Legislative Management Committee, or its  
4 successor, shall change "Elected State and County Officers'  
5 Class" to "Elected Officers' Class" wherever the same appears  
6 in chapter 121.

7           Section 18. Except as otherwise provided herein, this  
8 act shall take effect upon becoming a law.

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