

By Senator Silver

38-700-99

See HB 61

1 A bill to be entitled
2 An act relating to the Florida Retirement
3 System; amending s. 121.055, F.S.; revising
4 provisions with respect to the Senior
5 Management Service Class to remove certain
6 contribution requirements and limitations on
7 the amount and type of retirement benefits
8 which may be provided for certain participants
9 who opt to participate in the optional annuity
10 program; providing an effective date.

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

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14 Section 1. Paragraph (b) of subsection (1) of section
15 121.055, Florida Statutes, 1998 Supplement, is amended to
16 read:

17 121.055 Senior Management Service Class.--There is
18 hereby established a separate class of membership within the
19 Florida Retirement System to be known as the "Senior
20 Management Service Class," which shall become effective
21 February 1, 1987.

22 (1)

23 (b)1. Except as provided in subparagraph 2., effective
24 January 1, 1990, participation in the Senior Management
25 Service Class shall be compulsory for the president of each
26 community college, the manager of each participating city or
27 county, and all appointed district school superintendents.
28 Effective January 1, 1994, additional positions may be
29 designated for inclusion in the Senior Management Service
30 Class of the Florida Retirement System, provided that:

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1 a. Positions to be included in the class shall be
2 designated by the local agency employer. Notice of intent to
3 designate positions for inclusion in the class shall be
4 published once a week for 2 consecutive weeks in a newspaper
5 of general circulation published in the county or counties
6 affected, as provided in chapter 50.

7 b. One nonelective full-time position may be
8 designated for each local agency employer reporting to the
9 Division of Retirement; for local agencies with 100 or more
10 regularly established positions, additional nonelective
11 full-time positions may be designated, not to exceed 1 percent
12 of the regularly established positions within the agency.

13 c. Each position added to the class must be a
14 managerial or policymaking position filled by an employee who
15 is not subject to continuing contract and serves at the
16 pleasure of the local agency employer without civil service
17 protection, and who:

18 (I) Heads an organizational unit; or

19 (II) Has responsibility to effect or recommend
20 personnel, budget, expenditure, or policy decisions in his or
21 her areas of responsibility.

22 2. In lieu of participation in the Senior Management
23 Service Class, members of the Senior Management Service Class
24 pursuant to the provisions of subparagraph 1. may withdraw
25 from the Florida Retirement System altogether and participate
26 in a lifetime monthly annuity program which may be provided by
27 the employing agency. The cost to the employer for such
28 annuity shall equal the normal cost portion of the
29 contributions required in the Senior Management Service Class.
30 The employer providing such annuity shall contribute an
31 additional amount to the Florida Retirement System Trust Fund

1 equal to the unfunded actuarial accrued liability portion of
2 the Senior Management Service Class contribution rate. The
3 decision to participate in such local government annuity shall
4 be irrevocable for as long as the employee holds a position
5 eligible for the annuity. Any service creditable under the
6 Senior Management Service Class shall be retained after the
7 member withdraws from the Florida Retirement System; however,
8 additional service credit in the Senior Management Service
9 Class shall not be earned after such withdrawal. Such members
10 shall not be eligible to participate in the Senior Management
11 Service Optional Annuity Program. With respect to Senior
12 Management Class participants who have withdrawn from the
13 Florida Retirement System pursuant to this subparagraph prior
14 to January 1, 1999, contributions to the Florida Retirement
15 System Trust Fund on behalf of such Senior Management Service
16 Class participants for unfunded actuarial accrued liability
17 shall no longer be required and the limitation on the amount
18 and type of retirement benefits which can be provided for such
19 participants shall no longer be applicable.

20 Section 2. This act shall take effect October 1, 1999.

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23 HOUSE SUMMARY

24 Provides that with respect to certain Senior Management
25 Service Class participants in the Florida Retirement
26 System who have withdrawn from the system and elected to
27 participate in the optional annuity program prior to
28 January 1, 1999, contributions to the Florida Retirement
29 System Trust Fund on behalf of said participants for
30 unfunded actuarial accrued liability shall no longer be
31 required and the limitation on the amount and type of
retirement benefits which can be provided for said
participants is no longer applicable. See bill for
details.