

By the Committee on Governmental Operations and  
Representatives Posey, Ball, Fasano, A. Greene and Hafner

1                                   A bill to be entitled  
2           An act relating to state-administered  
3           retirement systems; amending s. 112.63, F.S.;  
4           providing for review and comment on local  
5           government retirement system actuarial  
6           valuation reports and impact statements on a  
7           triennial basis; clarifying the basis of  
8           required payments; amending s. 112.65, F.S.;  
9           modifying the limitation on benefits for  
10          service under more than one retirement system  
11          or plan; amending s. 121.011, F.S.; clarifying  
12          requirements related to consolidation of  
13          existing retirement systems and preservation of  
14          rights; amending s. 121.021, F.S.; redefining  
15          "creditable service" to conform the definition  
16          to existing law; clarifying creditable service  
17          provisions for certain school board employees;  
18          amending s. 121.031, F.S.; authorizing the  
19          Division of Retirement to adopt rules; creating  
20          the Florida Retirement System Actuarial  
21          Assumption Conference; providing for duties and  
22          members; reenacting s. 121.051(6), F.S.,  
23          relating to Florida Retirement System  
24          membership status of blind vending facility  
25          operators; reenacting ss. 121.052(7)(a),  
26          121.055(3)(a), and 121.071(1), F.S., relating  
27          to contribution rates; amending ss. 121.052,  
28          121.055, and 121.071, F.S., changing  
29          contribution rates for specified classes and  
30          subclasses of the system; correcting an error;  
31          conforming provisions relating to de minimis

1 accounts to federal law; amending s. 121.081,  
2 F.S.; clarifying provisions relating to past  
3 service and prior service; amending s. 121.091,  
4 F.S.; clarifying proof of disability  
5 requirements; modifying provisions relating to  
6 death benefits to permit purchase of certain  
7 retirement credit by joint annuitants;  
8 clarifying the contribution rate and interest  
9 required to be paid for such purchases;  
10 updating and correcting references; amending s.  
11 121.122, F.S.,; correcting a reference;  
12 amending 121.24, F.S.; authorizing the State  
13 Retirement Commission to adopt rules; amending  
14 s. 121.35, F.S.; conforming provisions relating  
15 to de minimis accounts to federal law; amending  
16 s. 121.40, F.S., to remove reemployment  
17 limitations and reenacting subsection (12),  
18 relating to contribution rates for the  
19 supplemental retirement program for the  
20 Institute of Food and Agricultural Sciences at  
21 the University of Florida; reenacting s.  
22 413.051(11) and (12), F.S., relating to Florida  
23 Retirement System membership eligibility and  
24 retirement contribution payments for blind  
25 vending facility operators; repealing s.  
26 121.027, F.S., relating to rulemaking authority  
27 for that act; providing an effective date.

28  
29 Be It Enacted by the Legislature of the State of Florida:  
30  
31

1           Section 1. Subsections (4) and (5) of section 112.63,  
2 Florida Statutes, are amended to read:

3           112.63 Actuarial reports and statements of actuarial  
4 impact; review.--

5           (4) Upon receipt, pursuant to subsection (2), of an  
6 actuarial report, or upon receipt, pursuant to subsection (3),  
7 of a statement of actuarial impact, the division shall  
8 acknowledge such receipt, but shall only review and comment on  
9 each retirement system's or plan's the actuarial valuations at  
10 least on a triennial basis and statements. If the division  
11 finds that the actuarial valuation is not complete, accurate,  
12 or based on reasonable assumptions, or if the division does  
13 not receive the actuarial report or statement of actuarial  
14 impact, the division shall notify the local government and  
15 request appropriate adjustment. If, after a reasonable period  
16 of time, a satisfactory adjustment is not made, the affected  
17 local government or the division may petition for a hearing  
18 under the provisions of ss. 120.569 and 120.57. If the  
19 administrative law judge recommends in favor of the division,  
20 the division shall perform an actuarial review or prepare the  
21 statement of actuarial impact. The cost to the division of  
22 performing such actuarial review or preparing such statement  
23 shall be charged to the governmental entity of which the  
24 employees are covered by the retirement system or plan. If  
25 payment of such costs is not received by the division within  
26 60 days after receipt by the governmental entity of the  
27 request for payment, the division shall certify to the  
28 Comptroller the amount due, and the Comptroller shall pay such  
29 amount to the division from any funds payable to the  
30 governmental entity of which the employees are covered by the  
31 retirement system or plan. If the administrative law judge

1 recommends in favor of the local retirement system and the  
2 division performs an actuarial review, the cost to the  
3 division of performing the actuarial review shall be paid by  
4 the division.

5 (5) Payments made to the fund as required by this  
6 chapter shall be based on the normal and past service costs  
7 contained in the ~~state-accepted version of the~~ most recent  
8 actuarial valuation, subject to being state-accepted.

9 Section 2. Subsection (2) of section 112.65, Florida  
10 Statutes, is amended to read:

11 112.65 Limitation of benefits.--

12 (2) No member of a retirement system or plan covered  
13 by this part who is not now a member of such plan shall be  
14 allowed to receive a retirement benefit or pension which is in  
15 part or in whole based upon any service with respect to which  
16 the member is already receiving, or will receive in the  
17 future, a retirement benefit or pension from a different  
18 employer's ~~another~~ retirement system or plan. This  
19 restriction does not apply to social security benefits or  
20 federal benefits under chapter 67, Title 10, U.S. Code.

21 Section 3. Paragraph (b) of subsection (2) of section  
22 and paragraph (e) of subsection (3) of section 121.011,  
23 Florida Statutes, 1998 Supplement, are amended to read:

24 121.011 Florida Retirement System.--

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

26 (b) The chapters or retirement system laws named in  
27 paragraph (a) are hereby consolidated as separate instruments  
28 appended to the "Florida Retirement System Act" established by  
29 this chapter, and the administration of said chapters or  
30 retirement systems shall be consolidated with the  
31 administration of the Florida Retirement System established by

1 this chapter, and the Florida Retirement System shall assume  
2 all liabilities related to the payment of benefits to members  
3 and their beneficiaries under the respective retirement  
4 systems of the members and their beneficiaries.

5 (3) PRESERVATION OF RIGHTS.--

6 (e) Any member of the Florida Retirement System or any  
7 member of an existing system under this chapter on July 1,  
8 1975, who is not retired and who is, has been, or shall be,  
9 suspended and reinstated without compensation shall receive  
10 retirement service credit for the period of time from the date  
11 of suspension to the date of reinstatement, provided:

12 1. The creditable service claimed for the period of  
13 suspension does not exceed 24 months;

14 2. The member returns to active employment and remains  
15 on the employer's payroll for at least 1 calendar month ~~30~~  
16 ~~calendar days~~; and

17 3. The member pays into the Retirement System Trust  
18 Fund the total required employer contributions plus the total  
19 employee contributions, if applicable, based on the member's  
20 monthly compensation in effect for the pay period immediately  
21 preceding the period of suspension, prorated for the said  
22 period of suspension, plus interest thereon at a rate of 4  
23 percent per annum compounded annually until July 1, 1975, and  
24 6.5 percent interest thereafter until paid. If permitted by  
25 federal law, the member may pay into the Social Security Trust  
26 Fund the total cost, if any, of providing social security  
27 coverage for the period of suspension if any social security  
28 payments have been made by the employer for the benefit of the  
29 member during such period. Should there be any conflict as to  
30 payment for social security coverage, the payment for  
31

1 retirement service credit shall be made and retirement service  
2 credit granted regardless of such conflict.

3 Section 4. Paragraph (a) of subsection (17) of section  
4 121.021, Florida Statutes, 1998 Supplement, is amended to  
5 read:

6 121.021 Definitions.--The following words and phrases  
7 as used in this chapter have the respective meanings set forth  
8 unless a different meaning is plainly required by the context:

9 (17)(a) "Creditable service" of any member means the  
10 sum of his or her past service, prior service, military  
11 service, out-of-state or non-FRS in-state service, workers'  
12 compensation credit, leave-of-absence credit and future  
13 service allowed within the provisions of this chapter if all  
14 required contributions have been paid and all other  
15 requirements of this chapter have been met. However, in no  
16 case shall a member receive credit for more than a year's  
17 service during any 12-month period. Service by ~~as applied to a~~  
18 teacher, or a nonacademic employee of a school board, or an  
19 employee of a participating employer other than a school board  
20 whose total employment is to provide services to a school  
21 board for the school year only shall be based on contract  
22 years of employment or school term years of employment, as  
23 provided in chapters 122 and 238, rather than 12-month periods  
24 of employment.

25 Section 5. Subsections (1) and (3) of section 121.031,  
26 Florida Statutes, are amended to read:

27 121.031 Administration of system; appropriation;  
28 oaths; actuarial studies; public records.--

29 (1) The Division of Retirement has the authority to  
30 adopt ~~shall make such~~ rules pursuant to ss. 120.54 and  
31 120.536(1) to implement the provisions of law conferring

1 duties upon the division and to adopt rules as are necessary  
2 for the effective and efficient administration of this system.  
3 The funds to pay the expenses for ~~such~~ administration of the  
4 system are hereby appropriated from the interest earned on  
5 investments made for the retirement and social security trust  
6 funds and the assessments allowed under chapter 650.

7 (3) The administrator shall cause an actuarial study  
8 of the system to be made at least once every 2 years and shall  
9 report the results of such study to the Legislature by  
10 February 1 prior to the next legislative session. ~~Such study~~  
11 ~~shall, at a minimum, conform to the requirements of s. 112.63,~~  
12 ~~with the following exceptions and additions:~~

13 (a) The study shall, at a minimum, conform to the  
14 requirements of s. 112.63, with the following exceptions and  
15 additions:

16 1.(a) The valuation of plan assets shall be based on a  
17 5-year averaging methodology such as that specified in the  
18 United States Department of Treasury Regulations, 26 C.F.R. s.  
19 1.412(c)(2)-1, or a similar accepted approach designed to  
20 attenuate fluctuations in asset values.

21 2.(b) The study shall include a narrative explaining  
22 the changes in the covered group over the period between  
23 actuarial valuations and the impact of those changes on  
24 actuarial results.

25 3.(c) When substantial changes in actuarial  
26 assumptions have been made, the study shall reflect the  
27 results of an actuarial assumption as of the current date  
28 based on the assumptions utilized in the prior actuarial  
29 report.

30 4.(d) The study shall include an analysis of the  
31 changes in actuarial valuation results by the factors

1 generating those changes. Such analysis shall reconcile the  
2 current actuarial valuation results with those results from  
3 the prior valuation.

4 5.(e) The study shall include measures of funding  
5 status and funding progress designed to facilitate the  
6 assessment of trends over several actuarial valuations with  
7 respect to the overall solvency of the system. Such measures  
8 shall be adopted by the division and shall be used  
9 consistently in all actuarial valuations performed on the  
10 system.

11 (b) The Florida Retirement System Actuarial Assumption  
12 Conference which is hereby created shall by consensus develop  
13 official information with respect to the economic and  
14 noneconomic assumptions and funding methods of the Florida  
15 Retirement System necessary to perform the study. Such  
16 information shall include: an analysis of the actuarial  
17 assumptions and actuarial methods and a determination of  
18 whether changes to the assumptions or methods need to be made  
19 due to experience changes or revised future forecasts. The  
20 members of the conference shall include the budget director of  
21 the Office of Planning and Budgeting, the executive director  
22 of the State Board of Administration, the director of the  
23 Division of Retirement, the Coordinator of the Office of  
24 Economic and Demographic Research, the staff director of the  
25 Senate Committee on Budget, the executive director of the  
26 House of Representatives Fiscal Responsibility Council, the  
27 staff director of the Senate Committee on Governmental  
28 Oversight and Productivity, and the staff director of the  
29 House of Representatives Committee on Governmental Operations.  
30 The executive director of the State Board of Administration  
31 shall preside over sessions of the conference.



1           Section 6. Subsection (6) of section 121.051, Florida  
2 Statutes, 1998 Supplement, as amended by chapter 96-423, Laws  
3 of Florida, is reenacted to read:

4           121.051 Participation in the system.--

5           (6) SEASONAL STATE EMPLOYMENT; BLIND VENDING FACILITY  
6 OPERATORS.--

7           (a) Seasonal state employment shall be included under  
8 this chapter, and the time limit and procedure for claiming  
9 same as set forth in s. 122.07 shall continue under this  
10 chapter for those members transferring to this system and for  
11 all new members.

12           (b)1. All blind or partially sighted persons employed  
13 or licensed by the Division of Blind Services as vending  
14 facility operators on or after December 1, 1970, and prior to  
15 July 1, 1996, are hereby declared to be state employees within  
16 the meaning of this chapter, and all vending facility  
17 operators licensed and employed during that period shall be  
18 compulsory members of the Florida Retirement System in  
19 compliance with this chapter for as long as the member is a  
20 vending facility operator, except as provided in subparagraph  
21 3.

22           2. Blindness shall not be deemed a retirement  
23 disability within the provisions of this chapter for such  
24 members as are contemplated by this paragraph.

25           3. Any vending facility operator as described in  
26 subparagraph 1. may elect, on or before July 31, 1996, to  
27 withdraw from the Florida Retirement System as provided in s.  
28 413.051(11). The election to withdraw shall take effect as of  
29 July 1, 1996, and the decision to withdraw is irrevocable. A  
30 vending facility operator who withdraws from the Florida  
31 Retirement System as provided in this subparagraph shall

1 retain all creditable service earned in the Florida Retirement  
2 System through the month that retirement contributions ceased  
3 to be reported, and no creditable service shall be earned as a  
4 vending facility operator after such month. However, any such  
5 person may participate in the Florida Retirement System in the  
6 future if employed by a participating employer in a covered  
7 position.

8 4. All blind or partially sighted persons employed or  
9 licensed by the Division of Blind Services as vending facility  
10 operators on or after July 1, 1996, shall be independent  
11 contractors within the meaning of this chapter and shall not  
12 be eligible for membership in the Florida Retirement System.

13 Section 7. Paragraph (a) of subsection (7) of section  
14 121.052, Florida Statutes, 1998 Supplement, as amended by  
15 chapters 96-423 and 98-413, Laws of Florida, is reenacted and  
16 amended to read:

17 121.052 Membership class of elected officers.--

18 (7) CONTRIBUTIONS.--

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

28

29 Dates of Contribution

30 Rate Changes Members Employers

31

1	July 1, 1972, through September 30, 1977		
2	Legislators	8%	8%
3	All Other Members	8%	8%
4			
5	October 1, 1977, through September 30, 1978		
6	Legislators	8%	8%
7	All Other Members	4%	12%
8			
9	October 1, 1978, through September 30, 1979		
10	Legislators	8%	10.57%
11	All Other Members	4%	16.78%
12			
13	October 1, 1979, through September 30, 1981		
14	Legislators	8%	10.57%
15	Governor, Lt. Governor, Cabinet		
16	Officers	4%	16.78%
17	All Other Members	0%	20.78%
18			
19	July 1, 1981, through June 30, 1984		
20	County Elected Officers	0%	19.30%
21			
22	July 1, 1984, through September 30, 1984		
23	County Elected Officers	0%	20.25%
24			
25	October 1, 1981, through September 30, 1984		
26	Legislators	0%	19.30%
27	Governor, Lt. Governor, Cabinet		
28	Officers	0%	21.03%
29	State Attorneys, Public Defenders	0%	20.95%
30	Justices, Judges	0%	22.55%
31			

1	October 1, 1984, through September 30, 1986		
2	Legislators	0%	10.98%
3	Governor, Lt. Governor, Cabinet		
4	Officers	0%	10.98%
5	State Attorneys, Public Defenders	0%	10.98%
6	Justices, Judges	0%	21.79%
7	County Elected Officers	0%	16.97%
8			
9	October 1, 1986, through December 31, 1988		
10	Legislators	0%	11.50%
11	Governor, Lt. Governor, Cabinet		
12	Officers	0%	11.50%
13	State Attorneys, Public Defenders	0%	11.50%
14	Justices, Judges	0%	20.94%
15	County Elected Officers	0%	17.19%
16			
17	January 1, 1989, through December 31, 1989		
18	Legislators	0%	13.70%
19	Governor, Lt. Governor, Cabinet		
20	Officers	0%	13.70%
21	State Attorneys, Public Defenders	0%	13.70%
22	Justices, Judges	0%	22.58%
23	County Elected Officers	0%	18.44%
24			
25	January 1, 1990, through December 31, 1990		
26	Legislators	0%	15.91%
27	Governor, Lt. Governor, Cabinet		
28	Officers	0%	15.91%
29	State Attorneys, Public Defenders	0%	15.91%
30	Justices, Judges	0%	24.22%
31	County Elected Officers	0%	19.71%

1			
2	January 1, 1991, through December 31, 1991		
3	Legislators	0%	17.73%
4	Governor, Lt. Governor, Cabinet		
5	Officers	0%	17.73%
6	State Attorneys, Public Defenders	0%	17.73%
7	Justices, Judges	0%	26.63%
8	County Elected Officers	0%	23.32%
9			
10	January 1, 1992, through December 31, 1992		
11	Legislators	0%	19.94%
12	Governor, Lt. Governor, Cabinet		
13	Officers	0%	19.94%
14	State Attorneys, Public Defenders	0%	19.94%
15	Justices, Judges	0%	28.27%
16	County Elected Officers	0%	24.59%
17			
18	January 1, 1993, through December 31, 1993		
19	Legislators	0%	22.14%
20	Governor, Lt. Governor, Cabinet		
21	Officers	0%	22.14%
22	State Attorneys, Public Defenders	0%	22.14%
23	Justices, Judges	0%	29.91%
24	County Elected Officers	0%	25.84%
25			
26	January 1, 1994, through December 31, 1994		
27	Legislators	0%	22.65%
28	Governor, Lt. Governor, Cabinet		
29	Officers	0%	22.65%
30	State Attorneys, Public Defenders	0%	22.65%
31	Justices, Judges	0%	30.52%

1	County Elected Officers	0%	26.07%
2			
3	January 1, 1995, through December 31, 1995		
4	Legislators	0%	22.80%
5	Governor, Lt. Governor, Cabinet		
6	Officers	0%	22.80%
7	State Attorneys, Public Defenders	0%	22.80%
8	Justices, Judges	0%	30.21%
9	County Elected Officers	0%	27.48%
10			
11	January 1, 1996, through June 30, 1996		
12	Legislators	0%	22.90%
13	Governor, Lt. Governor, Cabinet		
14	Officers	0%	22.90%
15	State Attorneys, Public Defenders	0%	22.90%
16	Justices, Judges	0%	30.15%
17	County Elected Officers	0%	27.54%
18			
19	July 1, 1996, through June 30, 1998		
20	Legislators	0%	23.07%
21	Governor, Lt. Governor, Cabinet		
22	Officers	0%	23.07%
23	State Attorneys, Public Defenders	0%	23.07%
24	Justices, Judges	0%	29.55%
25	County Elected Officers	0%	27.33%
26			
27	Effective July 1, 1998, <u>through</u>		
28	<u>June 30, 1999</u>		
29	Legislators	0%	22.33%
30	Governor, Lt. Governor, Cabinet		
31	Officers	0%	22.33%

1	State Attorneys, Public Defenders	0%	22.33%
2	Justices, Judges	0%	27.21%
3	County Elected Officers	0%	26.99%
4			
5	<u>Effective July 1, 1999</u>		
6	<u>Legislators</u>	<u>0%</u>	<u>14.31%</u>
7	<u>Governor, Lt. Governor, Cabinet</u>		
8	<u>Officers</u>	<u>0%</u>	<u>14.31%</u>
9	<u>State Attorneys, Public</u>		
10	<u>Defenders</u>	<u>0%</u>	<u>14.31%</u>
11	<u>Justices, Judges</u>	<u>0%</u>	<u>20.48%</u>
12	<u>County Elected</u>		
13	<u>Officers</u>	<u>0%</u>	<u>17.05%</u>
14			

15 Section 8. Paragraph (a) of subsection (3) of section  
16 121.055, Florida Statutes, 1998 Supplement, as amended by  
17 chapters 96-423 and 98-413, Laws of Florida, is reenacted and  
18 amended, and paragraph (e) of subsection (6) of said section  
19 is amended, to read:

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

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

1	contributions required for social security and the Retiree		
2	Health Insurance Subsidy Trust Fund.		
3			
4	Dates of Contribution		
5	Rate Changes	Members	Employers
6			
7	February 1, 1987, through		
8	December 31, 1988	0%	13.88%
9	January 1, 1989, through		
10	December 31, 1989	0%	14.95%
11	January 1, 1990, through		
12	December 31, 1990	0%	16.04%
13	January 1, 1991, through		
14	December 31, 1991	0%	18.39%
15	January 1, 1992, through		
16	December 31, 1992	0%	19.48%
17	January 1, 1993, through		
18	December 31, 1993	0%	20.55%
19	January 1, 1994, through		
20	December 31, 1994	0%	23.07%
21	January 1, 1995, through		
22	December 31, 1995	0%	23.88%
23	January 1, 1996, through		
24	June 30, 1996	0%	24.14%
25	July 1, 1996, through		
26	June 30, 1998	0%	21.58%
27	<del>Effective</del> <u>July 1, 1998, through</u>		
28	<u>June 30, 1999</u>	0%	23.10%
29	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>11.19%</u>
30			
31	(6)		



1 (e) Benefits.--

2 1. Benefits shall be payable under the Senior  
3 Management Service Optional Annuity Program only to  
4 participants in the program, or their beneficiaries as  
5 designated by the participant in the contract with a provider  
6 company, and such benefits shall be paid by the designated  
7 company in accordance with the terms of the annuity contract  
8 or contracts applicable to the participant. A participant must  
9 be terminated from all employment with all Florida Retirement  
10 System employers as provided in s. 121.021(39) to begin  
11 receiving the employer-funded benefit. Benefits funded by  
12 employer contributions shall be payable only as a lifetime  
13 annuity to the participant, his beneficiary, or his estate,  
14 except for:

15 a. A lump-sum payment to the beneficiary upon the  
16 death of the participant; or

17 b. A cash-out of a de minimis account upon the request  
18 of a former participant who has been terminated for a minimum  
19 of 6 months from the employment that entitled him to optional  
20 annuity retirement program participation. A de minimis account  
21 is an account with a provider company containing employer  
22 contributions and accumulated earnings of not more than \$5,000  
23 ~~\$3,500~~ made under the provisions of this chapter. Such  
24 cash-out must be a complete liquidation of the account balance  
25 with that company and is subject to the provisions of the  
26 Internal Revenue Code.

27 2. The benefits payable to any person under the Senior  
28 Management Service Optional Annuity Program, and any  
29 contribution accumulated under such program, shall not be  
30 subject to assignment, execution, or attachment or to any  
31 legal process whatsoever.

1           3. A participant who receives optional annuity program  
2 benefits funded by employer contributions shall be deemed to  
3 be retired from a state-administered retirement system in the  
4 event of subsequent employment with any employer that  
5 participates in the Florida Retirement System.

6           Section 9. Subsection (1) of section 121.071, Florida  
7 Statutes, 1998 Supplement, as amended by chapters 96-423 and  
8 98-413, Laws of Florida, is reenacted and amended to read:

9           121.071 Contributions.--Contributions to the system  
10 shall be made as follows:

11           (1) The following tables state the required retirement  
12 contribution rates for members of the Regular Class, Special  
13 Risk Class, or Special Risk Administrative Support Class and  
14 their employers in terms of a percentage of the member's gross  
15 compensation. A change in a contribution rate is effective  
16 with the first salary paid on or after the beginning date of  
17 the change. Contributions shall be made or deducted as may be  
18 appropriate for each pay period and are in addition to the  
19 contributions required for social security and the Retiree  
20 Health Insurance Subsidy Trust Fund.

21           (a) Retirement contributions for regular members are  
22 as follows:

23  
24 Dates of Contribution

25 Rate Changes	Members	Employers
26		
27 December 1, 1970, through December		
28 31, 1974, for state agencies, state		
29 universities, community colleges,		
30 and district school boards	4%	4%

31

1			
2	December 1, 1970, through September		
3	30, 1975, for all other local		
4	government agencies	4%	4%
5			
6	January 1, 1975, through September		
7	30, 1978, for state agencies and		
8	state universities	0%	9%
9			
10	January 1, 1975, through July 31,		
11	1978, for community colleges and		
12	district school boards	0%	9%
13			
14	October 1, 1975, through September		
15	30, 1978, for all other local		
16	government agencies	0%	9%
17			
18	August 1, 1978, through September 30,		
19	1981, for community colleges and		
20	district school boards	0%	9.1%
21			
22	October 1, 1978, through September		
23	30, 1981, for all other agencies	0%	9.1%
24			
25	October 1, 1981, through		
26	September 30, 1984	0%	10.93%
27	October 1, 1984, through		
28	September 30, 1986	0%	12.24%
29	October 1, 1986, through		
30	December 31, 1988	0%	13.14%
31	January 1, 1989, through		

1	December 31, 1989	0%	13.90%
2	January 1, 1990, through		
3	December 31, 1990	0%	14.66%
4	January 1, 1991, through		
5	December 31, 1991	0%	15.72%
6	January 1, 1992, through		
7	December 31, 1992	0%	16.51%
8	January 1, 1993, through		
9	December 31, 1993	0%	17.27%
10	January 1, 1994, through		
11	December 31, 1994	0%	17.10%
12	January 1, 1995, through		
13	December 31, 1995	0%	16.91%
14	January 1, 1996, through		
15	June 30, 1996	0%	17.00%
16	July 1, 1996, through		
17	June 30, 1998	0%	16.77%
18	<del>Effective</del> <u>July 1, 1998, through</u>		
19	<u>June 30, 1999</u>	0%	15.51%
20	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>9.21%</u>

21  
22 (b) Retirement contributions for special risk members  
23 are as follows:

24	25 Dates of Contribution		
26	Rate Changes	Members	Employers
27			
28	December 1, 1970, through		
29	September 30, 1974	6%	6%
30			
31			

1			
2	October 1, 1974, through December 31,		
3	1974, for state agencies, state		
4	universities, community colleges,		
5	and district school boards	8%	8%
6			
7	October 1, 1974, through September		
8	30, 1975, for all other local		
9	government agencies	8%	8%
10			
11	January 1, 1975, through September		
12	30, 1978, for state agencies, state		
13	universities, community colleges,		
14	and district school boards	0%	13%
15			
16	October 1, 1975, through September		
17	30, 1978, for other local		
18	government agencies	0%	13%
19			
20	October 1, 1978, through		
21	September 30, 1981	0%	13.95%
22	October 1, 1981, through		
23	September 30, 1984	0%	13.91%
24	October 1, 1984, through		
25	September 30, 1986	0%	14.67%
26	October 1, 1986, through		
27	December 31, 1988	0%	15.11%
28	January 1, 1989, through		
29	December 31, 1989	0%	17.50%
30	January 1, 1990, through		
31	December 31, 1990	0%	19.90%

1	January 1, 1991, through		
2	December 31, 1991	0%	25.52%
3	January 1, 1992, through		
4	December 31, 1992	0%	26.35%
5	January 1, 1993, through		
6	December 31, 1993	0%	27.14%
7	January 1, 1994, through		
8	December 31, 1994	0%	27.03%
9	January 1, 1995, through		
10	December 31, 1995	0%	26.83%
11	January 1, 1996, through		
12	June 30, 1996	0%	26.84%
13	July 1, 1996, through		
14	June 30, 1998	0%	26.44%
15	<del>Effective</del> <u>July 1, 1998, through</u>		
16	<u>June 30, 199</u>	0%	24.38%
17	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>20.14%</u>

18

19 (c) Retirement contributions for special risk  
20 administrative support members are as follows:

21

22 Dates of Contribution

23	Rate Changes	Members	Employers
24			
25	July 1, 1982, through		
26	September 30, 1984	0%	11.14%
27	October 1, 1984, through		
28	September 30, 1986	0%	13.09%
29	October 1, 1986, through		
30	December 31, 1988	0%	15.44%
31	January 1, 1989, through		

1	December 31, 1989	0%	14.76%
2	January 1, 1990, through		
3	December 31, 1990	0%	14.09%
4	January 1, 1991, through		
5	December 31, 1991	0%	20.16%
6	January 1, 1992, through		
7	December 31, 1992	0%	19.51%
8	January 1, 1993, through		
9	December 31, 1993	0%	18.83%
10	January 1, 1994, through		
11	December 31, 1994	0%	18.59%
12	January 1, 1995, through		
13	December 31, 1995	0%	17.81%
14	January 1, 1996, through		
15	June 30, 1996	0%	17.80%
16	July 1, 1996, through		
17	June 30, 1998	0%	17.20%
18	<del>Effective</del> July 1, 1998, <u>through</u>		
19	<u>June 30, 1999</u>	0%	14.64%
20	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>11.53</u>

21  
22 Section 10. Paragraph (i) of subsection (1) and  
23 subsection (2) of section 121.081, Florida Statutes, 1998  
24 Supplement, are amended to read:

25 121.081 Past service; prior service;  
26 contributions.--Conditions under which past service or prior  
27 service may be claimed and credited are:

28 (1)

29 (i) An employee of a state agency who was a member of  
30 a state-administered retirement system and who was granted  
31 educational leave with pay pursuant to a written educational

1 leave-with-pay policy may claim such period of educational  
2 leave as past service subject to the following conditions:  
3 1. The educational leave must have occurred prior to  
4 December 31, 1971;  
5 2. The member must have completed at least 10 years of  
6 creditable service excluding the period of the educational  
7 leave;  
8 3. The employee must have returned to employment with  
9 a state agency employer who participated in the retirement  
10 system, which return was immediately upon termination of the  
11 educational leave, and must have remained on the employer's  
12 payroll for at least 1 calendar month ~~30 calendar days~~  
13 following the return to employment;  
14 4. The employee must be a member of the Florida  
15 Retirement System at the time he or she claims such service;  
16 5. Not more than 24 months of creditable service may  
17 be claimed for such period of educational leave with pay;  
18 6. The service must not be claimed under any other  
19 state or federal retirement system; and  
20 7. The member must pay to the retirement trust fund  
21 for claiming such past-service credit an amount equal to 8  
22 percent of his or her gross annual salary immediately prior to  
23 the educational leave with pay for each year of past service  
24 claimed, plus 4 percent interest thereon compounded annually  
25 each June 30 from the first year of service claimed until July  
26 1, 1975, and 6.5 percent interest thereafter on the unpaid  
27 balance compounded annually each June 30 until paid.  
28 (2) Prior service, as defined in s. 121.021(19), may  
29 be claimed as creditable service under the Florida Retirement  
30 System after a member has been reemployed for 1 complete year  
31 of creditable service within a period of 12 consecutive



1 ~~continuous~~ months, except as provided in paragraph (c).  
2 Service performed as a participant of the optional retirement  
3 program for the State University System under s. 121.35 or the  
4 Senior Management Service Optional Annuity Program under s.  
5 121.055 may be used to satisfy the reemployment requirement of  
6 1 complete year of creditable service ~~12-month~~  
7 ~~requirement~~. The member shall not be permitted to make any  
8 contributions for prior service until after completion of the  
9 1 year of creditable service ~~12-month period~~. The required  
10 contributions for claiming the various types of prior service  
11 are:

12 (a) For prior service performed prior to the date the  
13 system becomes noncontributory for the member and for which  
14 the member had credit under one of the existing retirement  
15 systems and received a refund of contributions upon  
16 termination of employment, the member shall contribute 4  
17 percent of all salary received during the period being  
18 claimed, plus 4 percent interest compounded annually from date  
19 of refund until July 1, 1975, and 6.5 percent interest  
20 compounded annually thereafter, until full payment is made to  
21 the Retirement Trust Fund. A member who elected to transfer to  
22 the Florida Retirement System from an existing system may  
23 receive credit for prior service under the existing system if  
24 he or she was eligible under the existing system to claim the  
25 prior service at the time of the transfer. Contributions for  
26 such prior service shall be determined by the applicable  
27 provisions of the system under which the prior service is  
28 claimed and shall be paid by the member, with matching  
29 contributions paid by the employer at the time the service was  
30 performed. Effective July 1, 1978, the account of a person who  
31 terminated under s. 238.05(3) may not be charged interest for

1 contributions that remained on deposit in the Annuity Savings  
2 Trust Fund established under chapter 238, upon retirement  
3 under this chapter or chapter 238.

4 (b) For prior service performed prior to the date the  
5 system becomes noncontributory for the member and for which  
6 the member had credit under the Florida Retirement System and  
7 received a refund of contributions upon termination of  
8 employment, the member shall contribute at the rate that was  
9 required of him or her during the period of service being  
10 claimed, on all salary received during such period, plus 4  
11 percent interest compounded annually from date of refund until  
12 July 1, 1975, and 6.5 percent interest compounded annually  
13 thereafter, until the full payment is made to the Retirement  
14 Trust Fund.

15 (c) For prior service as defined in s. 121.021(19)(b)  
16 and (c) during which no contributions were made because the  
17 member did not participate in a retirement system, the member  
18 shall contribute 14.38 percent of all salary received during  
19 such period or 14.38 percent of \$100 per month during such  
20 period, whichever is greater, plus 4 percent interest  
21 compounded annually from the first year of service claimed  
22 until July 1, 1975, and 6.5 percent interest compounded  
23 annually thereafter, until full payment is made to the  
24 Retirement Trust Fund.

25 (d) In order to claim credit for prior service as  
26 defined in s. 121.021(19)(d) for which no retirement  
27 contributions were paid during the period of such service, the  
28 member shall contribute the total employee and employer  
29 contributions which were required to be made to the Highway  
30 Patrol Pension Trust Fund, as provided in chapter 321, during  
31 the period claimed, plus 4 percent interest compounded

1 annually from the first year of service until July 1, 1975,  
2 and 6.5 percent interest compounded annually thereafter, until  
3 full payment is made to the Retirement Trust Fund. However,  
4 any governmental entity which employed such member may elect  
5 to pay up to 50 percent of the contributions and interest  
6 required to purchase this prior service credit.

7 (e) For service performed under the Florida Retirement  
8 System after December 1, 1970, that was never reported to the  
9 division due to error, retirement credit may be claimed by a  
10 member of the Florida Retirement System. The division shall  
11 adopt rules establishing criteria for claiming such credit and  
12 detailing the documentation required to substantiate the  
13 error.

14 (f) The employer may not be required to make  
15 contributions for prior service credit for any member, except  
16 that the employer shall pay the employer portion of  
17 contributions for any legislator who elects to withdraw from  
18 the Florida Retirement System and later rejoins the system and  
19 pays any employee contributions required in accordance with s.  
20 121.052(3)(d).

21 Section 11. Paragraph (c) of subsection (4), paragraph  
22 (f) of subsection (7), and subparagraph 5. of paragraph (a)  
23 and paragraph (i) of subsection (13) of section 121.091,  
24 Florida Statutes, 1998 Supplement, are amended to read:

25 121.091 Benefits payable under the system.--Benefits  
26 may not be paid under this section unless the member has  
27 terminated employment as provided in s. 121.021(39)(a) or  
28 begun participation in the Deferred Retirement Option Program  
29 as provided in subsection (13), and a proper application has  
30 been filed in the manner prescribed by the division. The  
31 division may cancel an application for retirement benefits

1 when the member or beneficiary fails to timely provide the  
2 information and documents required by this chapter and the  
3 division's rules. The division shall adopt rules establishing  
4 procedures for application for retirement benefits and for the  
5 cancellation of such application when the required information  
6 or documents are not received.

7 (4) DISABILITY RETIREMENT BENEFIT.--

8 (b) Total and permanent disability.--A member shall be  
9 considered totally and permanently disabled if, in the opinion  
10 of the administrator, he or she is prevented, by reason of a  
11 medically determinable physical or mental impairment, from  
12 rendering useful and efficient service as an officer or  
13 employee.

14 (c) Proof of disability.--The administrator, before  
15 approving payment of any disability retirement benefit, shall  
16 require proof that the member is totally and permanently  
17 disabled as provided herein:

18 1. Such, ~~which~~ proof shall include the certification  
19 of the member's total and permanent disability by two licensed  
20 physicians of the state and such other evidence of disability  
21 as the administrator may require, including reports from  
22 vocational rehabilitation, evaluation, or testing specialists  
23 who have evaluated the applicant for employment.

24 2. It must be documented that:

25 a. The member's medical condition occurred or became  
26 symptomatic during the time the member was employed in an  
27 employee/employer relationship with his or her employer;

28 b. The member was totally and permanently disabled at  
29 the time he or she terminated covered employment; and

30 c. The member has not been employed with any other  
31 employer after such termination.

1           3. If the application is for in-line-of-duty  
2 disability, in addition to the requirements of subparagraph  
3 2., it must be documented by competent medical evidence that  
4 the disability was caused by a job-related illness or accident  
5 which occurred while the member was in an employee/employer  
6 relationship with his or her employer.

7           4. The unavailability of an employment position that  
8 the member is physically and mentally capable of performing  
9 will not be considered as proof of total and permanent  
10 disability.

11           (7) DEATH BENEFITS.--

12           (f) Notwithstanding any other provisions in this  
13 chapter to the contrary and upon application to the  
14 administrator, an eligible joint annuitant, of a member whose  
15 employment is terminated by death within 1 year of such member  
16 satisfying the service requirements for vesting and retirement  
17 eligibility, shall be permitted to purchase only the  
18 additional service credit necessary to vest and qualify for  
19 retirement benefits, not to exceed a total of 1 year of  
20 credit, by one or a combination of the following methods:

21           1. Such eligible joint annuitant may use the deceased  
22 member's accumulated hours of annual, sick, and compensatory  
23 leave to purchase additional creditable service, on an hour by  
24 hour basis, provided that such deceased member's accumulated  
25 leave is sufficient to cover the additional months required.  
26 For each month of service credit needed prior to the final  
27 month, credit for the total number of work hours in that month  
28 must be purchased, using an equal number of the deceased  
29 member's accumulated leave hours. Service credit required for  
30 the final month in which the deceased member would have become  
31 vested shall be awarded upon the purchase of 1 hour of credit.

1 Such eligible joint annuitant shall pay the contribution rate  
2 in effect for the period of time being claimed for ~~at the time~~  
3 ~~of purchase of~~ the deceased member's class of membership,  
4 multiplied by such member's monthly salary at the time of  
5 death, plus 6.5 percent interest compounded annually. The  
6 accumulated leave payment used in the average final  
7 compensation shall not include that portion of the payment  
8 that represents any leave hours used in the purchase of such  
9 creditable service.

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

16  
17 Service purchased under this paragraph shall be added to the  
18 creditable service of the member and used to vest for  
19 retirement eligibility, and shall be used in the calculation  
20 of any benefits which may be payable to the eligible joint  
21 annuitant. Any benefits paid in accordance with this  
22 paragraph shall only be made prospectively.

23         (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general,  
24 and subject to the provisions of this section, the Deferred  
25 Retirement Option Program, hereinafter referred to as the  
26 DROP, is a program under which an eligible member of the  
27 Florida Retirement System may elect to participate, deferring  
28 receipt of retirement benefits while continuing employment  
29 with his or her Florida Retirement System employer. The  
30 deferred monthly benefits shall accrue in the System Trust  
31 Fund on behalf of the participant, plus interest compounded

1 monthly, for the specified period of the DROP participation,  
2 as provided in paragraph (c). Upon termination of employment,  
3 the participant shall receive the total DROP benefits and  
4 begin to receive the previously determined normal retirement  
5 benefits. Participation in the DROP does not guarantee  
6 employment for the specified period of DROP.

7 (a) Eligibility of member to participate in the  
8 DROP.--All active Florida Retirement System members in a  
9 regularly established position, and all active members of  
10 either the Teachers' Retirement System established in chapter  
11 238 or the State and County Officers' and Employees'  
12 Retirement System established in chapter 122 which systems are  
13 consolidated within the Florida Retirement System under s.  
14 121.011, are eligible to elect participation in the DROP  
15 provided that:

16 5. A DROP participant may change employers while  
17 participating in the DROP, subject to the following:

18 a. A change of employment must take place without a  
19 break in service so that the member receives salary for each  
20 month of continuous DROP participation. If a member receives  
21 no salary during a month, DROP participation shall cease  
22 unless the employer verifies a continuation of the employment  
23 relationship for such participant pursuant to s.  
24 121.021(39)(b).

25 b. Such participant and new employer shall notify the  
26 division on forms required by the division as to the identity  
27 of the new employer.

28 c. The new employer shall acknowledge, in writing, the  
29 participant's DROP termination date, which may be extended but  
30 not beyond the original 60-month period provided in  
31 subparagraph (b)1., shall acknowledge liability for any

1 additional retirement contributions and interest required if  
2 the participant fails to timely terminate employment, and  
3 shall be subject to the adjustment required in  
4 sub-subparagraph (c)~~5.4~~.d.

5 (i) Contributions.--

6 1. All employers paying the salary of a DROP  
7 participant filling a regularly established position shall  
8 contribute 11.56 percent of such participant's gross  
9 compensation, which shall constitute the entire employer DROP  
10 contribution with respect to such participant. Such  
11 contributions, payable to the System Trust Fund in the same  
12 manner as required in s. 121.071, shall be made as appropriate  
13 for each pay period and are in addition to contributions  
14 required for social security and the Retiree Health Insurance  
15 Subsidy Trust Fund. Such employer, social security, and  
16 health insurance subsidy contributions are not included in the  
17 DROP.

18 2. The employer shall, in addition to subparagraph 1.,  
19 also withhold one-half of the entire social security  
20 contribution required for the participant. Contributions for  
21 social security by each participant and each employer, in the  
22 amount required for social security coverage as now or  
23 hereafter provided by the federal Social Security Act, shall  
24 be in addition to contributions specified in subparagraph 1.

25 3. All employers paying the salary of a DROP  
26 participant filling a regularly established position shall  
27 contribute the 0.66 percent of such participant's gross  
28 compensation required in s. 121.071(4), which shall constitute  
29 the employer's health insurance subsidy contribution with  
30 respect to such participant. Such contributions shall be

31



1 deposited by the administrator in the Retiree Health Insurance  
2 Subsidy Trust Fund.

3 Section 12. Subsection (3) of section 121.122, Florida  
4 Statutes, 1998 Supplement, is amended to read:

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

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

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

30 (b) For Senior Management Service Class prior to June  
31 1, 1997, as provided in s. 121.055(1)(i)(~~h~~).

1  
2 The contribution for postretirement service between July 1,  
3 1985, and July 1, 1991, for which the reemployed retiree  
4 contribution was paid, shall be the difference between such  
5 contribution and the total applicable contribution for the  
6 period being claimed, plus interest. The employer of such  
7 member may pay the applicable employer contribution in lieu of  
8 the member. If a member does not wish to claim credit for all  
9 of the postretirement service for which he or she is eligible,  
10 the service the member claims must be the most recent service.

11 Section 13. Subsection (5) of section 121.24, Florida  
12 Statutes, is renumbered as subsection (6), and a new  
13 subsection (5) is added to said section, to read:

14 121.24 Conduct of commission business; legal and other  
15 assistance; compensation.--

16 (5) The State Retirement Commission has the authority  
17 to adopt rules pursuant to ss. 120.54 and 120.536(1) to  
18 implement the provisions of law conferring duties upon the  
19 commission.

20 Section 14. Paragraph (a) of subsection (5) of section  
21 121.35, Florida Statutes, 1998 Supplement, is amended to read:

22 121.35 Optional retirement program for the State  
23 University System.--

24 (5) BENEFITS.--

25 (a) Benefits shall be payable under the optional  
26 retirement program only to vested participants in the program,  
27 or their beneficiaries as designated by the participant in the  
28 contract with a provider company, and such benefits shall be  
29 paid only by the designated company in accordance with the  
30 terms of the annuity contract or contracts applicable to the  
31 participant. The participant must be terminated from all

1 employment with all Florida Retirement System employers, as  
2 provided in s. 121.021(39), to begin receiving the  
3 employer-funded benefit. Benefits funded by employer  
4 contributions shall be payable only as a lifetime annuity to  
5 the participant, his beneficiary, or his estate, except for:  
6       1. A lump-sum payment to the beneficiary upon the  
7 death of the participant; or  
8       2. A cash-out of a de minimis account upon the request  
9 of a former participant who has been terminated for a minimum  
10 of 6 months from the employment that entitled him to optional  
11 retirement program participation. A de minimis account is an  
12 account with a provider company containing employer  
13 contributions and accumulated earnings of not more than \$5,000  
14 ~~\$3,500~~ made under the provisions of this chapter. Such  
15 cash-out must be a complete liquidation of the account balance  
16 with that company and is subject to the provisions of the  
17 Internal Revenue Code.

18       Section 15. Subsection (11) of section 121.40, Florida  
19 Statutes, 1998 Supplement, is amended, and subsection (12) of  
20 said section, as amended by chapters 96-423 and 98-413, Laws  
21 of Florida, is reenacted to read:

22       121.40 Cooperative extension personnel at the  
23 Institute of Food and Agricultural Sciences; supplemental  
24 retirement benefits.--

25       (4) ELIGIBILITY FOR SUPPLEMENT.--To be eligible for a  
26 benefit pursuant to the provisions of this section, a person  
27 must meet all of the following eligibility criteria:

28       (e) The person must not be entitled to any benefit  
29 from a state-supported retirement system or from social  
30 security based upon service as a cooperative extension  
31 employee of the institute. Participation in the Institute of

1 Food and Agricultural Sciences Supplemental Retirement Program  
2 shall not constitute membership in the Florida Retirement  
3 System.

4 (11) EMPLOYMENT AFTER RETIREMENT: LIMITATION.--

5 ~~(a)~~ Any person who is receiving a supplemental  
6 retirement benefit under this section may be reemployed by any  
7 private or public employer after retirement and receive  
8 supplemental retirement benefits pursuant to this section and  
9 compensation from his or her employer, without any  
10 limitations. However, if a retired participant who is  
11 receiving a supplemental retirement benefit under this section  
12 is reemployed at the institute in a position as a cooperative  
13 extension employee of the institute, he or she shall forfeit  
14 all rights to supplemental retirement benefits in accordance  
15 with the eligibility provisions of subsection (4)(e). ~~except~~  
16 ~~that no person may receive both a salary from reemployment~~  
17 ~~with any agency participating in the Florida Retirement System~~  
18 ~~and supplemental retirement benefits under this section for a~~  
19 ~~period of 12 months immediately subsequent to the date of~~  
20 ~~retirement.~~

21 ~~(b) Each person to whom the limitation in paragraph~~  
22 ~~(a) applies who violates such reemployment limitation and who~~  
23 ~~is reemployed with any agency participating in the Florida~~  
24 ~~Retirement System prior to completion of the 12-month~~  
25 ~~limitation period shall give timely notice of this fact in~~  
26 ~~writing to the employer and to the division and shall have his~~  
27 ~~or her supplemental retirement benefits suspended for the~~  
28 ~~balance of the 12-month limitation period. Any person~~  
29 ~~employed in violation of this subsection and any employing~~  
30 ~~agency which knowingly employs or appoints such person without~~  
31 ~~notifying the Division of Retirement to suspend retirement~~

1 ~~benefits shall be jointly and severally liable for~~  
2 ~~reimbursement to the retirement trust fund of any benefits~~  
3 ~~paid during the reemployment limitation period. To avoid~~  
4 ~~liability, such employing agency shall have a written~~  
5 ~~statement from the retiree that he or she is not retired from~~  
6 ~~a state-administered retirement system. Any supplemental~~  
7 ~~retirement benefits received while reemployed during this~~  
8 ~~reemployment limitation period shall be repaid to the trust~~  
9 ~~fund, and supplemental retirement benefits shall remain~~  
10 ~~suspended until such repayment has been made. Supplemental~~  
11 ~~benefits suspended beyond the reemployment limitation shall~~  
12 ~~apply toward repayment of supplemental benefits received in~~  
13 ~~violation of the reemployment limitation.~~

14 ~~(c) The reemployment by an employer participating in~~  
15 ~~the Florida Retirement System of any person receiving~~  
16 ~~supplemental retirement benefits under this section shall have~~  
17 ~~no effect on the amount of the supplemental benefit of that~~  
18 ~~person. Prior to July 1, 1991, upon employment of any person,~~  
19 ~~other than an elected officer as provided in s. 121.053, who~~  
20 ~~is receiving supplemental retirement benefits under this~~  
21 ~~section, the employer shall pay retirement contributions in an~~  
22 ~~amount equal to the unfunded actuarial accrued liability~~  
23 ~~portion of the employer contribution which would be required~~  
24 ~~for regular members of the Florida Retirement System.~~  
25 ~~Effective July 1, 1991, contributions shall be made as~~  
26 ~~provided in s. 121.122 for renewed membership.~~

27 ~~(d) The limitations of this subsection apply to~~  
28 ~~reemployment in any capacity with an "employer" as defined in~~  
29 ~~s. 121.021(10), irrespective of the category of funds from~~  
30 ~~which the person is compensated.~~

31 (12) CONTRIBUTIONS.--

1 (a) For the purposes of funding the supplemental  
2 benefits provided by this section, the institute is authorized  
3 and required to pay, commencing July 1, 1985, the necessary  
4 monthly contributions from its appropriated budget. These  
5 amounts shall be paid into the Institute of Food and  
6 Agricultural Sciences Supplemental Retirement Trust Fund,  
7 which is hereby created.

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

14	15	16	17
Dates of Contribution	Rate Changes	Percentage	Due
18	July 1, 1985, through December 31, 1988	6.68%	
19	January 1, 1989, through December 31, 1993	6.35%	
20	January 1, 1994, through December 31, 1994	6.69%	
21	January 1, 1995, through June 30, 1996	6.82%	
22	July 1, 1996, through June 30, 1998	5.64%	
23	Effective July 1, 1998	7.17%	

24  
25 Section 16. Subsection (11) of section 413.051,  
26 Florida Statutes, 1998 Supplement, as amended by chapter  
27 96-423 and subsection (12) of said section, as amended by  
28 chapters 96-423 and 98-149, Laws of Florida, are reenacted to  
29 read:

30 413.051 Eligible blind persons; operation of vending  
31 stands.--

1           (11) Effective July 1, 1996, blind licensees who  
2 remain members of the Florida Retirement System pursuant to s.  
3 121.051(6)(b)1. shall pay any unappropriated retirement costs  
4 from their net profits or from program income. Within 30 days  
5 after the effective date of this act, each blind licensee who  
6 is eligible to maintain membership in the Florida Retirement  
7 System under s. 121.051(6)(b)1., but who elects to withdraw  
8 from the system as provided in s. 121.051(6)(b)3., must, on or  
9 before July 31, 1996, notify the Division of Blind Services  
10 and the Division of Retirement in writing of his or her  
11 election to withdraw. Failure to timely notify the divisions  
12 shall be deemed a decision to remain a compulsory member of  
13 the Florida Retirement System. However, if, at any time after  
14 July 1, 1996, sufficient funds are not paid by a blind  
15 licensee to cover the required contribution to the Florida  
16 Retirement System, that blind licensee shall become ineligible  
17 to participate in the Florida Retirement System on the last  
18 day of the first month for which no contribution is made or  
19 the amount contributed is insufficient to cover the required  
20 contribution. For any blind licensee who becomes ineligible  
21 to participate in the Florida Retirement System as described  
22 in this subsection, no creditable service shall be earned  
23 under the Florida Retirement System for any period following  
24 the month that retirement contributions ceased to be reported.  
25 However, any such person may participate in the Florida  
26 Retirement System in the future if employed by a participating  
27 employer in a covered position.

28           (12) The Division of Blind Services may adopt rules to  
29 permit the division to establish and maintain vending  
30 facilities, issue licenses, establish and maintain a vending  
31 facility training program, provide vendors access to financial

1 data of the program, set aside funds from net proceeds of the  
2 vending facility, provide for the transfer and promotion of  
3 vendors, establish a vendors committee, provide for an  
4 operation agreement, provide duties and responsibilities of  
5 the division with respect to the vending facility program, and  
6 provide procedures for newspaper vending sales.

7           Section 17. Section 121.027, Florida Statutes, is  
8 repealed.

9           Section 18. This act shall take effect upon becoming  
10 law, except that the reenactment of subsection (6) of section  
11 121.051, paragraph (a) of subsection (7) of section 121.052,  
12 paragraph (a) of subsection (3) of section 121.055, subsection  
13 (1) of section 121.071, subsection (12) of section 121.40, and  
14 subsections (11) and (12) of section 413.051, Florida  
15 Statutes, shall operate retroactively to June 7, 1996.

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HOUSE SUMMARY

Revises provisions of law relating to state-administered retirement systems to:

1. Provide for review and comment on local government retirement system actuarial valuation reports and impact statements on a triennial basis and to provide clarification on the basis of required payments.
2. Modify the limitation on benefits for service under more than one retirement system or plan.
3. Clarify requirements relating to consolidation of existing systems and preservation of rights.
4. Redefine the term "creditable service" under the Florida Retirement System and clarify creditable service provisions for described school board employees.
5. Revise language to authorize the Division of Retirement to make rules and to create the Florida Retirement System Actuarial Assumption Conference.
6. Revise contribution rates under the Florida Retirement System.
7. Clarify proof of disability requirements, modify provisions related to death benefits to permit purchase of described retirement credits by joint annuitants, and clarify the contribution rate and interest required to be paid for such purchases.
8. Authorize the State Retirement Commission to adopt rules.

See bill for details.