

By the Committee on Governmental Oversight and Productivity

302-568-99

1 A bill to be entitled
2 An act relating to the Florida Retirement
3 System; amending s. 121.021, F.S., relating to
4 definitions; revising the number of years of
5 creditable service required for a member to
6 become eligible for benefits under the system;
7 providing for a member to receive a specified
8 percentage of credit towards vesting each year;
9 amending ss. 121.0515, 121.052, 121.053,
10 121.055, F.S., relating to the normal
11 retirement date and retirement benefits for
12 special risk members, the Elected State and
13 County Officers' Class, and the Senior
14 Management Service Class; revising the number
15 of years of creditable service required for
16 eligibility for benefits; amending ss. 121.091,
17 121.40, F.S., relating to disability retirement
18 benefits and supplement retirement benefits;
19 revising the number of years of creditable
20 service required for eligibility for benefits;
21 providing an effective date.

22

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

24

25 Section 1. Subsections (29) and (45) of section
26 121.021, Florida Statutes, 1998 Supplement, are amended to
27 read:

28 121.021 Definitions.--The following words and phrases
29 as used in this chapter have the respective meanings set forth
30 unless a different meaning is plainly required by the context:

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1 (29) "Normal retirement date" means the first day of
2 any month following the date a member attains one of the
3 following statuses:
4 (a) If a Regular Class member, the member:
5 1. Completes 5 ~~10~~ or more years of creditable service
6 and attains age 62; or
7 2. Completes 30 years of creditable service,
8 regardless of age, which may include a maximum of 4 years of
9 military service credit as long as such credit is not claimed
10 under any other system.
11 (b) If a Special Risk Class member, the member:
12 1. Completes 5 ~~10~~ or more years of creditable service
13 in the Special Risk Class and attains age 55;
14 2. Completes 25 years of creditable service in the
15 Special Risk Class, regardless of age; or
16 3. Completes 25 years of creditable service and
17 attains age 52, which service may include a maximum of 4 years
18 of military service credit as long as such credit is not
19 claimed under any other system and the remaining years are in
20 the Special Risk Class.
21 (c) If a Senior Management Service Class member, the
22 member:
23 1. Completes 5 ~~7~~ years of creditable service in the
24 Senior Management Service Class and attains age 62; or
25 2. Completes 30 years of any creditable service,
26 regardless of age, which may include a maximum of 4 years of
27 military service credit as long as such credit is not claimed
28 under any other system.
29 (d) If an Elected State County Officers' Class member,
30 the member:
31

1 1. Completes 5 & years of creditable service in the
2 Elected State and County Officers' Class and attains age 62;
3 or

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

8
9 "Normal retirement age" is attained on the "normal retirement
10 date."

11 (45) "Vested" or "vesting" means the guarantee that a
12 member is eligible to receive a future retirement benefit upon
13 completion of the required years of creditable service for the
14 employee's class of membership, even though the member may
15 have terminated covered employment before reaching normal or
16 early retirement date. On or after January 1, 2000, each
17 member shall receive 20 percent pro rata credit towards
18 vesting per year for each year of creditable service. Being
19 vested does not entitle a member to a disability benefit based
20 on a disability caused by an injury or disease that occurs
21 after termination of covered employment.

22 Section 2. Subsection (7) of section 121.0515, Florida
23 Statutes, 1998 Supplement, is amended to read:

24 121.0515 Special risk membership; criteria;
25 designation and removal of classification; credits for past
26 service and prior service; retention of special risk normal
27 retirement date.--

28 (7) RETENTION OF SPECIAL RISK NORMAL RETIREMENT
29 DATE.--

30 (a) A special risk member who is moved or reassigned
31 to a nonspecial risk law enforcement, firefighting, or

1 correctional administrative support position with the same
2 agency, or who is subsequently employed in such a position
3 with any law enforcement, firefighting, or correctional agency
4 under the Florida Retirement System, shall participate in the
5 Special Risk Administrative Support Class and shall earn
6 credit for such service at the same percentage rate as that
7 earned by a regular member. Notwithstanding the provisions of
8 subsection (4), service in such an administrative support
9 position shall, for purposes of s. 121.091, apply toward
10 satisfaction of the special risk normal retirement date, as
11 defined in s. 121.021(29)(b), provided that, while in such
12 position, the member remains certified as a law enforcement
13 officer, firefighter, or correctional officer; remains subject
14 to reassignment at any time to a position qualifying for
15 special risk membership; and completes an aggregate of 5 ~~10~~ or
16 more years of service as a designated special risk member
17 prior to retirement.

18 (b) Upon application by a member, the provisions of
19 this subsection shall apply, with respect to such member,
20 retroactively to October 1, 1978.

21 (c) The division shall adopt ~~such~~ rules ~~as are~~
22 ~~required~~ to administer this subsection.

23 Section 3. Subsection (8) and paragraphs (b) and (c)
24 of subsection (12) of section 121.052, Florida Statutes, 1998
25 Supplement, are amended to read:

26 121.052 Membership class of elected officers.--

27 (8) NORMAL RETIREMENT DATE; VESTING REQUIREMENT.--A
28 member of the Elected State and County Officers' Class shall
29 have the same normal retirement date as defined in s.
30 121.021(29) for a member of the regular class of the Florida
31 Retirement System, except that only 5 ~~8~~ years of creditable

1 service in this class are needed to attain the normal
2 retirement date specified in s. 121.021(29)(a). Any public
3 service commissioner who was removed from the Elected State
4 Officers' Class on July 1, 1979, after attaining at least 8
5 years of creditable service in that class shall be considered
6 to have reached the normal retirement date upon attaining age
7 62 as required in s. 121.021(29)(a).

8 (12) BENEFITS.--

9 (b) The benefit provisions of s. 121.091(2)-(6), (8),
10 (9), and (11), relating to benefits payable for dual normal
11 retirement ages, early retirement, disability retirement,
12 termination benefits, optional forms of retirement,
13 designation of beneficiaries, employment after retirement, and
14 method of computing actuarial equivalent, respectively, shall
15 also apply to members of the Elected State and County
16 Officers' Class, except that only 5 ~~8~~ years of creditable
17 service in this class are needed to attain the benefits
18 specified in s. 121.091(3) and (5). These provisions shall be
19 construed in such manner as to make them compatible with the
20 provisions of this section.

21 (c) The benefit provisions of s. 121.091(7), relating
22 to death benefits, shall apply to members of the Elected State
23 and County Officers' Class and shall be construed in such
24 manner as to make them compatible with the provisions of this
25 section; however, only 5 ~~8~~ years of creditable service in this
26 class are needed to obtain such benefits, except that:

27 1. If any elected official dies in office who would
28 have been vested under the Elected State and County Officers'
29 Class, any other class of the Florida Retirement System, or
30 any other state-administered retirement system, if the
31 official had lived to complete his or her term of office, the

1 official's spouse may elect to leave the official's retirement
2 contributions in the retirement trust fund and pay into said
3 fund any required contributions which would have been paid by
4 the officer or the employer had the officer lived to complete
5 the term of office.

6 2. If a deceased member's surviving spouse as
7 described in subparagraph 1. previously received a refund of
8 the member's contributions made to the retirement trust fund,
9 the surviving spouse may pay into the retirement trust fund an
10 amount equal to the deceased member's contributions previously
11 refunded, together with interest at 4 percent compounded
12 annually on the amount of such refunded contributions from the
13 date of refund until July 1, 1975, and at 6.5 percent
14 compounded annually thereafter to the date of payment, plus
15 such additional contributions as may be required under
16 subparagraph 1., in order to become vested, as applicable.

17
18 Upon conclusion of the term of office to which the deceased
19 officer was elected, a spouse who pays into the retirement
20 trust fund such additional or refunded contributions, plus
21 interest, shall be eligible to receive a monthly benefit in
22 the same manner as the surviving spouse of a member who dies
23 after accumulating the required number of years of creditable
24 service as described herein.

25 Section 4. Paragraph (a) of subsection (1) of section
26 121.053, Florida Statutes, 1998 Supplement, is amended to
27 read:

28 121.053 Participation in the Elected State and County
29 Officers' Class for retired members.--

30 (1)(a) Any member who retired under any existing
31 system as defined in s. 121.021(2), and receives a benefit

1 | thereof, and who serves in an office covered by the Elected
2 | State and County Officers' Class for a period of at least 5 &
3 | years, shall be entitled to receive an additional retirement
4 | benefit for such elected officer service prior to July 1,
5 | 1990, under the Elected State and County Officers' Class of
6 | the Florida Retirement System, as follows:

7 | 1. Upon completion of 5 & or more years of creditable
8 | service in an office covered by the Elected State and County
9 | Officers' Class, s. 121.052, such member shall notify the
10 | administrator of his or her intent to purchase elected officer
11 | service prior to July 1, 1990, and shall pay the member
12 | contribution applicable for the period being claimed, plus 4
13 | percent interest compounded annually from the first year of
14 | service claimed until July 1, 1975, and 6.5 percent interest
15 | compounded annually thereafter, until full payment is made to
16 | the Florida Retirement Trust Fund; however, such member may
17 | purchase retirement credit under the Elected State and County
18 | Officers' Class only for such service as an elected officer.

19 | 2. Upon payment of the amount specified in
20 | subparagraph 1., the employer shall pay into the Florida
21 | Retirement Trust Fund the applicable employer contribution for
22 | the period of elected officer service prior to July 1, 1990,
23 | being claimed by the member, plus 4 percent interest
24 | compounded annually from the first year of service claimed
25 | until July 1, 1975, and 6.5 percent interest compounded
26 | annually thereafter, until full payment is made to the Florida
27 | Retirement Trust Fund.

28 | Section 5. Paragraph (b) of subsection (4) of section
29 | 121.055, Florida Statutes, 1998 Supplement, is amended to
30 | read:

31 |

1 121.055 Senior Management Service Class.--There is
2 hereby established a separate class of membership within the
3 Florida Retirement System to be known as the "Senior
4 Management Service Class," which shall become effective
5 February 1, 1987.

6 (4)

7 (b) Service in an eligible position prior to February
8 1, 1987, or after January 31, 1987, shall satisfy the
9 requirement of attaining the normal retirement date as defined
10 in s. 121.021(29) for a Senior Management Service Class
11 member, provided the employee is a member of the Senior
12 Management Service Class after January 31, 1987. A member of
13 this class who fails to complete 5 ~~7~~ years of creditable
14 service in an eligible position shall be required to satisfy
15 the requirements for the normal retirement date for a regular
16 member as provided in s. 121.021(29).

17 Section 6. Paragraphs (a) and (j) of subsection (4) of
18 section 121.091, Florida Statutes, 1998 Supplement, are
19 amended to read:

20 121.091 Benefits payable under the system.--Benefits
21 may not be paid under this section unless the member has
22 terminated employment as provided in s. 121.021(39)(a) or
23 begun participation in the Deferred Retirement Option Program
24 as provided in subsection (13), and a proper application has
25 been filed in the manner prescribed by the division. The
26 division may cancel an application for retirement benefits
27 when the member or beneficiary fails to timely provide the
28 information and documents required by this chapter and the
29 division's rules. The division shall adopt rules establishing
30 procedures for application for retirement benefits and for the
31

1 cancellation of such application when the required information
2 or documents are not received.

3 (4) DISABILITY RETIREMENT BENEFIT.--

4 (a) Disability retirement; entitlement and effective
5 date.--

6 1. A member who becomes totally and permanently
7 disabled, as defined in paragraph (b), after completing 5
8 years of creditable service, or a member who becomes totally
9 and permanently disabled in the line of duty regardless of
10 service, shall be entitled to a monthly disability benefit;
11 except that any member with less than 5 years of creditable
12 service on July 1, 1980, or any person who becomes a member of
13 the Florida Retirement System on or after such date must have
14 completed 5 ~~10~~ years of creditable service prior to becoming
15 totally and permanently disabled in order to receive
16 disability retirement benefits for any disability which occurs
17 other than in the line of duty. However, if a member employed
18 on July 1, 1980, with less than 5 years of creditable service
19 as of that date, becomes totally and permanently disabled
20 after completing 5 years of creditable service and is found
21 not to have attained fully insured status for benefits under
22 the federal Social Security Act, such member shall be entitled
23 to a monthly disability benefit.

24 2. If the division has received from the employer the
25 required documentation of the member's termination of
26 employment, the effective retirement date for a member who
27 applies and is approved for disability retirement shall be
28 established by rule of the division.

29 3. For a member who is receiving Workers' Compensation
30 payments, the effective disability retirement date may not
31 precede the date the member reaches Maximum Medical

1 Improvement (MMI), unless the member terminates employment
2 prior to reaching MMI.

3 (j) Disability retirement of justice or judge by order
4 of Supreme Court.--

5 1. If a member is a justice of the Supreme Court,
6 judge of a district court of appeal, circuit judge, or judge
7 of a county court who has served for 5 ~~10~~ years or more as an
8 elected constitutional judicial officer, including service as
9 a judicial officer in any court abolished pursuant to Art. V
10 of the State Constitution, and who is retired for disability
11 by order of the Supreme Court upon recommendation of the
12 Judicial Qualifications Commission pursuant to the provisions
13 of Art. V of the State Constitution, the member's Option 1
14 monthly benefit as provided in subparagraph (6)(a)1. shall not
15 be less than two-thirds of his or her monthly compensation as
16 of the member's disability retirement date. Such a member may
17 alternatively elect to receive a disability retirement benefit
18 under any other option as provided in paragraph (6)(a).

19 2. Should any justice or judge who is a member of the
20 Florida Retirement System be retired for disability by order
21 of the Supreme Court upon recommendation of the Judicial
22 Qualifications Commission pursuant to the provisions of Art. V
23 of the State Constitution, then all contributions to his or
24 her account and all contributions made on his or her behalf by
25 the employer shall be transferred to and deposited in the
26 General Revenue Fund of the state, and there is hereby
27 appropriated annually out of the General Revenue Fund, to be
28 paid into the Florida Retirement System Fund, an amount
29 necessary to pay the benefits of all justices and judges
30 retired from the Florida Retirement System pursuant to Art. V
31 of the State Constitution.

1 Section 7. Paragraph (a) of subsection (4) and
2 paragraph (a) of subsection (8) of section 121.40, Florida
3 Statutes, 1998 Supplement, are amended to read:

4 121.40 Cooperative extension personnel at the
5 Institute of Food and Agricultural Sciences; supplemental
6 retirement benefits.--

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

10 (a) The person must have held both state and federal
11 appointments while employed at the institute, and have
12 completed 5 ~~10~~ years of creditable service with the institute,
13 subsequent to December 1, 1970.

14 (8) DEATH BENEFITS.--

15 (a) If the employment of a participant is terminated
16 by reason of his or her death subsequent to the completion of
17 5 ~~10~~ years of creditable service with the institute but prior
18 to his or her actual retirement, such 5-year ~~10-year~~ period
19 having commenced on or after December 1, 1970, it shall be
20 assumed that the participant had met all of the eligibility
21 requirements under this section and had retired from the
22 federal Civil Service Retirement System and under this section
23 as of the date of death, having elected, in accordance with
24 subsection (7), the optional form of supplemental payment most
25 favorable to his or her beneficiary, as determined by the
26 administrator. The monthly supplemental benefit provided in
27 this paragraph shall be paid to the participant's beneficiary
28 (spouse or other financial dependent) upon such beneficiary's
29 attaining the age of 62 and shall be paid thereafter for the
30 beneficiary's lifetime.

31 Section 8. This act shall take effect January 1, 2000.

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SENATE SUMMARY

Revises various provisions of the Florida Retirement System to change to 5 years the period required for a member to become vested in the retirement system. Provides for the change to take effect January 1, 2000.