

By the Committee on Governmental Oversight and Productivity;
and Senator Silver

302-1766-99

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A bill to be entitled
An act relating to the Florida Retirement
System; amending s. 121.055, F.S.; requiring
that a judge of compensation claims who is a
member of the Florida Retirement System
participate in the Senior Management Service
Class unless such judge elects to participate
in the Senior Management Service Optional
Annuity Program; providing an effective date.

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

Section 1. Subsection (1) of section 121.055, Florida
Statutes, 1998 Supplement, is amended to read:

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

(1)(a) Participation in the Senior Management Service
Class shall be limited to and compulsory for any member of the
Florida Retirement System who holds a position in the Senior
Management Service of the State of Florida, established by
part III of chapter 110, unless such member elects, within the
time specified herein, to participate in the Senior Management
Service Optional Annuity Program as established in subsection
(6).

(b)1. Except as provided in subparagraph 2., effective
January 1, 1990, participation in the Senior Management
Service Class shall be compulsory for the president of each
community college, the manager of each participating city or

1 county, and all appointed district school superintendents.
2 Effective January 1, 1994, additional positions may be
3 designated for inclusion in the Senior Management Service
4 Class of the Florida Retirement System, provided that:

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

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

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

22 (I) Heads an organizational unit; or

23 (II) Has responsibility to effect or recommend
24 personnel, budget, expenditure, or policy decisions in his or
25 her areas of responsibility.

26 2. In lieu of participation in the Senior Management
27 Service Class, members of the Senior Management Service Class
28 pursuant to the provisions of subparagraph 1. may withdraw
29 from the Florida Retirement System altogether and participate
30 in a lifetime monthly annuity program which may be provided by
31 the employing agency. The cost to the employer for such

1 annuity shall equal the normal cost portion of the
2 contributions required in the Senior Management Service Class.
3 The employer providing such annuity shall contribute an
4 additional amount to the Florida Retirement System Trust Fund
5 equal to the unfunded actuarial accrued liability portion of
6 the Senior Management Service Class contribution rate. The
7 decision to participate in such local government annuity shall
8 be irrevocable for as long as the employee holds a position
9 eligible for the annuity. Any service creditable under the
10 Senior Management Service Class shall be retained after the
11 member withdraws from the Florida Retirement System; however,
12 additional service credit in the Senior Management Service
13 Class shall not be earned after such withdrawal. Such members
14 shall not be eligible to participate in the Senior Management
15 Service Optional Annuity Program.

16 (c)1. Effective January 1, 1990, participation in the
17 Senior Management Service Class shall be compulsory for up to
18 75 nonelective positions at the level of committee staff
19 director or higher or equivalent managerial or policymaking
20 positions within the House of Representatives, as selected by
21 the Speaker of the House of Representatives, up to 50
22 nonelective positions at the level of committee staff director
23 or higher or equivalent managerial or policymaking positions
24 within the Senate, as selected by the President of the Senate,
25 all staff directors of joint committees and service offices of
26 the Legislature, the Auditor General and up to 9 managerial or
27 policymaking positions within his or her office as selected by
28 the Auditor General, and the executive director of the
29 Commission on Ethics.

30 2. Participation in this class shall be compulsory,
31 except as provided in subparagraph 3., for any legislative

1 employee who holds a position designated for coverage in the
2 Senior Management Service Class, and such participation shall
3 continue until the employee terminates employment in a covered
4 position.

5 3. In lieu of participation in the Senior Management
6 Service Class, at the discretion of the President of the
7 Senate and the Speaker of the House of Representatives, such
8 members may participate in the Senior Management Service
9 Optional Annuity Program as established in subsection (6).

10 (d) Effective January 1, 1991, participation in the
11 Senior Management Service Class shall be compulsory for any
12 member of the Florida Retirement System in a position that has
13 been designated eligible for inclusion in the Executive
14 Service of the State University System or who holds a position
15 as president of a state university, unless such member elects,
16 pursuant to s. 121.35, to participate in the optional
17 retirement program.

18 (e) Effective January 1, 1991, participation in the
19 Senior Management Service Class shall be compulsory for the
20 number of senior managers who have policymaking authority with
21 the State Board of Administration, as determined by the
22 Governor, Treasurer, and Comptroller acting as the State Board
23 of Administration, unless such member elects to participate in
24 the Senior Management Service Optional Annuity Program as
25 established in subsection (6) in lieu of participation in the
26 Senior Management Service Class. Such election shall be made
27 in writing and filed with the division and the personnel
28 officer of the State Board of Administration within 90 days
29 after becoming eligible for membership in the Senior
30 Management Service Class.

31 (f) Effective July 1, 1997:

1 1. Any elected state officer eligible for membership
2 in the Elected State and County Officers' Class under s.
3 121.052(2)(a), (b), or (c) who elects membership in the Senior
4 Management Service Class under s. 121.052(3)(c) may, within 6
5 months after assuming office or within 6 months after this act
6 becomes a law for serving elected state officers, elect to
7 participate in the Senior Management Service Optional Annuity
8 Program, as provided in subsection (6), in lieu of membership
9 in the Senior Management Service Class.

10 2. Any elected county officer eligible for membership
11 in the Elected State and County Officers' Class under s.
12 121.052(2)(d) who elects membership in the Senior Management
13 Service Class under s. 121.052(3)(c) may, within 6 months
14 after assuming office, or within 6 months after this act
15 becomes a law for serving elected county officers, elect to
16 participate in a lifetime monthly annuity program, as provided
17 in subparagraph (b)2., in lieu of membership in the Senior
18 Management Service Class.

19 (g) Effective July 1, 1996, participation in the
20 Senior Management Service Class shall be compulsory for any
21 member of the Florida Retirement System employed with the
22 Department of Military Affairs in the positions of the
23 Adjutant General, Assistant Adjutant General-Army, Assistant
24 Adjutant General-Air, State Quartermaster, Director of
25 Military Personnel, Director of Administration, and additional
26 directors as designated by the agency head, not to exceed a
27 total of 10 positions. In lieu of participation in the Senior
28 Management Service Class, such members may participate in the
29 Senior Management Service Optional Annuity Program as
30 established in subsection (6).

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1 (h)1. Except as provided in subparagraph 3., effective
2 January 1, 1994, participation in the Senior Management
3 Service Class shall be compulsory for the State Courts
4 Administrator and the Deputy State Courts Administrators, the
5 Clerk of the Supreme Court, the Marshal of the Supreme Court,
6 the Executive Director of the Justice Administrative
7 Commission, the Capital Collateral Representative, the clerks
8 of the district courts of appeals, the marshals of the
9 district courts of appeals, and the trial court administrator
10 in each judicial circuit. Except as provided in subparagraph
11 3., effective July 1, 1999, participation in the Senior
12 Management Service Class is compulsory for any new member of
13 the Florida Retirement System who is employed as a judge of
14 compensation claims with the Office of the Judges of
15 Compensation Claims within the Department of Labor and
16 Employment Security. Effective January 1, 1994, additional
17 positions in the offices of the state attorney and public
18 defender in each judicial circuit may be designated for
19 inclusion in the Senior Management Service Class of the
20 Florida Retirement System, provided that:

21 a. Positions to be included in the class shall be
22 designated by the state attorney or public defender, as
23 appropriate. Notice of intent to designate positions for
24 inclusion in the class shall be published once a week for 2
25 consecutive weeks in a newspaper of general circulation
26 published in the county or counties affected, as provided in
27 chapter 50.

28 b. One nonelective full-time position may be
29 designated for each state attorney and public defender
30 reporting to the Division of Retirement; for agencies with 200
31 or more regularly established positions under the state

1 attorney or public defender, additional nonelective full-time
2 positions may be designated, not to exceed 0.5 percent of the
3 regularly established positions within the agency.

4 c. Each position added to the class must be a
5 managerial or policymaking position filled by an employee who
6 serves at the pleasure of the state attorney or public
7 defender without civil service protection, and who:

8 (I) Heads an organizational unit; or

9 (II) Has responsibility to effect or recommend
10 personnel, budget, expenditure, or policy decisions in his or
11 her areas of responsibility.

12 2. Participation in this class shall be compulsory,
13 except as provided in subparagraph 3., for any judicial
14 employee who holds a position designated for coverage in the
15 Senior Management Service Class and such participation shall
16 continue until the employee terminates employment in a covered
17 position.

18 3. In lieu of participation in the Senior Management
19 Service Class, such members may participate in the Senior
20 Management Service Optional Annuity Program as established in
21 subsection (6).

22 (i) Except as may otherwise be provided, any member of
23 the Senior Management Service Class may purchase additional
24 retirement credit in such class for creditable service within
25 the purview of the Senior Management Service Class retroactive
26 to February 1, 1987, and may upgrade retirement credit for
27 such service, to the extent of 2 percent of the member's
28 average monthly compensation as specified in paragraph (4)(d)
29 for such service. Contributions for upgrading the additional
30 Senior Management Service credit pursuant to this paragraph
31 shall be equal to the difference in the contributions paid and

1 the Senior Management Service Class contribution rate as a
2 percentage of gross salary in effect for the period being
3 claimed, plus interest thereon at the rate of 6.5 percent a
4 year, compounded annually until the date of payment. This
5 service credit may be purchased by the employer on behalf of
6 the member.

7 Section 2. This act shall take effect July 1, 1999.

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9 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
10 COMMITTEE SUBSTITUTE FOR
11 Senate Bill 724

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12 The committee substitute provides for technical change placing
13 the judges of compensation claims in statute where similarly
14 situated government appointees also receive SMSC retirement
15 benefits only. These individuals are not classified as part of
16 the Senior Management Service personnel class and do not
17 necessarily receive full Senior Management Service personnel
18 benefits.

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