

1 A bill to be entitled
2 An act relating to the Florida Retirement
3 System; amending s. 121.055, F.S.; revising
4 provisions with respect to the Senior
5 Management Service Class to permit certain
6 local government senior managers to withdraw
7 from the Florida Retirement System altogether;
8 providing for matters relative thereto;
9 amending s. 121.055, F.S.; requiring that a
10 judge of compensation claims who is a member of
11 the Florida Retirement System participate in
12 the Senior Management Service Class unless such
13 judge elects to participate in the Senior
14 Management Service Optional Annuity Program;
15 providing an effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Paragraph (b) of subsection (1) of section
20 121.055, Florida Statutes, 1998 Supplement, is amended to
21 read:

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

27 (1)

28 (b)1. Except as provided in subparagraph 2., effective
29 January 1, 1990, participation in the Senior Management
30 Service Class shall be compulsory for the president of each
31 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 withdraw from the Florida Retirement System~~
 8 ~~participate in such local government annuity shall be~~
 9 ~~irrevocable for as long as the employee holds such a position~~
 10 ~~eligible for the annuity. Any service creditable under the~~
 11 ~~Senior Management Service Class shall be retained after the~~
 12 ~~member withdraws from the Florida Retirement System; however,~~
 13 ~~additional service credit in the Senior Management Service~~
 14 ~~Class shall not be earned after such withdrawal. Such members~~
 15 ~~shall not be eligible to participate in the Senior Management~~
 16 ~~Service Optional Annuity Program.~~

17 Section 2. Subsection (1) of section 121.055, Florida
 18 Statutes, 1998 Supplement, is amended to read:

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

24 (1)(a) Participation in the Senior Management Service
 25 Class shall be limited to and compulsory for any member of the
 26 Florida Retirement System who holds a position in the Senior
 27 Management Service of the State of Florida, established by
 28 part III of chapter 110, unless such member elects, within the
 29 time specified herein, to participate in the Senior Management
 30 Service Optional Annuity Program as established in subsection
 31 (6).

1 (b)1. Except as provided in subparagraph 2., effective
2 January 1, 1990, participation in the Senior Management
3 Service Class shall be compulsory for the president of each
4 community college, the manager of each participating city or
5 county, and all appointed district school superintendents.

6 Effective January 1, 1994, additional positions may be
7 designated for inclusion in the Senior Management Service
8 Class of the Florida Retirement System, provided that:

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

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

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

26 (I) Heads an organizational unit; or

27 (II) Has responsibility to effect or recommend
28 personnel, budget, expenditure, or policy decisions in his or
29 her areas of responsibility.

30 2. In lieu of participation in the Senior Management
31 Service Class, members of the Senior Management Service Class

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

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

1 the Auditor General, and the executive director of the
2 Commission on Ethics.

3 2. Participation in this class shall be compulsory,
4 except as provided in subparagraph 3., for any legislative
5 employee who holds a position designated for coverage in the
6 Senior Management Service Class, and such participation shall
7 continue until the employee terminates employment in a covered
8 position.

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

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

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

1 officer of the State Board of Administration within 90 days
2 after becoming eligible for membership in the Senior
3 Management Service Class.

4 (f) Effective July 1, 1997:

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

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

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

1 Management Service Class, such members may participate in the
2 Senior Management Service Optional Annuity Program as
3 established in subsection (6).

4 (h)1. Except as provided in subparagraph 3., effective
5 January 1, 1994, participation in the Senior Management
6 Service Class shall be compulsory for the State Courts
7 Administrator and the Deputy State Courts Administrators, the
8 Clerk of the Supreme Court, the Marshal of the Supreme Court,
9 the Executive Director of the Justice Administrative
10 Commission, the Capital Collateral Representative, the clerks
11 of the district courts of appeals, the marshals of the
12 district courts of appeals, and the trial court administrator
13 in each judicial circuit. Effective January 1, 1994,
14 additional positions in the offices of the state attorney and
15 public defender in each judicial circuit may be designated for
16 inclusion in the Senior Management Service Class of the
17 Florida Retirement System, provided that:

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

25 b. One nonelective full-time position may be
26 designated for each state attorney and public defender
27 reporting to the Division of Retirement; for agencies with 200
28 or more regularly established positions under the state
29 attorney or public defender, additional nonelective full-time
30 positions may be designated, not to exceed 0.5 percent of the
31 regularly established positions within the agency.

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

5 (I) Heads an organizational unit; or

6 (II) Has responsibility to effect or recommend
7 personnel, budget, expenditure, or policy decisions in his or
8 her areas of responsibility.

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

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

19 (i)1. Except as provided in subparagraph 2., effective
20 July 1, 1999, participation in the Senior Management Service
21 Class is compulsory for any member of the Florida Retirement
22 System who is employed as a judge of compensation claims with
23 the Office of the Judges of Compensation Claims within the
24 Department of Labor and Employment Security.

25 2. In lieu of participating in the Senior Management
26 Service Class, a judge of compensation claims may participate
27 in the Senior Management Service Optional Annuity Program
28 established under subsection (6).

29 (j)(i) Except as may otherwise be provided, any member
30 of the Senior Management Service Class may purchase additional
31 retirement credit in such class for creditable service within

1 the purview of the Senior Management Service Class retroactive
2 to February 1, 1987, and may upgrade retirement credit for
3 such service, to the extent of 2 percent of the member's
4 average monthly compensation as specified in paragraph (4)(d)
5 for such service. Contributions for upgrading the additional
6 Senior Management Service credit pursuant to this paragraph
7 shall be equal to the difference in the contributions paid and
8 the Senior Management Service Class contribution rate as a
9 percentage of gross salary in effect for the period being
10 claimed, plus interest thereon at the rate of 6.5 percent a
11 year, compounded annually until the date of payment. This
12 service credit may be purchased by the employer on behalf of
13 the member.

14 Section 3. This act shall take effect July 1, 1999.
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