

By Representative Gay

1                                   A bill to be entitled  
2           An act relating to the Florida Retirement  
3           System; creating the "Florida Retirement System  
4           Protection and Stabilization Act"; creating s.  
5           121.0455, F.S.; providing for the assumption of  
6           assets and liabilities of the system; amending  
7           s. 121.051, F.S.; providing for compulsory  
8           participation in the system; creating s.  
9           121.0535, F.S.; providing for the transfer of  
10          funds to the Florida Retirement System  
11          Stabilization Trust Fund; creating s. 121.1005,  
12          F.S.; providing for the purposes of the Florida  
13          Retirement System Stabilization Trust Fund;  
14          providing an effective date.

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

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18           Section 1. Short title.--This act may be cited as the  
19 "Florida Retirement System Protection and Stabilization Act."

20           Section 2. Section 121.0455, Florida Statutes, is  
21 created to read:

22           121.0455.--Assumption of Assets and  
23 Liabilities.--Effective June 1, 2000, the system identifying  
24 employees entitled to benefits pursuant to s. 121.051(1)(e)  
25 shall assume:

26           (1) All liabilities related to the payment of benefits  
27 to members of the Florida Retirement System and their  
28 beneficiaries; and

29           (2) All obligations in regard to funding and  
30 administering benefits accrued for the benefit of Florida  
31 Retirement System members, beneficiaries, and survivors.

1           Section 3. Paragraph (a) of subsection (1) of section  
2 121.051, Florida Statutes, is amended, and paragraph (e) is  
3 added to said subsection, to read:

4           121.051 Participation in the system.--

5           (1) COMPULSORY PARTICIPATION.--

6           (a) The provisions of this law shall be compulsory as  
7 to all officers and employees, except elected officers who  
8 meet the requirements of s. 121.052(3), who are employed on or  
9 after December 1, 1970, and before June 30, 2000, of an  
10 employer other than those referred to in paragraph (2)(b), and  
11 each officer or employee, as a condition of employment, shall  
12 become a member of the system as of his or her date of  
13 employment, except that a person who is retired from any state  
14 retirement system and is reemployed on or after December 1,  
15 1970, shall not be permitted to renew his or her membership in  
16 any state retirement system except as provided in s.

17 121.091(4)(h) for a person who recovers from disability, and  
18 as provided in s. 121.091(9)(b)8. for a person who is elected  
19 to public office, and, effective July 1, 1991, as provided in  
20 s. 121.122 for all other retirees. Officers and employees of  
21 the University Athletic Association, Inc., a nonprofit  
22 association connected with the University of Florida, employed  
23 on and after July 1, 1979, shall not participate in any  
24 state-supported retirement system. Any person appointed on or  
25 after July 1, 1989, to a faculty position in a college at the  
26 J. Hillis Miller Health Center at the University of Florida or  
27 the Medical Center at the University of South Florida which  
28 has a faculty practice plan provided by rule adopted by the  
29 Board of Regents shall not participate in the Florida  
30 Retirement System. A faculty member so appointed shall  
31 participate in the optional retirement program on the basis of

1 his or her state-funded compensation, notwithstanding the  
2 provisions of s. 121.35(2)(a).

3 (e) The provisions of this law shall be compulsory as  
4 to all officers and employees, except elected officers who  
5 meet the requirements of s. 121.052(3), who are employed on or  
6 after June 1, 2000, of an employer other than those referred  
7 to in paragraph (2)(b), and each officer or employee, as a  
8 condition of employment, shall become a member of the system  
9 as of his or her date of employment, except that a person who  
10 is retired from any state retirement system and is reemployed  
11 on or after December 1, 1970, and before May 31, 2000, shall  
12 not be permitted to renew his or her membership in any state  
13 retirement system except as provided in s. 121.09(4)(h) for a  
14 person who recovers from disability, and as provided in s.  
15 121.091(9)(b)8. for a person who is elected to public office,  
16 and, effective July 1, 1991, as provided in s. 121.122 for all  
17 other retirees. Officers and employees of the University  
18 Athletic Association, Inc., a nonprofit association connected  
19 with the University of Florida, employed on and after July 1,  
20 1979, shall not participate in any state-supported retirement  
21 system. Any person appointed on or after July 1, 1989, to  
22 faculty position in a college at the J. Hillis Miller Health  
23 Center at the University of Florida or the Medical Center at  
24 the University of South Florida which has a faculty practice  
25 plan provided by rule adopted by the Board of Regents shall  
26 not participate in the Florida Retirement System. A faculty  
27 member so appointed shall participate in the optional  
28 retirement program on the basis of his or her state-funded  
29 compensation, notwithstanding the provisions of s.  
30 121.35(2)(a).

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1           Section 4. Section 121.0535, Florida Statutes, is  
2 created to read:

3           121.0535 Transfer of Trust Fund Surplus.--The  
4 Department of Management Services shall direct the state  
5 treasurer to transfer to the Florida Retirement System  
6 Stabilization Trust Fund any funds that are:

7           (1) Not required to satisfy all liabilities of the  
8 retirement system for benefits; and

9           (2) Any funds not required to satisfy all liabilities  
10 associated with the Legislature implementing a defined  
11 contribution retirement plan in the year 2000.

12           Section 5. Section 121.1005, Florida Statutes, is  
13 created to read:

14           121.1005 Florida Retirement System Stabilization Trust  
15 Fund.--

16           (1) The Florida Retirement System Stabilization Trust  
17 Fund shall consist of the transfer of assets pursuant to s.  
18 121.0535.

19           (2) The trust fund shall be separate and apart from  
20 the Florida Retirement System Trust Fund.

21           (3) The funds of the Florida Retirement System  
22 Stabilization Trust Fund shall be appropriated for the  
23 following purposes:

24           (a) Each fiscal year, the Legislature may appropriate  
25 the interest earnings of the trust fund to stabilize the  
26 Florida Retirement System.

27           (b) Each fiscal year that the legislature does not  
28 appropriate the interest earnings of the trust fund to  
29 stabilize the Florida Retirement System, the Legislature may  
30 appropriate up to 85 percent of the interest earnings for  
31 other state needs, including funding the special risk formula

1 for firefighters and police officers, transportation,  
2 teachers' salaries and other education issues, children,  
3 health care, foster care, and elder care.

4 (c) The Legislature may, by a two-thirds vote of each  
5 house, appropriate a portion of the principal of the trust  
6 fund to stabilize the Florida Retirement System.

7 Section 6. This act shall take effect upon becoming a  
8 law.

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11 HOUSE SUMMARY

12 Creates the Florida Retirement System Stabilization Act.  
13 Transfers trust fund money from the Florida Retirement  
14 System Trust Fund into the Florida Retirement System  
Stabilization Trust Fund. See bill for details.

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