

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

302-1783-00

1 A bill to be entitled
2 An act relating to the Florida Retirement
3 System; amending s. 121.111, F.S.; amending
4 conditions under which a member of the system
5 may receive creditable service for certain
6 military service; providing for increases in
7 contribution rates which apply to various
8 classes of the Florida Retirement System;
9 providing for a reviser's bill; providing
10 legislative findings; providing an effective
11 date.

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

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15 Section 1. Subsection (2) of section 121.111, Florida
16 Statutes, is amended to read:

17 121.111 Credit for military service.--

18 (2) Any member ~~whose initial date of employment is~~
19 ~~before January 1, 1987,~~ who has military service as defined in
20 s. 121.021(20)(b), and who does not claim such service under
21 subsection (1) may receive creditable service for such
22 military service if:

23 (a) The member is vested;

24 (b) Creditable service, not to exceed a total of 4
25 years, is claimed only as service earned in the Regular Class
26 of membership; and

27 (c) The member pays into the proper retirement trust
28 fund 4 percent of gross salary, based upon his or her first
29 year of salary subsequent to July 1, 1945, that he or she has
30 credit for under this system, plus 4 percent interest thereon
31 compounded annually from the date of first creditable service

1 under this chapter until July 1, 1975, and 6.5 percent
2 interest compounded annually thereafter, until payment is made
3 to the proper retirement trust fund.

4 Section 2. Effective July 1, 2000, in order to fund
5 the full cost of the repurchase of wartime service credit
6 provided in this act:

7 (1) The contribution rates that apply to the Regular
8 Class of the Florida Retirement System shall be increased by
9 0.03 percentage points;

10 (2) The contribution rates that apply to the Special
11 Risk Class of the Florida Retirement System shall be increased
12 by 0.05 percentage points.

13 (3) The contribution rates that apply to the Special
14 Risk Administrative Support Class of the Florida Retirement
15 System shall be increased by 0.08 percentage points;

16 (4) The contribution rates that apply to the judicial
17 subclass of the Elected Officers' Class of the Florida
18 Retirement System shall be increased by 0.04 percentage
19 points;

20 (5) The contribution rates that apply to the
21 legislative-attorney-Cabinet subclass of the Elected Officers'
22 Class of the Florida Retirement System shall be increased by
23 0.02 percentage points;

24 (6) The contribution rates that apply to the county
25 officers' subclass of the Elected Officers' Class shall be
26 increased by 0.03 percentage points; and

27 (7) The contribution rates that apply to the Senior
28 Management Service Class of the Florida Retirement System
29 shall be increased by 0.06 percentage points.

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1 These increases shall be in addition to all other changes to
2 such contribution rates which may be effective July 1, 2000.
3 The Division of Statutory Revision shall prepare a reviser's
4 bill to adjust accordingly the contribution rates set forth in
5 sections 121.051, 121.055, and 121.071, Florida Statutes.

6 Section 3. The Legislature finds that a proper and
7 legitimate state purpose is served when employees and retirees
8 of the state and its political subdivisions, and the
9 dependents, survivors, and beneficiaries of such employees and
10 retirees, are extended the basic protections afforded by
11 governmental retirement systems that provide fair and adequate
12 benefits and that are managed, administered, and funded in an
13 actuarially sound manner as required by s. 14, Art. X, of the
14 State Constitution and part VII of chapter 112, Florida
15 Statutes. Therefore, the Legislature hereby determines and
16 declares that the provisions of this act fulfill an important
17 state interest.

18 Section 4. This act shall take effect upon becoming a
19 law.

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21 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
22 COMMITTEE SUBSTITUTE FOR
23 SB 812

24 Amends s. 121.111(2), F.S., to eliminate requirement that
25 initial date of employment be prior to January 1, 1987.

26 Specifies the percentage of contribution rate increases
required to fund the act.

27 Adds that Statutory Revision shall prepare a reviser's bill to
adjust contribution rates.

28 Adds important state interest clause because of financial
29 impact on local governments.

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