

By the Committee on Fiscal Policy and Senator Brown-Waite

309-1671-00

1                                   A bill to be entitled  
2           An act relating to the Florida Retirement  
3           System; amending s. 121.091, F.S.; increasing  
4           the disability retirement benefit for members  
5           of the special risk class; providing for  
6           contribution-rate increases to fund this act;  
7           directing the Division of Statutory Revision to  
8           adjust contribution rates set forth in s.  
9           121.071, F.S.; declaring that this act fulfills  
10          an important state interest; providing an  
11          effective date.

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

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15           Section 1. Paragraph (f) of subsection (4) of section  
16          121.091, Florida Statutes, is amended to read:

17           121.091 Benefits payable under the system.--Benefits  
18          may not be paid under this section unless the member has  
19          terminated employment as provided in s. 121.021(39)(a) or  
20          begun participation in the Deferred Retirement Option Program  
21          as provided in subsection (13), and a proper application has  
22          been filed in the manner prescribed by the department. The  
23          department may cancel an application for retirement benefits  
24          when the member or beneficiary fails to timely provide the  
25          information and documents required by this chapter and the  
26          department's rules. The department shall adopt rules  
27          establishing procedures for application for retirement  
28          benefits and for the cancellation of such application when the  
29          required information or documents are not received.

30           (4) DISABILITY RETIREMENT BENEFIT.--  
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1 (f) Computation of disability retirement benefit.--The  
2 amount of each monthly payment shall be computed in the same  
3 manner as for a normal retirement benefit, in accordance with  
4 subsection (1), but shall be based on disability option  
5 actuarial equivalency tables and the average monthly  
6 compensation and creditable service of the member as of the  
7 disability retirement date, subject to the following  
8 conditions:

9 1. If the member's disability occurred in the line of  
10 duty, the monthly Option 1 benefit shall not be less than:

11 a. Forty-two ~~42~~ percent of average monthly  
12 compensation as of the disability retirement date; or

13 b. Sixty-five percent of the average monthly  
14 compensation as of the disability retirement date for a member  
15 of the special risk class who retires on or after July 1,  
16 2000; or

17 2. If the member's disability occurred other than in  
18 the line of duty, the monthly Option 1 benefit shall not be  
19 less than 25 percent of average monthly compensation as of the  
20 disability retirement date.

21 Section 2. Effective July 1, 2000, in order to fund  
22 the benefits provided under section 1 of this act:

23 (1) The contribution rates that apply to the Special  
24 Risk Class of the Florida Retirement System shall be increased  
25 by 0.13 percentage points; and

26 (2) The contribution rates that apply to the Special  
27 Risk Administrative Support Class of the Florida Retirement  
28 System shall be increased by 0.21 percentage points.

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30 These increases shall be in addition to all other changes to  
31 such contribution rates which may be enacted into law to take

1 effect on that date. The Division of Statutory Revision is  
2 directed to adjust accordingly the contribution rates set  
3 forth in section 121.071, Florida Statutes.

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

15 Section 4. This act shall take effect July 1, 2000.

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17 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
18 COMMITTEE SUBSTITUTE FOR  
19 sb0094

20 Clarifies that the improved disability benefits are for those  
21 members of the special risk class that retire on or after July  
22 1, 2000.

23 Provides an effective date of July 1, 2000.  
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