

1 A bill to be entitled
2 An act relating to state retirement
3 contributions; amending ss. 121.052, 121.055,
4 121.071, and 121.40, F.S.; changing
5 contribution rates for specified classes and
6 subclasses; amending ss. 121.35, 121.051,
7 121.055, and 240.3195, F.S.; changing employer
8 contribution rates for participants in the
9 State University System optional retirement
10 program, the Community College optional
11 retirement program, and the Senior Management
12 Service optional annuity program; providing
13 legislative intent; recognizing excess
14 actuarial assets to fund costs and rate
15 reductions; reducing certain contribution
16 rates; repealing subsection (2) of s. 20 of ch.
17 2000-169, Laws of Florida, relating to
18 increasing contributions rates; providing a
19 finding of important state interest; providing
20 an effective date.

21
22 Be It Enacted by the Legislature of the State of Florida:

23
24 Section 1. Paragraph (a) of subsection (7) of section
25 121.052, Florida Statutes, is amended to read:

26 121.052 Membership class of elected officers.--

27 (7) CONTRIBUTIONS.--

28 (a) The following table states the required retirement
29 contribution rates for members of the Elected Officers' Class
30 and their employers in terms of a percentage of the member's
31 gross compensation. A change in a contribution rate is

1 effective with the first salary paid on or after the beginning
 2 date of the change. Contributions shall be made or deducted as
 3 may be appropriate for each pay period and are in addition to
 4 the contributions required for social security and the Retiree
 5 Health Insurance Subsidy Trust Fund.

6
 7 Dates of Contribution

8 Rate Changes	9 Members	10 Employers
11 July 1, 1972, through September 30, 1977		
12 Legislators	8%	8%
13 All Other Members	8%	8%
14 October 1, 1977, through September 30, 1978		
15 Legislators	8%	8%
16 All Other Members	4%	12%
17		
18 October 1, 1978, through September 30, 1979		
19 Legislators	8%	10.57%
20 All Other Members	4%	16.78%
21		
22 October 1, 1979, through September 30, 1981		
23 Legislators	8%	10.57%
24 Governor, Lt. Governor, Cabinet		
25 Officers	4%	16.78%
26 All Other Members	0%	20.78%
27		
28 July 1, 1981, through June 30, 1984		
29 County Elected Officers	0%	19.30%
30		
31 July 1, 1984, through September 30, 1984		

1	County Elected Officers	0%	20.25%
2			
3	October 1, 1981, through September 30, 1984		
4	Legislators	0%	19.30%
5	Governor, Lt. Governor, Cabinet		
6	Officers	0%	21.03%
7	State Attorneys, Public Defenders	0%	20.95%
8	Justices, Judges	0%	22.55%
9			
10	October 1, 1984, through September 30, 1986		
11	Legislators	0%	10.98%
12	Governor, Lt. Governor, Cabinet		
13	Officers	0%	10.98%
14	State Attorneys, Public Defenders	0%	10.98%
15	Justices, Judges	0%	21.79%
16	County Elected Officers	0%	16.97%
17			
18	October 1, 1986, through December 31, 1988		
19	Legislators	0%	11.50%
20	Governor, Lt. Governor, Cabinet		
21	Officers	0%	11.50%
22	State Attorneys, Public Defenders	0%	11.50%
23	Justices, Judges	0%	20.94%
24	County Elected Officers	0%	17.19%
25			
26	January 1, 1989, through December 31, 1989		
27	Legislators	0%	13.70%
28	Governor, Lt. Governor, Cabinet		
29	Officers	0%	13.70%
30	State Attorneys, Public Defenders	0%	13.70%
31	Justices, Judges	0%	22.58%

1	County Elected Officers	0%	18.44%
2			
3	January 1, 1990, through December 31, 1990		
4	Legislators	0%	15.91%
5	Governor, Lt. Governor, Cabinet		
6	Officers	0%	15.91%
7	State Attorneys, Public Defenders	0%	15.91%
8	Justices, Judges	0%	24.22%
9	County Elected Officers	0%	19.71%
10			
11	January 1, 1991, through December 31, 1991		
12	Legislators	0%	17.73%
13	Governor, Lt. Governor, Cabinet		
14	Officers	0%	17.73%
15	State Attorneys, Public Defenders	0%	17.73%
16	Justices, Judges	0%	26.63%
17	County Elected Officers	0%	23.32%
18			
19	January 1, 1992, through December 31, 1992		
20	Legislators	0%	19.94%
21	Governor, Lt. Governor, Cabinet		
22	Officers	0%	19.94%
23	State Attorneys, Public Defenders	0%	19.94%
24	Justices, Judges	0%	28.27%
25	County Elected Officers	0%	24.59%
26			
27	January 1, 1993, through December 31, 1993		
28	Legislators	0%	22.14%
29	Governor, Lt. Governor, Cabinet		
30	Officers	0%	22.14%
31	State Attorneys, Public Defenders	0%	22.14%

1	Justices, Judges	0%	29.91%
2	County Elected Officers	0%	25.84%
3			
4	January 1, 1994, through December 31, 1994		
5	Legislators	0%	22.65%
6	Governor, Lt. Governor, Cabinet		
7	Officers	0%	22.65%
8	State Attorneys, Public Defenders	0%	22.65%
9	Justices, Judges	0%	30.52%
10	County Elected Officers	0%	26.07%
11			
12	January 1, 1995, through December 31, 1995		
13	Legislators	0%	22.80%
14	Governor, Lt. Governor, Cabinet		
15	Officers	0%	22.80%
16	State Attorneys, Public Defenders	0%	22.80%
17	Justices, Judges	0%	30.21%
18	County Elected Officers	0%	27.48%
19			
20	January 1, 1996, through June 30, 1996		
21	Legislators	0%	22.90%
22	Governor, Lt. Governor, Cabinet		
23	Officers	0%	22.90%
24	State Attorneys, Public Defenders	0%	22.90%
25	Justices, Judges	0%	30.15%
26	County Elected Officers	0%	27.54%
27			
28	July 1, 1996, through June 30, 1998		
29	Legislators	0%	23.07%
30	Governor, Lt. Governor, Cabinet		
31	Officers	0%	23.07%

1	State Attorneys, Public Defenders	0%	23.07%
2	Justices, Judges	0%	29.55%
3	County Elected Officers	0%	27.33%
4			
5	July 1, 1998, through June 30, 1999		
6	Legislators	0%	22.33%
7	Governor, Lt. Governor, Cabinet		
8	Officers	0%	22.33%
9	State Attorneys, Public Defenders	0%	22.33%
10	Justices, Judges	0%	27.21%
11	County Elected Officers	0%	26.99%
12			
13	Effective July 1, 1999, <u>through</u>		
14	<u>June 30, 2001</u>		
15	Legislators	0%	14.31%
16	Governor, Lt. Governor, Cabinet		
17	Officers	0%	14.31%
18	State Attorneys, Public Defenders	0%	14.31%
19	Justices, Judges	0%	20.48%
20	County Elected Officers	0%	17.05%
21			
22	<u>Effective July 1, 2001</u>		
23	<u>Legislators</u>	<u>0%</u>	<u>15.14%</u>
24	<u>Governor, Lt. Governor, Cabinet</u>		
25	<u>Officers</u>	<u>0%</u>	<u>15.14%</u>
26	<u>State Attorneys, Public Defenders</u>	<u>0%</u>	<u>15.14%</u>
27	<u>Justices, Judges</u>	<u>0%</u>	<u>20.61%</u>
28	<u>County Elected Officers</u>	<u>0%</u>	<u>17.61%</u>
29			

30 Section 2. Paragraph (a) of subsection (3) of section
 31 121.055, Florida Statutes, is amended to read:

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

6 (3)(a) The following table states the required
 7 retirement contribution rates for members of the Senior
 8 Management Service Class and their employers in terms of a
 9 percentage of the member's gross compensation. A change in the
 10 contribution rate is effective with the first salary paid on
 11 or after the beginning date of the change. Contributions
 12 shall be made for each pay period and are in addition to the
 13 contributions required for social security and the Retiree
 14 Health Insurance Subsidy Trust Fund.

15
 16 Dates of Contribution

Rate Changes	Members	Employers
February 1, 1987, through December 31, 1988	0%	13.88%
January 1, 1989, through December 31, 1989	0%	14.95%
January 1, 1990, through December 31, 1990	0%	16.04%
January 1, 1991, through December 31, 1991	0%	18.39%
January 1, 1992, through December 31, 1992	0%	19.48%
January 1, 1993, through December 31, 1993	0%	20.55%
January 1, 1994, through		

1	December 31, 1994	0%	23.07%
2	January 1, 1995, through		
3	December 31, 1995	0%	23.88%
4	January 1, 1996, through		
5	June 30, 1996	0%	24.14%
6	July 1, 1996, through		
7	June 30, 1998	0%	21.58%
8	July 1, 1998, through		
9	June 30, 1999	0%	23.10%
10	Effective <u>July 1, 1999, through</u>		
11	<u>June 30, 2001</u>	0%	11.19%
12	<u>Effective July 1, 2001</u>	<u>0%</u>	<u>11.73%</u>

13
 14 Section 3. Subsection (1) of section 121.071, Florida
 15 Statutes, is amended to read:

16 121.071 Contributions.--Contributions to the system
 17 shall be made as follows:

18 (1) The following tables state the required retirement
 19 contribution rates for members of the Regular Class, Special
 20 Risk Class, or Special Risk Administrative Support Class and
 21 their employers in terms of a percentage of the member's gross
 22 compensation. A change in a contribution rate is effective
 23 with the first salary paid on or after the beginning date of
 24 the change. Contributions shall be made or deducted as may be
 25 appropriate for each pay period and are in addition to the
 26 contributions required for social security and the Retiree
 27 Health Insurance Subsidy Trust Fund.

28 (a) Retirement contributions for regular members are
 29 as follows:
 30
 31

1	Dates of Contribution		
2	Rate Changes	Members	Employers
3			
4	December 1, 1970, through December		
5	31, 1974, for state agencies, state		
6	universities, community colleges,		
7	and district school boards	4%	4%
8			
9	December 1, 1970, through September		
10	30, 1975, for all other local		
11	government agencies	4%	4%
12			
13	January 1, 1975, through September		
14	30, 1978, for state agencies and		
15	state universities	0%	9%
16			
17	January 1, 1975, through July 31,		
18	1978, for community colleges and		
19	district school boards	0%	9%
20			
21	October 1, 1975, through September		
22	30, 1978, for all other local		
23	government agencies	0%	9%
24			
25	August 1, 1978, through September 30,		
26	1981, for community colleges and		
27	district school boards	0%	9.1%
28			
29	October 1, 1978, through September		
30	30, 1981, for all other agencies	0%	9.1%
31			

1	October 1, 1981, through		
2	September 30, 1984	0%	10.93%
3	October 1, 1984, through		
4	September 30, 1986	0%	12.24%
5	October 1, 1986, through		
6	December 31, 1988	0%	13.14%
7	January 1, 1989, through		
8	December 31, 1989	0%	13.90%
9	January 1, 1990, through		
10	December 31, 1990	0%	14.66%
11	January 1, 1991, through		
12	December 31, 1991	0%	15.72%
13	January 1, 1992, through		
14	December 31, 1992	0%	16.51%
15	January 1, 1993, through		
16	December 31, 1993	0%	17.27%
17	January 1, 1994, through		
18	December 31, 1994	0%	17.10%
19	January 1, 1995, through		
20	December 31, 1995	0%	16.91%
21	January 1, 1996, through		
22	June 30, 1996	0%	17.00%
23	July 1, 1996, through		
24	June 30, 1998	0%	16.77%
25	July 1, 1998, through		
26	June 30, 1999	0%	15.51%
27	Effective <u>July 1, 1999, through</u>		
28	<u>June 30, 2001</u>	0%	9.21%
29	<u>Effective July 1, 2001</u>	<u>0%</u>	<u>9.91%</u>
30			
31			

1	(b) Retirement contributions for special risk members		
2	are as follows:		
3			
4	Dates of Contribution		
5	Rate Changes	Members	Employers
6			
7	December 1, 1970, through		
8	September 30, 1974	6%	6%
9			
10	October 1, 1974, through December 31,		
11	1974, for state agencies, state		
12	universities, community colleges,		
13	and district school boards	8%	8%
14			
15	October 1, 1974, through September		
16	30, 1975, for all other local		
17	government agencies	8%	8%
18			
19	January 1, 1975, through September		
20	30, 1978, for state agencies, state		
21	universities, community colleges,		
22	and district school boards	0%	13%
23			
24	October 1, 1975, through September		
25	30, 1978, for other local		
26	government agencies	0%	13%
27			
28	October 1, 1978, through		
29	September 30, 1981	0%	13.95%
30	October 1, 1981, through		
31	September 30, 1984	0%	13.91%

1	October 1, 1984, through		
2	September 30, 1986	0%	14.67%
3	October 1, 1986, through		
4	December 31, 1988	0%	15.11%
5	January 1, 1989, through		
6	December 31, 1989	0%	17.50%
7	January 1, 1990, through		
8	December 31, 1990	0%	19.90%
9	January 1, 1991, through		
10	December 31, 1991	0%	25.52%
11	January 1, 1992, through		
12	December 31, 1992	0%	26.35%
13	January 1, 1993, through		
14	December 31, 1993	0%	27.14%
15	January 1, 1994, through		
16	December 31, 1994	0%	27.03%
17	January 1, 1995, through		
18	December 31, 1995	0%	26.83%
19	January 1, 1996, through		
20	June 30, 1996	0%	26.84%
21	July 1, 1996, through		
22	June 30, 1998	0%	26.44%
23	July 1, 1998, through		
24	June 30, 1999	0%	24.38%
25	July 1, 1999, through		
26	June 30, 2000	0%	20.22%
27	Effective <u>July 1, 2000, through</u>		
28	<u>June 30, 2001</u>	0%	20.35%
29	<u>Effective July 1, 2001</u>	<u>0%</u>	<u>22.07%</u>
30			
31			

1	(c) Retirement contributions for special risk		
2	administrative support members are as follows:		
3			
4	Dates of Contribution		
5	Rate Changes	Members	Employers
6			
7	July 1, 1982, through		
8	September 30, 1984	0%	11.14%
9	October 1, 1984, through		
10	September 30, 1986	0%	13.09%
11	October 1, 1986, through		
12	December 31, 1988	0%	15.44%
13	January 1, 1989, through		
14	December 31, 1989	0%	14.76%
15	January 1, 1990, through		
16	December 31, 1990	0%	14.09%
17	January 1, 1991, through		
18	December 31, 1991	0%	20.16%
19	January 1, 1992, through		
20	December 31, 1992	0%	19.51%
21	January 1, 1993, through		
22	December 31, 1993	0%	18.83%
23	January 1, 1994, through		
24	December 31, 1994	0%	18.59%
25	January 1, 1995, through		
26	December 31, 1995	0%	17.81%
27	January 1, 1996, through		
28	June 30, 1996	0%	17.80%
29	July 1, 1996, through		
30	June 30, 1998	0%	17.20%
31	July 1, 1998, through		

1	June 30, 1999	0%	14.64%
2	July 1, 1999, through		
3	June 30, 2000	0%	11.53%
4	Effective July 1, 2000, through		
5	<u>June 30, 2001</u>	0%	11.74%
6	<u>Effective July 1, 2001</u>	<u>0%</u>	<u>12.55%</u>

7
 8 Section 4. Paragraph (b) of subsection (12) of section
 9 121.40, Florida Statutes, is amended to read:

10 121.40 Cooperative extension personnel at the
 11 Institute of Food and Agricultural Sciences; supplemental
 12 retirement benefits.--

13 (12) CONTRIBUTIONS.--

14 (b) The monthly contributions required to be paid
 15 pursuant to paragraph (a) on the gross monthly salaries, from
 16 all sources with respect to such employment, paid to those
 17 employees of the institute who hold both state and federal
 18 appointments and who participate in the federal Civil Service
 19 Retirement System shall be as follows:

21	Dates of Contribution	Percentage
22	Rate Changes	Due
24	July 1, 1985, through December 31, 1988	6.68%
25	January 1, 1989, through December 31, 1993	6.35%
26	January 1, 1994, through December 31, 1994	6.69%
27	January 1, 1995, through June 30, 1996	6.82%
28	July 1, 1996, through June 30, 1998	5.64%
29	Effective July 1, 1998, through	
30	<u>June 30, 2001</u>	7.17%
31	<u>Effective July 1, 2001</u>	<u>6.96%</u>

1
2 Section 5. Paragraph (a) of subsection (4) of section
3 121.35, Florida Statutes, is amended to read:

4 121.35 Optional retirement program for the State
5 University System.--

6 (4) CONTRIBUTIONS.--

7 (a) Through June 30, 2001, each employer shall
8 contribute on behalf of each participant in the optional
9 retirement program an amount equal to the normal cost portion
10 of the employer retirement contribution which would be
11 required if the participant were a regular member of the
12 Florida Retirement System defined benefit program, plus the
13 portion of the contribution rate required in s. 112.363(8)
14 that would otherwise be assigned to the Retiree Health
15 Insurance Subsidy Trust Fund. Effective July 1, 2001, each
16 employer shall contribute on behalf of each participant in the
17 optional program an amount equal to 10.43 percent of the
18 participant's gross monthly compensation. The department
19 shall deduct, ~~less~~ an amount approved by the Legislature ~~which~~
20 ~~shall be deducted by the department~~ to provide for the
21 administration of this program. The payment of the
22 contributions to the optional program which is required by
23 this paragraph for each participant shall be made by the
24 employer to the department, which shall forward the
25 contributions to the designated company or companies
26 contracting for payment of benefits for the participant under
27 the program. However, such contributions paid on behalf of an
28 employee described in paragraph (3)(c) shall not be forwarded
29 to a company and shall not begin to accrue interest until the
30 employee has executed an annuity contract and notified the
31 department.

1 Section 6. Paragraph (c) of subsection (2) of section
2 121.051, Florida Statutes, is amended to read:

3 121.051 Participation in the system.--

4 (2) OPTIONAL PARTICIPATION.--

5 (c) Employees of members of the Florida Community
6 College System or charter technical career centers sponsored
7 by members of the Florida Community College System, as
8 designated in s. 240.3031, who are members of the Regular
9 Class of the Florida Retirement System and who comply with the
10 criteria set forth in this paragraph and in s. 240.3195 may
11 elect, in lieu of participating in the Florida Retirement
12 System, to withdraw from the Florida Retirement System
13 altogether and participate in a lifetime monthly annuity
14 program, to be known as the State Community College System
15 Optional Retirement Program, which may be provided by the
16 employing agency under s. 240.3195. Pursuant thereto:

17 1. Through June 30, 2001, the cost to the employer for
18 such annuity shall equal the normal cost portion of the
19 employer retirement contribution which would be required if
20 the employee were a member of the Regular Class defined
21 benefit program, plus the portion of the contribution rate
22 required by s. 112.363(8) that would otherwise be assigned to
23 the Retiree Health Insurance Subsidy Trust Fund. Effective
24 July 1, 2001, each employer shall contribute on behalf of each
25 participant in the optional program an amount equal to 10.43
26 percent of the participant's gross monthly compensation. The
27 employer shall deduct, ~~and less~~ an amount approved by the
28 ~~employer~~ to provide for the administration of the optional
29 retirement program. The employer providing such annuity shall
30 contribute an additional amount to the Florida Retirement
31

1 System Trust Fund equal to the unfunded actuarial accrued
2 liability portion of the Regular Class contribution rate.
3 2. The decision to participate in such an optional
4 retirement program shall be irrevocable for as long as the
5 employee holds a position eligible for participation. Any
6 service creditable under the Florida Retirement System shall
7 be retained after the member withdraws from the Florida
8 Retirement System; however, additional service credit in the
9 Florida Retirement System shall not be earned while a member
10 of the optional retirement program.

11 3. Participation in an optional annuity program shall
12 be limited to those employees who satisfy the following
13 eligibility criteria:

14 a. The employee must be otherwise eligible for
15 membership in the Regular Class of the Florida Retirement
16 System, as provided in s. 121.021(11) and (12).

17 b. The employee must be employed in a full-time
18 position classified in the Accounting Manual for Florida's
19 Public Community Colleges as:

20 (I) Instructional; or

21 (II) Executive Management, Instructional Management,
22 or Institutional Management, if a community college determines
23 that recruiting to fill a vacancy in the position is to be
24 conducted in the national or regional market, and:

25 (A) The duties and responsibilities of the position
26 include either the formulation, interpretation, or
27 implementation of policies; or

28 (B) The duties and responsibilities of the position
29 include the performance of functions that are unique or
30 specialized within higher education and that frequently
31 involve the support of the mission of the community college.

1 c. The employee must be employed in a position not
2 included in the Senior Management Service Class of the Florida
3 Retirement System, as described in s. 121.055.

4 4. Participants in the program are subject to the same
5 reemployment limitations, renewed membership provisions, and
6 forfeiture provisions as are applicable to regular members of
7 the Florida Retirement System under ss. 121.091(9), 121.122,
8 and 121.091(5), respectively.

9 5. Eligible community college employees shall be
10 compulsory members of the Florida Retirement System until,
11 pursuant to the procedures set forth in s. 240.3195, the first
12 day of the next full calendar month following the filing of
13 both a written election to withdraw and a completed
14 application for an individual contract or certificate with the
15 program administrator and receipt of such election by the
16 division.

17 Section 7. Paragraph (d) of subsection (6) of section
18 121.055, Florida Statutes, 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 (6)

25 (d) Contributions.--

26 1. Through June 30, 2001, each employer shall
27 contribute on behalf of each participant in the Senior
28 Management Service Optional Annuity Program an amount equal to
29 the normal cost portion of the employer retirement
30 contribution which would be required if the participant were a
31 Senior Management Service Class member of the Florida

1 Retirement System defined benefit program, plus the portion of
 2 the contribution rate required in s. 112.363(8) that would
 3 otherwise be assigned to the Retiree Health Insurance Subsidy
 4 Trust Fund. Effective July 1, 2001, each employer shall
 5 contribute on behalf of each participant in the optional
 6 program an amount equal to 12.49 percent of the participant's
 7 gross monthly compensation. The department shall deduct, less
 8 an amount approved by the Legislature ~~which shall be deducted~~
 9 ~~by the department~~ to provide for the administration of this
 10 program. The payment of the contributions to the optional
 11 program which is required by this subparagraph for each
 12 participant shall be made by the employer to the department,
 13 which shall forward the contributions to the designated
 14 company or companies contracting for payment of benefits for
 15 the participant under the program.

16 2. Each employer shall contribute on behalf of each
 17 participant in the Senior Management Service Optional Annuity
 18 Program an amount equal to the unfunded actuarial accrued
 19 liability portion of the employer contribution which would be
 20 required for members of the Senior Management Service Class in
 21 the Florida Retirement System. This contribution shall be
 22 paid to the department for transfer to the Florida Retirement
 23 System Trust Fund.

24 3. An Optional Annuity Program Trust Fund shall be
 25 established in the State Treasury and administered by the
 26 department to make payments to provider companies on behalf of
 27 the optional annuity program participants, and to transfer the
 28 unfunded liability portion of the state optional annuity
 29 program contributions to the Florida Retirement System Trust
 30 Fund.

31

1 4. Contributions required for social security by each
2 employer and each participant, in the amount required for
3 social security coverage as now or hereafter may be provided
4 by the federal Social Security Act shall be maintained for
5 each participant in the Senior Management Service retirement
6 program and shall be in addition to the retirement
7 contributions specified in this paragraph.

8 5. Each participant in the Senior Management Service
9 Optional Annuity Program may contribute by way of salary
10 reduction or deduction a percentage amount of the
11 participant's gross compensation not to exceed the percentage
12 amount contributed by the employer to the optional annuity
13 program. Payment of the participant's contributions shall be
14 made by the employer to the department, which shall forward
15 the contributions to the designated company or companies
16 contracting for payment of benefits for the participant under
17 the program.

18 Section 8. Paragraph (a) of subsection (4) of section
19 240.3195, Florida Statutes, is amended to read:

20 240.3195 State Community College System Optional
21 Retirement Program.--Each community college may implement an
22 optional retirement program, if such program is established
23 therefor pursuant to s. 240.319(4)(r), under which annuity
24 contracts providing retirement and death benefits may be
25 purchased by, and on behalf of, eligible employees who
26 participate in the program. Except as otherwise provided
27 herein, this retirement program, which shall be known as the
28 State Community College System Optional Retirement Program,
29 may be implemented and administered only by an individual
30 community college or by a consortium of community colleges.

31

1 (4)(a) Through June 30, 2001,each college must
 2 contribute on behalf of each program participant an amount
 3 equal to the normal cost portion of the employer retirement
 4 contribution which would be required if the program
 5 participant were a member of the Regular Class of the Florida
 6 Retirement System as provided in s. 121.071, plus the portion
 7 of the contribution rate required in s. 112.363(8) that would
 8 otherwise be assigned to the Retiree Health Insurance Subsidy
 9 Trust Fund Effective July 1, 2001, each college must
 10 contribute on behalf of each program participant an amount
 11 equal to 10.43 percent of the participant's gross monthly
 12 compensation. The college shall deduct, ~~and less~~ an amount
 13 approved by the community college to provide for the
 14 administration of the optional retirement program. Payment of
 15 this contribution must be made either directly by the
 16 community college or through the program administrator to the
 17 designated company contracting for payment of benefits to the
 18 program participant.

19 (b) Each community college must contribute on behalf
 20 of each program participant an amount equal to the unfunded
 21 actuarial accrued liability portion of the employer
 22 contribution which would be required if the program
 23 participant were a member of the Regular Class of the Florida
 24 Retirement System. Payment of this contribution must be made
 25 directly by the college to the department for deposit in the
 26 Florida Retirement System Trust Fund.

27 (c) Each program participant who has executed an
 28 annuity contract may contribute by way of salary reduction or
 29 deduction a percentage of the program participant's gross
 30 compensation, but this percentage may not exceed the
 31 corresponding percentage contributed by the community college

1 to the optional retirement program. Payment of this
2 contribution may be made either directly by the college or
3 through the program administrator to the designated company
4 contracting for payment of benefits to the program
5 participant.

6 (d) Contributions to an optional retirement program by
7 a college or a program participant are in addition to, and
8 have no effect upon, contributions required now or in future
9 by the federal Social Security Act.

10 Section 9. (1) It is the intent of the Legislature
11 that the normal costs attributable to the 1999 actuarial
12 experience study and the 2000 actuarial valuation study of the
13 Florida Retirement System defined benefit retirement program
14 conducted by Milliman & Robertson, Inc., consulting actuaries
15 for the system, shall be funded by recognition of a lump sum
16 from the excess actuarial assets of the Florida Retirement
17 System Trust Fund. For fiscal year 2001-2002, the lump sum to
18 be recognized shall be the annual cost attributable to the
19 1999 actuarial experience study and the 2000 actuarial
20 valuation.

21 (2) Effective July 1, 2001, for fiscal year 2001-2002
22 only, the contribution rates set forth in sections 1 through 3
23 of this act shall be reduced as follows:

24 (a) The contribution rate that applies to the Regular
25 Class of the Florida Retirement System defined benefit program
26 shall be reduced by 0.70 percentage points.

27 (b) The contribution rate that applies to the Special
28 Risk Class of the Florida Retirement System defined benefit
29 program shall be reduced by 1.72 percentage points.

30 (c) The contribution rate that applies to the Special
31 Risk Administrative Support Class of the Florida Retirement

1 System defined benefit program shall be reduced by 0.81
2 percentage points.

3 (d) The contribution rate that applies to the Judicial
4 subclass of the Elected Officers' Class of the Florida
5 Retirement System defined benefit program shall be reduced by
6 0.14 percentage points.

7 (e) The contribution rate that applies to the
8 legislative-attorney-Cabinet subclass of the Elected Officers'
9 Class of the Florida Retirement System defined benefit program
10 shall be reduced by 0.83 percentage points.

11 (f) The contribution rate that applies to the County
12 Officers' subclass of the Elected Officers' Class of the
13 Florida Retirement System defined benefit program shall be
14 reduced by 0.57 percentage points.

15 (g) The contribution rate that applies to the Senior
16 Management Service Class of the Florida Retirement System
17 defined benefit program shall be reduced by 0.54 percentage
18 points.

19 Section 10. (1) Effective July 1, 2001, for fiscal
20 year 2001-2002 only, the contribution rates for the defined
21 benefit program for the Regular Class, Special Risk Class,
22 Special Risk Administrative Support Class, each subclass of
23 the Elected Officers' Class, and the Senior Management Service
24 Class each shall be reduced by 2.6 percentage points. These
25 reductions shall be in addition to all other changes to such
26 contribution rates which may be enacted into law after July 1,
27 2001.

28 (2) It is the intent of the Legislature that the costs
29 attributable to the reduction of contribution rates pursuant
30 to subsection (1) shall be funded by recognition of a lump sum
31 equal to the annual cost attributable to this reduction of the

1 contribution rates from the excess actuarial assets of the
2 Florida Retirement System Trust Fund.

3 Section 11. Subsection (2) of section 20 of chapter
4 2000-169, Laws of Florida, is repealed.

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

17 Section 13. This act shall take effect July 1,2001.
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