

By Senator Lawson

3-881-01

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A bill to be entitled

An act relating to retiree health insurance;
amending s. 112.363, F.S.; revising the minimum
and maximum retiree health insurance subsidies;
revising the contribution paid by employers of
members of state-administered retirement plans;
providing effective dates.

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

Section 1. Paragraph (d) of subsection (3) of section
112.363, Florida Statutes, is amended, paragraph (f) is added
to that subsection, and paragraph (f) is added to subsection
(8) of that section, to read:

112.363 Retiree health insurance subsidy.--

(3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.--

(d) Beginning January 1, 1999, each eligible retiree
or, if the retiree is deceased, his or her beneficiary who is
receiving a monthly benefit from such retiree's account and
who is a spouse, or a person who meets the definition of joint
annuitant in s. 121.021(28), shall receive a monthly retiree
health insurance subsidy payment equal to the number of years
of creditable service, as defined in s. 121.021(17), completed
at the time of retirement multiplied by \$5; however, no
eligible retiree or such beneficiary may receive a subsidy
payment of more than \$150 or less than \$50, except that,
effective July 1, 2001, the minimum payment will be \$30. If
there are multiple beneficiaries, the total payment must not
be greater than the payment to which the retiree was entitled.

(f) Beginning January 1, 2002, each eligible retiree
or, if the retiree is deceased, his or her beneficiary who is

1 receiving a monthly benefit from such retiree's account and
2 who is a spouse, or a person who meets the definition of joint
3 annuitant in s. 121.021(28), shall receive a monthly retiree
4 health insurance subsidy payment equal to the number of years
5 of creditable service, as defined in s. 121.021(17), completed
6 at the time of retirement multiplied by \$10, if the retiree or
7 beneficiary is less than age 65, and multiplied by \$6.67, if
8 the retiree or beneficiary is age 65 or older; however, an
9 eligible retiree or beneficiary may not receive a subsidy
10 payment of more than \$300 if less than 65 years of age and may
11 not receive a subsidy payment of more than \$200 if age 65 or
12 older. If there are multiple beneficiaries, the total payment
13 may not be greater than the payment to which the retiree was
14 entitled.

15 (8) CONTRIBUTIONS.--For purposes of funding the
16 insurance subsidy provided by this section:

17 (f) Beginning July 1, 2001, the employer of each
18 member of a state-administered retirement plan shall
19 contribute percent of gross compensation each pay period.
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21 Such contributions shall be submitted to the Department of
22 Management Services and deposited in the Retiree Health
23 Insurance Subsidy Trust Fund.

24 Section 2. This act shall take effect July 1, 2001.
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SENATE SUMMARY

Changes the minimum retiree health insurance subsidy to conform to the change in requirements for eligibility for retirement under the Florida Retirement System. Increases the formula for calculating the subsidy, effective January 1, 2002, to \$10 a month for each year of creditable service up to age 65 and \$6.67 a month for each year of creditable service for retirees that age and older, with the maxima of \$300 a month for retirees up to age 65 and \$200 a month for retirees 65 and older.