

By Senator Posey

15-875-02

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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 (g) 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, 2002, 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, 2003, 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 (g) Beginning July 1, 2002, 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, 2002.  
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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, 2003, 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.