

By Senator Silver

38-1631A-02

1 A bill to be entitled
 2 An act relating to the Florida Retirement
 3 System; amending s. 121.091, F.S.; revising the
 4 computation of early-retirement benefits for
 5 specified classes of state employees; providing
 6 an effective date.

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

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 10 Section 1. Paragraph (a) of subsection (3) of section
 11 121.091, Florida Statutes, is amended to read:

12 121.091 Benefits payable under the system.--Benefits
 13 may not be paid under this section unless the member has
 14 terminated employment as provided in s. 121.021(39)(a) or
 15 begun participation in the Deferred Retirement Option Program
 16 as provided in subsection (13), and a proper application has
 17 been filed in the manner prescribed by the department. The
 18 department may cancel an application for retirement benefits
 19 when the member or beneficiary fails to timely provide the
 20 information and documents required by this chapter and the
 21 department's rules. The department shall adopt rules
 22 establishing procedures for application for retirement
 23 benefits and for the cancellation of such application when the
 24 required information or documents are not received.

25 (3) EARLY RETIREMENT BENEFIT.--Upon retirement on his
 26 or her early retirement date, the member shall receive an
 27 immediate monthly benefit that shall begin to accrue on the
 28 first day of the month of the retirement date and be payable
 29 on the last day of that month and each month thereafter during
 30 his or her lifetime. Such benefit shall be calculated as
 31 follows:

1 (a) The amount of each monthly payment shall be
2 computed in the same manner as for a normal retirement
3 benefit, in accordance with subsection (1), but shall be based
4 on the member's average monthly compensation and creditable
5 service as of the member's early retirement date. The benefit
6 so computed shall be reduced by five-twelfths of 1 percent for
7 each complete month by which the early retirement date
8 precedes the normal retirement date of ~~age 62 for a member of~~
9 ~~the Regular Class, Senior Management Service Class, or the~~
10 ~~Elected Officers' Class, and age 55 for a member of the~~
11 Special Risk Class, or age 52 if a Special Risk member has
12 completed 25 years of creditable service in accordance with s.
13 121.021(29)(b)3. For members of the Regular Class, Senior
14 Management Service Class, or the Elected Officers' Class, the
15 benefit so computed shall be reduced as follows:

16 1. For members who have less than 25 years of
17 creditable service, by five-twelfths of 1 percent for each
18 complete month by which the early retirement date precedes the
19 normal retirement date of age 62.

20 2. For members who are less than age 55, by
21 five-twelfths of 1 percent for each complete month by which
22 the early retirement date precedes the normal retirement date
23 of age 62.

24 3. For members who are at least age 55 but less than
25 age 58 and who have a minimum of 25 years of creditable
26 service, by four-twelfths of 1 percent for each complete month
27 by which the early retirement date precedes the normal
28 retirement date of age 62.

29 4. For members who are age 58 and older and who have a
30 minimum of 25 years of creditable service, by three-twelfths
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1 of 1 percent for each complete month by which the early
2 retirement date precedes the normal retirement date of age 62.

3 Section 2. This act shall take effect July 1, 2002.

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6 SENATE SUMMARY

7 Revises the computation of early-retirement benefits
8 under the Florida Retirement System for members of the
9 Regular Class, the Senior Management Class, and the
10 Elected Officers' Class. Provides lesser penalties for
11 early retirement if the retiree is age 55 or older and
12 has at least 25 years of creditable service.
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