

By Senator Lawson

6-1002-03

1 A bill to be entitled
2 An act relating to retirement; amending s.
3 121.091, F.S.; providing for indexing
4 compensation, as used for calculating benefits
5 for terminated vested members of the Florida
6 Retirement System, by 3 percent a year;
7 providing an effective date.

8

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

10

11 Section 1. Paragraph (b) of subsection (5) of section
12 121.091, Florida Statutes, is amended to read:

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

26 (5) TERMINATION BENEFITS.--A member whose employment
27 is terminated prior to retirement retains membership rights to
28 previously earned member-noncontributory service credit, and
29 to member-contributory service credit, if the member leaves
30 the member contributions on deposit in his or her retirement
31 account. If a terminated member receives a refund of member

1 contributions, such member may reinstate membership rights to
2 the previously earned service credit represented by the refund
3 by completing 1 year of creditable service and repaying the
4 refunded member contributions, plus interest.

5 (b) A member whose employment is terminated for any
6 reason other than death or retirement after becoming vested
7 may elect to receive a deferred monthly benefit which shall
8 begin to accrue on the first day of the month of normal or
9 early retirement and shall be payable on the last day of that
10 month and each month thereafter during his or her lifetime.
11 The amount of monthly benefit shall be computed in the same
12 manner as for a normal retirement benefit in accordance with
13 subsection (1) or early retirement benefit in accordance with
14 s. 121.021(30), but based on average monthly compensation and
15 creditable service as of the date of termination, which
16 compensation shall be indexed from the date of termination to
17 the date of retirement by 3 percent a year.

18 Section 2. This act shall take effect July 1, 2003.

19 *****
20 *****

21 SENATE SUMMARY

22 Provides for indexing "compensation," as used for
23 calculating benefits for terminated, vested members of
24 the Florida Retirement System, at the rate of 3 percent a
25 year.
26
27
28
29
30
31