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CHAMBER ACTION

The Committee on State Administration recommends the following:

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Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the Florida Retirement System; amending s. 121.021, F.S., revising the definition of "average final compensation"; increasing a contribution rate for certain benefit change funding purposes; providing a declaration of important state interest; amending s. 121.0515, F.S.; adding certain code compliance officers to the Special Risk Class; providing an effective date.

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

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Section 1. Subsection (24) of section 121.021, Florida Statutes, is amended to read:

18 121.021 Definitions.--The following words and phrases as
19 used in this chapter have the respective meanings set forth
20 unless a different meaning is plainly required by the context:

(24) "Average final compensation" means the average of the 5 highest fiscal years of compensation for creditable service prior to retirement, termination, or death; however, the

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"average final compensation" applicable to a member of the

Special Risk Class is the average of the 3 highest fiscal years
of compensation for creditable service prior to retirement,
termination, or death. For in-line-of-duty disability benefits,
if less than the number of years specified for calculating
"average final compensation" 5 years of creditable service have
been completed, the term "average final compensation" means the
average annual compensation of the total number of years of
creditable service. Each year used in the calculation of average
final compensation shall commence on July 1.

- (a) The average final compensation shall include:
- 1. Accumulated annual leave payments, not to exceed 500 hours; and
- 2. All payments defined as compensation in subsection
 (22).
 - (b) The average final compensation shall not include:
 - 1. Compensation paid to professional persons for special or particular services;
 - 2. Payments for accumulated sick leave made due to retirement or termination;
 - 3. Payments for accumulated annual leave in excess of 500 hours;
 - 4. Bonuses as defined in subsection (47);
 - 5. Third party payments made on and after July 1, 1990; or
 - 6. Fringe benefits (for example, automobile allowances or housing allowances).
 - Section 2. Effective July 1, 2004, for the purposes of funding the 3-year average final compensation benefit change

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52 made by this act, the contribution rate set forth in s. 53 121.071(3), Florida Statutes, for the Special Risk Class of the Florida Retirement System shall be increased by 2.14 percent. 54 55 This increase shall be in addition to other changes to 56 contribution rates which may be enacted into law to take effect 57

on that date.

The Legislature finds that a proper and Section 3. legitimate state purpose is served when employees and retirees of the state and its political subdivisions and the dependents, survivors, and beneficiaries of such employees and retirees are extended the basic protections afforded by governmental retirement systems that provide fair and adequate benefits and that are managed, administered, and funded in an actuarially sound manner, as required by s. 14, Art. X, of the State Constitution and part VII of chapter 112, Florida Statutes. Therefore, the Legislature determines and declares that this act fulfills an important state interest.

Section 4. Paragraph (b) of subsection (2) of section 121.0515, Florida Statutes, is amended to read:

121.0515 Special risk membership.--

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- CRITERIA. -- A member, to be designated as a special risk member, must meet the following criteria:
- The member must be employed as a firefighter and be certified, or required to be certified, in compliance with s. 633.35 and be employed solely within the fire department of a local government employer or an agency of state government with firefighting responsibilities. In addition, the member's duties and responsibilities must include on-the-scene fighting of

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fires, fire prevention, or firefighter training; direct supervision of firefighting units, fire prevention, or firefighter training; or aerial firefighting surveillance performed by fixed-wing aircraft pilots employed by the Division of Forestry of the Department of Agriculture and Consumer Services; or the member must be a code compliance officer employed by the Division of the State Fire Marshal of the Department of Financial Services or the Agency for Health Care Administration; or the member must be the supervisor or command officer of a member or members who have such responsibilities; provided, however, administrative support personnel, including, but not limited to, those whose primary duties and responsibilities are in accounting, purchasing, legal, and personnel, shall not be included and further provided that all periods of creditable service in fire prevention or firefighter training, or as the supervisor or command officer of a member or members who have such responsibilities, and for which the employer paid the special risk contribution rate, shall be included;

Section 5. This act shall take effect July 1, 2004.