

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative Hays offered the following:

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3 **Amendment (with title amendment)**

4 Between lines 22 and 23 insert:

5 Section 1. Paragraph (b) of subsection (1) of section

6 121.055, Florida Statutes, is amended to read:

7 121.055 Senior Management Service Class.--There is hereby  
8 established a separate class of membership within the Florida  
9 Retirement System to be known as the "Senior Management Service  
10 Class," which shall become effective February 1, 1987.

11 (1)

12 (b)1. Except as provided in subparagraph 2., effective  
13 January 1, 1990, participation in the Senior Management Service  
14 Class shall be compulsory for the president of each community  
15 college, the manager of each participating city or county, and

325043

HOUSE AMENDMENT

Bill No. HB 1159 CS

Amendment No. (for drafter's use only)

16 all appointed district school superintendents. Effective  
17 January 1, 1994, additional positions may be designated for  
18 inclusion in the Senior Management Service Class of the Florida  
19 Retirement System, provided that:

20 a. Positions to be included in the class shall be  
21 designated by the local agency employer. Notice of intent to  
22 designate positions for inclusion in the class shall be  
23 published once a week for 2 consecutive weeks in a newspaper of  
24 general circulation published in the county or counties  
25 affected, as provided in chapter 50.

26 b. Up to 10 nonelective full-time positions may be  
27 designated for each local agency employer reporting to the  
28 Department of Management Services; for local agencies with 100  
29 or more regularly established positions, additional nonelective  
30 full-time positions may be designated, not to exceed 1 percent  
31 of the regularly established positions within the agency.

32 c. Each position added to the class must be a managerial  
33 or policymaking position filled by an employee who is not  
34 subject to continuing contract and serves at the pleasure of the  
35 local agency employer without civil service protection, and who:

36 (I) Heads an organizational unit; or

37 (II) Has responsibility to effect or recommend personnel,  
38 budget, expenditure, or policy decisions in his or her areas of  
39 responsibility.

40 2. In lieu of participation in the Senior Management  
41 Service Class, members of the Senior Management Service Class  
42 pursuant to the provisions of subparagraph 1. may withdraw from

325043

4/27/2005 1:38:24 PM

Amendment No. (for drafter's use only)

43 the Florida Retirement System altogether. The decision to  
44 withdraw from the Florida Retirement System shall be irrevocable  
45 for as long as the employee holds such a position. Any service  
46 creditable under the Senior Management Service Class shall be  
47 retained after the member withdraws from the Florida Retirement  
48 System; however, additional service credit in the Senior  
49 Management Service Class shall not be earned after such  
50 withdrawal. Such members shall not be eligible to participate  
51 in the Senior Management Service Optional Annuity Program.

52 3. Effective January 1, 2006, through June 30, 2006, an  
53 employee who has withdrawn from the Florida Retirement System  
54 under subparagraph 2. has one opportunity to elect to  
55 participate in either the defined benefit program or the Public  
56 Employee Optional Retirement Program of the Florida Retirement  
57 System.

58 a. If the employee elects to participate in the Public  
59 Employee Optional Retirement Program, membership shall be  
60 prospective, and the applicable provisions of s. 121.4501(4)  
61 shall govern the election.

62 b. If the employee elects to participate in the defined  
63 benefit program of the Florida Retirement System, the employee  
64 shall, upon payment to the system trust fund of the amount  
65 calculated under sub-sub-subparagraph (I), receive service  
66 credit for prior service based upon the time during which the  
67 employee had withdrawn from the system.

68 (I) The cost for such credit shall be an amount  
69 representing the actuarial accrued liability for the affected

325043

4/27/2005 1:38:24 PM

Amendment No. (for drafter's use only)

70 period of service. The cost shall be calculated using the  
 71 discount rate and other relevant actuarial assumptions that were  
 72 used to value the Florida Retirement System defined benefit plan  
 73 liabilities in the most recent actuarial valuation. The  
 74 calculation shall include any service already maintained under  
 75 the defined benefit plan in addition to the period of  
 76 withdrawal. The actuarial accrued liability attributable to any  
 77 service already maintained under the defined benefit plan shall  
 78 be applied as a credit to the total cost resulting from the  
 79 calculation. The division shall ensure that the transfer sum is  
 80 prepared using a formula and methodology certified by an  
 81 actuary.

82 (II) The employee must transfer a sum representing the net  
 83 cost owed for the actuarial accrued liability in sub-sub-  
 84 subparagraph (I) immediately following the time of such  
 85 movement, determined assuming that attained service equals the  
 86 sum of service in the defined benefit program and the period of  
 87 withdrawal.

89 ===== T I T L E A M E N D M E N T =====

90 Remove line 6 and insert:  
 91 An act relating to the Florida Retirement System; amending s.  
 92 121.055, F.S.; during a specified period of time, permitting  
 93 local government employees who are members of the Senior  
 94 Management Service Class, who have withdrawn from the Florida  
 95 Retirement System, to elect membership in the defined benefit  
 96 program or the public employee optional retirement program of

325043

4/27/2005 1:38:24 PM

HOUSE AMENDMENT

Bill No. HB 1159 CS

Amendment No. (for drafter's use only)

97 | the system; prescribing requirements in making such election;  
98 | providing for payment of the costs of such membership; amending  
99 | s.

325043

4/27/2005 1:38:24 PM