

Bill No. SB 688

Barcode 634238

CHAMBER ACTION

Senate

House

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The Committee on Governmental Oversight and Productivity
(Sebesta) recommended the following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

Section 1. Paragraph (b) of subsection (1) of section
121.055, Florida Statutes, is amended to read:

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

(1)

(b)1. Except as provided in subparagraph 2., effective
January 1, 1990, participation in the Senior Management
Service Class shall be compulsory for the president of each
community college, the manager of each participating city or
county, and all appointed district school superintendents.
Effective January 1, 1994, additional positions may be

Bill No. SB 688

Barcode 634238

1 designated for inclusion in the Senior Management Service
2 Class of the Florida Retirement System, provided that:

3 a. Positions to be included in the class shall be
4 designated by the local agency employer. Notice of intent to
5 designate positions for inclusion in the class shall be
6 published once a week for 2 consecutive weeks in a newspaper
7 of general circulation published in the county or counties
8 affected, as provided in chapter 50.

9 b. Up to 10 nonelective full-time positions may be
10 designated for each local agency employer reporting to the
11 Department of Management Services; for local agencies with 100
12 or more regularly established positions, additional
13 nonelective full-time positions may be designated, not to
14 exceed 1 percent of the regularly established positions within
15 the agency.

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

21 (I) Heads an organizational unit; or

22 (II) Has responsibility to effect or recommend
23 personnel, budget, expenditure, or policy decisions in his or
24 her areas of responsibility.

25 2. In lieu of participation in the Senior Management
26 Service Class, members of the Senior Management Service Class
27 pursuant to the provisions of subparagraph 1. may withdraw
28 from the Florida Retirement System altogether. The decision to
29 withdraw from the Florida Retirement System shall be
30 irrevocable for as long as the employee holds such a position.
31 Any service creditable under the Senior Management Service

Bill No. SB 688

Barcode 634238

1 Class shall be retained after the member withdraws from the
 2 Florida Retirement System; however, additional service credit
 3 in the Senior Management Service Class shall not be earned
 4 after such withdrawal. Such members shall not be eligible to
 5 participate in the Senior Management Service Optional Annuity
 6 Program.

7 3. Effective January 1, 2006, through June 30, 2006,
 8 an employee who has withdrawn from the Florida Retirement
 9 System under subparagraph 2. has one opportunity to elect to
 10 participate in either the defined benefit program or the
 11 Public Employee Optional Retirement Program of the Florida
 12 Retirement System.

13 a. If the employee elects to participate in the Public
 14 Employee Optional Retirement Program, membership shall be
 15 prospective, and the applicable provisions of s. 121.4501(4)
 16 shall govern the election.

17 b. If the employee elects to participate in the
 18 defined benefit program of the Florida Retirement System, the
 19 employee shall, upon payment to the system trust fund of the
 20 amount calculated under sub-sub-subparagraph (I), receive
 21 service credit for prior service based upon the time during
 22 which the employee had withdrawn from the system.

23 (I) The cost for such credit shall be an amount
 24 representing the actuarial accrued liability for the affected
 25 period of service. The cost shall be calculated, using the
 26 discount rate and other relevant actuarial assumptions that
 27 were used to value the Florida Retirement System defined
 28 benefit plan liabilities in the most recent actuarial
 29 valuation. The calculation shall include any service already
 30 maintained under the defined benefit plan in addition to the
 31 period of withdrawal. The actuarial accrued liability

Bill No. SB 688

Barcode 634238

1 attributable to any service already maintained under the
 2 defined benefit plan shall be applied as a credit to the total
 3 cost resulting from the calculation. The division shall ensure
 4 that the transfer sum is prepared using a formula and
 5 methodology certified by an actuary.

6 (II) The employee must transfer a sum representing the
 7 net cost owed for the actuarial accrued liability in
 8 sub-sub-subparagraph I, immediately following the time of such
 9 movement, determined assuming that attained service equals the
 10 sum of service in the defined benefit program and the period
 11 of withdrawal.

12 Section 2. This act shall take effect July 1, 2005.

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

16 And the title is amended as follows:

17 Delete everything before the enacting clause

18

19 and insert:

20 A bill to be entitled
 21 An act relating to the Florida Retirement
 22 System; amending s. 121.055, F.S.; during a
 23 specified period of time, permitting local
 24 government employees who are members of the
 25 Senior Management Service Class, who have
 26 withdrawn from the Florida Retirement System,
 27 to elect membership in the defined benefit
 28 program or the public employee optional
 29 retirement program of the system; prescribing
 30 requirements in making such election; providing
 31 for payment of the costs of such membership;

Bill No. SB 688

Barcode 634238

1 providing an effective date.
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