

CHAMBER ACTION

1 The Fiscal Council recommends the following:

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3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the Florida Retirement System; amending  
7 s. 121.0515, F.S.; authorizing certain members to purchase  
8 additional retirement credit to upgrade prior service to  
9 Special Risk Class service; providing for the calculation  
10 of contributions for such service upgrade; authorizing the  
11 employer to purchase such additional credit for the  
12 member; increasing a contribution rate for certain benefit  
13 change funding purposes; directing the Division of  
14 Statutory Revision to adjust contribution rates set forth  
15 in s. 121.71, F.S.; providing an appropriation; providing  
16 a declaration of important state interest; providing  
17 effective dates.

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21 Section 1. Paragraph (c) is added to subsection (9) of  
22 section 121.0515, Florida Statutes, to read:

23 121.0515 Special risk membership.--

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24 (9) CREDIT FOR UPGRADED SERVICE.--

25 (c) Any member of the Special Risk Class who has earned  
26 creditable service in another membership class of the Florida  
27 Retirement System as a medical examiner or as an employee of a  
28 law enforcement agency in a forensic discipline as described in  
29 paragraph (2)(h), which service is within the purview of the  
30 Special Risk Class, may purchase additional retirement credit to  
31 upgrade such service to Special Risk Class service, to the  
32 extent of the percentages of the member's average final  
33 compensation provided in s. 121.091(1)(a)2. Contributions for  
34 upgrading such service to Special Risk Class credit under this  
35 subsection shall be equal to the difference in the contributions  
36 paid and the Special Risk Class contribution rate as a  
37 percentage of gross salary in effect for the period being  
38 claimed, plus interest thereon at the rate of 6.5 percent a  
39 year, compounded annually until the date of payment. This  
40 service credit may be purchased by the employer on behalf of the  
41 member.

42 Section 2. Effective July 1, 2006, in order to fund the  
43 benefits provided under section 1 of this act, the contribution  
44 rate that applies to the Special Risk Class of the Florida  
45 Retirement System shall be increased by 0.01 percentage points.  
46 This increase shall be in addition to all other changes to such  
47 contribution rates that may be enacted into law to take effect  
48 on that date. The Division of Statutory Revision is directed to  
49 adjust accordingly the contribution rates set forth in s.  
50 121.71, Florida Statutes.

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51           Section 3. Effective July 1, 2006, there is appropriated  
52 \$100,000 from the General Revenue Fund on a recurring basis to  
53 Administered Funds to fund the state costs associated with the  
54 retirement benefits granted by this act.

55           Section 4. The Legislature finds that a proper and  
56 legitimate state purpose is served when employees and retirees  
57 of the state and its political subdivisions, and the dependents,  
58 survivors, and beneficiaries of such employees and retirees, are  
59 extended additional protections afforded by governmental  
60 retirement systems. These persons must be provided benefits that  
61 are fair and adequate and that are managed, administered, and  
62 funded in a sound actuarial manner, as required by Section 14,  
63 Article X of the State Constitution and part VII of chapter 112,  
64 Florida Statutes. Therefore, the Legislature hereby determines  
65 and declares that this act fulfills an important state interest.

66           Section 5. Except as otherwise expressly provided in this  
67 act, this act shall take effect upon becoming a law.