

By the Committee on Governmental Oversight and Productivity;
and Senator Campbell

585-2472-06

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A bill to be entitled

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

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

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

121.0515 Special risk membership.--

(9) CREDIT FOR UPGRADED SERVICE.--

(c) Any member of the Special Risk Class who has earned creditable service in another membership class of the Florida Retirement System as a medical examiner or as an employee of a law enforcement agency in a forensic discipline as described in paragraph (2)(h), which service is within the purview of the Special Risk Class, may purchase additional retirement credit to upgrade such service to Special Risk Class service, to the extent of the percentages of the member's average final compensation provided in s.

1 121.091(1)(a)2. Contributions for upgrading such service to
2 Special Risk Class credit under this subsection shall be equal
3 to the difference in the contributions paid and the Special
4 Risk Class contribution rate as a percentage of gross salary
5 in effect for the period being claimed, plus interest thereon
6 at the rate of 6.5 percent a year, compounded annually until
7 the date of payment. This service credit may be purchased by
8 the employer on behalf of the member.

9 Section 2. Effective July 1, 2006, in order to fund
10 the benefits provided under section 1 of this act, the
11 contribution rate that applies to the Special Risk Class of
12 the Florida Retirement System shall be increased by 0.01
13 percentage points. This increase shall be in addition to all
14 other changes to such contribution rates that may be enacted
15 into law to take effect on that date. The Division of
16 Statutory Revision is directed to adjust accordingly the
17 contribution rates set forth in s. 121.71, Florida Statutes.

18 Section 3. The Legislature finds that a proper and
19 legitimate state purpose is served when employees and retirees
20 of the state and its political subdivisions, and the
21 dependents, survivors, and beneficiaries of such employees and
22 retirees, are extended additional protections afforded by
23 governmental retirement systems. These persons must be
24 provided benefits that are fair and adequate and that are
25 managed, administered, and funded in a sound actuarial manner,
26 as required by Section 14, Article X of the State Constitution
27 and part VII of chapter 112, Florida Statutes. Therefore, the
28 Legislature hereby determines and declares that this act
29 fulfills an important state interest.

30 Section 4. This act shall take effect upon becoming a
31 law.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
SB 2182

The Committee Substitute adds a statement of important state interest and funds the benefit change by including an additional increment of employer payroll cost in the amount of .01 percent.