

HB 671

2006

1 A bill to be entitled

2 An act relating to the Florida Retirement System; amending
3 s. 121.0515, F.S.; increasing the percentage of the
4 Special Risk Class accrual value at which certain
5 employees may purchase additional retirement credit for
6 past service; authorizing certain employees to purchase
7 additional retirement credit to upgrade prior service to
8 Special Risk Class service; providing for the calculation
9 of contributions for such service upgrade; authorizing the
10 employer to purchase such additional credit for the
11 employee; providing for contribution rate increases to
12 fund benefits provided in s. 121.0515, F.S., as amended;
13 directing the Division of Statutory Revision to adjust
14 contribution rates set forth in s. 121.71, F.S.; providing
15 a statement of important state interest; providing an
16 effective date.

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

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20 Section 1. Subsection (5) of section 121.0515, Florida
21 Statutes, is amended, and paragraph (c) is added to subsection
22 (9) of that section, to read:

23 121.0515 Special risk membership.--

24 (5) CREDIT FOR PAST SERVICE.--A special risk member may
25 purchase retirement credit in the Special Risk Class based upon
26 past service, and may upgrade retirement credit for such past
27 service, to the extent of 3 ~~2~~ percent of the member's average
28 monthly compensation as specified in s. 121.091(1)(a) for such

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29 service as follows:

30 (a) The member may purchase special risk credit for past
31 service with a city or special district which has elected to
32 join the Florida Retirement System, or with a participating
33 agency to which a member's governmental unit was transferred,
34 merged, or consolidated as provided in s. 121.081(1)(f), if the
35 member was employed with the city or special district at the
36 time it commenced participating in the Florida Retirement System
37 or with the governmental unit at the time of its transfer,
38 merger, or consolidation with the participating agency. The
39 service must satisfy the criteria set forth in subsection (2)
40 for special risk membership as a law enforcement officer,
41 firefighter, or correctional officer or an emergency medical
42 technician or a paramedic whose employer was a licensed Advance
43 Life Support (ALS) or Basic Life Support (BLS) provider;
44 however, no certificate or waiver of certificate of compliance
45 with s. 943.1395 or s. 633.35 shall be required for such
46 service.

47 (b) Contributions for upgrading the additional special
48 risk credit pursuant to this subsection shall be equal to the
49 difference in the contributions paid and the special risk
50 percentage rate of gross salary in effect at the time of
51 purchase for the period being claimed, plus interest thereon at
52 the rate of 4 percent a year compounded annually from the date
53 of such service until July 1, 1975, and 6.5 percent a year
54 thereafter until the date of payment. This past service may be
55 purchased by the member or by the employer on behalf of the
56 member.

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57 (9) CREDIT FOR UPGRADED SERVICE.--

58 (c) Any member of the Special Risk Class who has earned
59 creditable service in the Regular Class of the Florida
60 Retirement System between July 1, 1978, and June 30, 1984, while
61 attending a certified training academy or other certified
62 training facility approved by the employer for certification as
63 a law enforcement officer or correctional officer, which service
64 is within the purview of the Special Risk Class, may purchase
65 such service to upgrade to Special Risk Class service, to the
66 extent of the percentages of the member's average final
67 compensation as provided in s. 121.091(1)(a)2. Contributions for
68 upgrading such service to Special Risk Class credit under this
69 paragraph shall be equal to the difference in the contributions
70 paid and the Special Risk Class contribution rate as a
71 percentage of gross salary in effect for the period being
72 claimed, plus interest thereon at the rate of 6.5 percent per
73 year, compounded annually until the date of payment. This
74 service credit may be purchased by the employer on behalf of the
75 member.

76 Section 2. Effective July 1, 2006, in order to fund the
77 benefit improvements provided in s. 121.0515, Florida Statutes,
78 as amended by this act, the contribution rate that applies to
79 the Special Risk Class of the defined benefit program of the
80 Florida Retirement System shall be increased by 0.07 percentage
81 points. This increase shall be in addition to all other changes
82 to such contribution rates which may be enacted into law to take
83 effect on that date. The Division of Statutory Revision is

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84 directed to adjust accordingly the contribution rates set forth
85 in s. 121.71, Florida Statutes.

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

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