

FOR CONSIDERATION By the Committee on Governmental Oversight and Productivity

585-641-06

1 A bill to be entitled
2 An act relating to retirement; amending s.
3 121.71, F.S.; revising the payroll contribution
4 rates for the membership classes of the Florida
5 Retirement System for the state fiscal years
6 effective July 1, 2006, and July 1, 2007;
7 providing a declaration of important state
8 interest; providing an effective date.
9

10 Be It Enacted by the Legislature of the State of Florida:
11

12 Section 1. Section 121.71, Florida Statutes, is
13 amended to read:

14 121.71 Uniform rates; process; calculations; levy.--

15 (1) In conducting the system actuarial study required
16 under s. 121.031, the actuary shall follow all requirements
17 specified thereunder to determine, by Florida Retirement
18 System employee membership class, the dollar contribution
19 amounts necessary for the forthcoming fiscal year for the
20 defined benefit program. In addition, the actuary shall
21 determine, by Florida Retirement System membership class,
22 based on an estimate for the forthcoming fiscal year of the
23 gross compensation of employees participating in the optional
24 retirement program, the dollar contribution amounts necessary
25 to make the allocations required under ss. 121.72 and 121.73.
26 For each employee membership class and subclass, the actuarial
27 study shall establish a uniform rate necessary to fund the
28 benefit obligations under both Florida Retirement System
29 retirement plans, by dividing the sum of total dollars
30 required by the estimated gross compensation of members in
31 both plans.

1 (2) Based on the uniform rates set forth in subsection
 2 (3), employers shall make monthly contributions to the
 3 Division of Retirement, which shall initially deposit the
 4 funds into the Florida Retirement System Contributions
 5 Clearing Trust Fund. A change in a contribution rate is
 6 effective the first day of the month for which a full month's
 7 employer contribution may be made on or after the beginning
 8 date of the change.

9 (3) Required employer retirement contribution rates
 10 for each membership class and subclass of the Florida
 11 Retirement System for both retirement plans are as follows:

	Percentage of Gross Compensation, Effective July 1, 2006 2005	Percentage of Gross Compensation, Effective July 1, 2007 2006
Membership Class		
Regular Class	<u> </u> % 6.67%	<u>9.55%</u> 9.53%
Special Risk Class	<u> </u> % 17.37%	<u>21.96%</u> 21.91%
Special Risk Administrative		
Support Class	<u> </u> % 8.76%	<u>12.65%</u> 12.39%
Elected Officers' Class - Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u> </u> % 11.33%	14.86%
Elected Officers' Class - Justices, Judges	<u> </u> % 17.49%	<u>20.44%</u> 20.43%
Elected Officers' Class - County Elected Officers	<u> </u> % 14.07%	<u>17.08%</u> 17.00%

