

Bill No. SB 1490

Barcode 704276

CHAMBER ACTION

Senate

House

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The Committee on Governmental Operations (Lawson) recommended
the following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

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

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

(1) In conducting the system actuarial study required
under s. 121.031, the actuary shall follow all requirements
specified thereunder to determine, by Florida Retirement
System employee membership class, the dollar contribution
amounts necessary for the forthcoming fiscal year for the
defined benefit program. In addition, the actuary shall
determine, by Florida Retirement System membership class,
based on an estimate for the forthcoming fiscal year of the
gross compensation of employees participating in the optional
retirement program, the dollar contribution amounts necessary
to make the allocations required under ss. 121.72 and 121.73.

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1 For each employee membership class and subclass, the actuarial
 2 study shall establish a uniform rate necessary to fund the
 3 benefit obligations under both Florida Retirement System
 4 retirement plans, by dividing the sum of total dollars
 5 required by the estimated gross compensation of members in
 6 both plans.

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

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

	Percentage of Gross Compensation, Effective	July 1, <u>2007</u> 2006	Percentage of Gross Compensation, Effective	July 1, <u>2008</u> 2007
23 Membership Class				
24 Regular Class	8.69%		<u>9.59%</u> 9.55%	
25 Special Risk Class	19.76%		<u>22.01%</u> 21.96%	
26 Special Risk	11.39%		<u>11.90%</u> 12.65%	
27 Administrative				
28 Support Class				
29 Elected Officers' Class--	13.32%		<u>14.99%</u> 14.80%	
30 Legislators, Governor,				
31 Lt. Governor,				

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1	Cabinet Officers,			
2	State Attorneys,			
3	Public Defenders			
4	Elected Officers' Class--	18.40%	<u>20.46%</u>	20.44%
5	Justices, Judges			
6	Elected Officers' Class--	15.37%	<u>17.15%</u>	17.08%
7	County Elected Officers			
8	Senior Management Class	11.96%	<u>13.35%</u>	13.29%
9	DROP	9.80%	<u>11.40%</u>	10.89%

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(4) The state actuary shall recognize and use an appropriate level of available excess assets of the Florida Retirement System Trust Fund to offset the difference between the normal costs of the Florida Retirement System and the statutorily prescribed contribution rates.

Section 2. The Legislature finds that a proper and legitimate state purpose is served when employees and retirees of the state and its political subdivisions, and the dependents, survivors, and beneficiaries of such employees and retirees, are extended the basic protections afforded by governmental retirement systems. These persons must be provided benefits that are fair and adequate and that are managed, administered, and funded in an actuarially sound manner, as required by Section 14, Article X of the State Constitution, and part VII of chapter 112, Florida Statutes. Therefore, the Legislature determines and declares that this act fulfills an important state interest.

Section 3. This act shall take effect July 1, 2007.

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

2 And the title is amended as follows:

3 Delete everything before the enacting clause

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5 and insert:

6 A bill to be entitled

7 An act relating to retirement; amending s.

8 121.71, F.S.; revising the payroll contribution

9 rates for the membership classes of the Florida

10 Retirement System for the state fiscal years

11 effective July 1, 2007, and July 1, 2008;

12 providing a declaration of important state

13 interest; providing an effective date.

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