

Bill No. HB 7085

Barcode 573284

CHAMBER ACTION

Senate

House

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04/19/2007 12:58:22

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04/18/2007 11:12 AM

Senators Lawson and Carlton moved 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. For each employee membership class and subclass, the actuarial

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

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

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

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

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

9

10 (4) The state actuary shall recognize and use an

11 appropriate level of available excess assets of the Florida

12 Retirement System Trust Fund to offset the difference between

13 the normal costs of the Florida Retirement System and the

14 statutorily prescribed contribution rates.

15 Section 2. The Legislature finds that a proper and

16 legitimate state purpose is served when employees and retirees

17 of the state and its political subdivisions, and the

18 dependents, survivors, and beneficiaries of such employees and

19 retirees, are extended the basic protections afforded by

20 governmental retirement systems. These persons must be

21 provided benefits that are fair and adequate and that are

22 managed, administered, and funded in an actuarially sound

23 manner, as required by Section 14, Article X of the State

24 Constitution, and part VII of chapter 112, Florida Statutes.

25 Therefore, the Legislature determines and declares that this

26 act fulfills an important state interest.

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

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

31 And the title is amended as follows:

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1 Delete everything before the enacting clause

2

3 and insert:

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A bill to be entitled

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An act relating to retirement; amending s.

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121.71, F.S.; revising the payroll contribution

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rates for the membership classes of the Florida

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Retirement System for the state fiscal years

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

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providing a declaration of important state

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interest; providing an effective date.

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