

1 A bill to be entitled
 2 An act relating to the Florida Retirement System; amending
 3 s. 121.052, F.S.; specifying that the election to
 4 participate as members in the Senior Management Service
 5 Class by certain elected officers shall have no effect on
 6 the statutory limit on the number of nonelective full-time
 7 positions that may be designated for inclusion within the
 8 Senior Management Service Class; amending s. 121.055,
 9 F.S.; authorizing designation of a certain number of
 10 nonelective full-time positions for certain school
 11 districts for inclusion within the Senior Management
 12 Service Class; providing an effective date.

13
 14 Be It Enacted by the Legislature of the State of Florida:

15
 16 Section 1. Paragraph (c) of subsection (3) of section
 17 121.052, Florida Statutes, is amended to read:

18 121.052 Membership class of elected officers.--

19 (3) PARTICIPATION AND WITHDRAWAL, GENERALLY.--Effective
 20 July 1, 1990, participation in the Elected Officers' Class shall
 21 be compulsory for elected officers listed in paragraphs (2)(a)-
 22 (d) and (f) assuming office on or after said date, unless the
 23 elected officer elects membership in another class or withdraws
 24 from the Florida Retirement System as provided in paragraphs
 25 (3)(a)-(d):

26 (c) Any elected officer may, within 6 months after
 27 assuming office, or within 6 months after this act becomes a law
 28 for serving elected officers, elect membership in the Senior

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29 Management Service Class as provided in s. 121.055 in lieu of
30 membership in the Elected Officers' Class. Any such election
31 made by a county elected officer shall have no effect upon the
32 statutory limit on the number of nonelective full-time positions
33 that may be designated by a local agency employer or a specified
34 school district for inclusion in the Senior Management Service
35 Class under s. 121.055(1)(b)1.

36 Section 2. Paragraph (b) of subsection (1) of section
37 121.055, Florida Statutes, is amended to read:

38 121.055 Senior Management Service Class.--There is hereby
39 established a separate class of membership within the Florida
40 Retirement System to be known as the "Senior Management Service
41 Class," which shall become effective February 1, 1987.

42 (1)

43 (b)1. Except as provided in subparagraph 2., effective
44 January 1, 1990, participation in the Senior Management Service
45 Class shall be compulsory for the president of each community
46 college, the manager of each participating city or county, and
47 all appointed district school superintendents. Effective January
48 1, 1994, additional positions may be designated for inclusion in
49 the Senior Management Service Class of the Florida Retirement
50 System, provided that:

51 a. Positions to be included in the class shall be
52 designated by the local agency employer. Notice of intent to
53 designate positions for inclusion in the class shall be
54 published once a week for 2 consecutive weeks in a newspaper of
55 general circulation published in the county or counties
56 affected, as provided in chapter 50.

57 b. Up to 10 nonelective full-time positions may be
58 designated for each local agency employer reporting to the
59 Department of Management Services, and up to 15 nonelective
60 full-time positions may be designated for school districts
61 serving as the fiscal agent for a regional consortium service
62 organization as established pursuant to s. 1001.451; for local
63 agencies with 100 or more regularly established positions,
64 additional nonelective full-time positions may be designated,
65 not to exceed 1 percent of the regularly established positions
66 within the agency.

67 c. Each position added to the class must be a managerial
68 or policymaking position filled by an employee who is not
69 subject to continuing contract and serves at the pleasure of the
70 local agency employer without civil service protection, and who:

71 (I) Heads an organizational unit; or

72 (II) Has responsibility to effect or recommend personnel,
73 budget, expenditure, or policy decisions in his or her areas of
74 responsibility.

75 2. In lieu of participation in the Senior Management
76 Service Class, members of the Senior Management Service Class
77 pursuant to the provisions of subparagraph 1. may withdraw from
78 the Florida Retirement System altogether. The decision to
79 withdraw from the Florida Retirement System shall be irrevocable
80 for as long as the employee holds such a position. Any service
81 creditable under the Senior Management Service Class shall be
82 retained after the member withdraws from the Florida Retirement
83 System; however, additional service credit in the Senior
84 Management Service Class shall not be earned after such

85 withdrawal. Such members shall not be eligible to participate in
86 the Senior Management Service Optional Annuity Program.

87 3. Effective January 1, 2006, through June 30, 2006, an
88 employee who has withdrawn from the Florida Retirement System
89 under subparagraph 2. has one opportunity to elect to
90 participate in either the defined benefit program or the Public
91 Employee Optional Retirement Program of the Florida Retirement
92 System.

93 a. If the employee elects to participate in the Public
94 Employee Optional Retirement Program, membership shall be
95 prospective, and the applicable provisions of s. 121.4501(4)
96 shall govern the election.

97 b. If the employee elects to participate in the defined
98 benefit program of the Florida Retirement System, the employee
99 shall, upon payment to the system trust fund of the amount
100 calculated under sub-sub-subparagraph (I), receive service
101 credit for prior service based upon the time during which the
102 employee had withdrawn from the system.

103 (I) The cost for such credit shall be an amount
104 representing the actuarial accrued liability for the affected
105 period of service. The cost shall be calculated using the
106 discount rate and other relevant actuarial assumptions that were
107 used to value the Florida Retirement System defined benefit plan
108 liabilities in the most recent actuarial valuation. The
109 calculation shall include any service already maintained under
110 the defined benefit plan in addition to the period of
111 withdrawal. The actuarial accrued liability attributable to any
112 service already maintained under the defined benefit plan shall

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113 | be applied as a credit to the total cost resulting from the
114 | calculation. The division shall ensure that the transfer sum is
115 | prepared using a formula and methodology certified by an
116 | actuary.

117 | (II) The employee must transfer a sum representing the net
118 | cost owed for the actuarial accrued liability in sub-sub-
119 | subparagraph (I) immediately following the time of such
120 | movement, determined assuming that attained service equals the
121 | sum of service in the defined benefit program and the period of
122 | withdrawal.

123 | Section 3. This act shall take effect July 1, 2008.