

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

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, except for school districts  
60 serving as the fiscal agent for a regional consortium service  
61 organization as established pursuant to s. 1001.451. School  
62 districts serving as the fiscal agent for a regional consortium  
63 service organization established pursuant to s. 1001.451 may  
64 designate up to 15 nonelective full-time positions. ~~for~~ Local  
65 agencies with 100 or more regularly established positions, may  
66 designate additional nonelective full-time positions ~~may be~~  
67 ~~designated~~, not to exceed 1 percent of the regularly established  
68 positions within the agency.

69           c. Each position added to the class must be a managerial  
70 or policymaking position filled by an employee who is not  
71 subject to continuing contract and serves at the pleasure of the  
72 local agency employer without civil service protection, and who:  
73           (I) Heads an organizational unit; or  
74           (II) Has responsibility to effect or recommend personnel,  
75 budget, expenditure, or policy decisions in his or her areas of  
76 responsibility.

77           2. In lieu of participation in the Senior Management  
78 Service Class, members of the Senior Management Service Class  
79 pursuant to the provisions of subparagraph 1. may withdraw from  
80 the Florida Retirement System altogether. The decision to  
81 withdraw from the Florida Retirement System shall be irrevocable  
82 for as long as the employee holds such a position. Any service  
83 creditable under the Senior Management Service Class shall be  
84 retained after the member withdraws from the Florida Retirement

85 System; however, additional service credit in the Senior  
86 Management Service Class shall not be earned after such  
87 withdrawal. Such members shall not be eligible to participate in  
88 the Senior Management Service Optional Annuity Program.

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90 employee who has withdrawn from the Florida Retirement System  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

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

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

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

CS/HB 1049

2008

113 withdrawal. The actuarial accrued liability attributable to any  
114 service already maintained under the defined benefit plan shall  
115 be applied as a credit to the total cost resulting from the  
116 calculation. The division shall ensure that the transfer sum is  
117 prepared using a formula and methodology certified by an  
118 actuary.

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

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