



397176

CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
3/19/2008	.	
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1 The Committee on Governmental Operations (Oelrich) recommended  
 2 the following **amendment**:

**Senate Amendment (with title amendment)**

Between line(s) 12 and 13

insert:

Section 1. Paragraph (b) of subsection (22) of section  
 121.021, Florida Statutes, is amended to read:

121.021 Definitions.--The following words and phrases as  
 used in this chapter have the respective meanings set forth  
 unless a different meaning is plainly required by the context:

(22) "Compensation" means the monthly salary paid a member  
 by his or her employer for work performed arising from that  
 employment.

(b) Under no circumstances shall compensation for a member  
participating in the defined benefit retirement program or the

Bill No. SB 1428



397176

17 Public Employee Optional Retirement Program of the Florida  
18 Retirement System include:

19 1. Fees paid professional persons for special or particular  
20 services or include salary payments made from a faculty practice  
21 plan authorized by the Board of Governors of the State University  
22 System for eligible clinical faculty at a college in a state  
23 university with a faculty practice plan; or

24 2. Any bonuses or other payments prohibited from inclusion  
25 in the member's average final compensation and defined in  
26 subsection (47).

27 Section 2. Paragraph (a) of subsection (1) of section  
28 121.051, Florida Statutes, is amended to read:

29 121.051 Participation in the system.--

30 (1) COMPULSORY PARTICIPATION.--

31 (a) The provisions of this law shall be compulsory as to  
32 all officers and employees, except elected officers who meet the  
33 requirements of s. 121.052(3), who are employed on or after  
34 December 1, 1970, of an employer other than those referred to in  
35 paragraph (2)(b), and each officer or employee, as a condition of  
36 employment, shall become a member of the system as of his or her  
37 date of employment, except that a person who is retired from any  
38 state retirement system and is reemployed on or after December 1,  
39 1970, may ~~shall not be permitted to~~ renew his or her membership  
40 in any state retirement system except as provided in s.

41 121.091(4)(h) for a person who recovers from disability, and as  
42 provided in s. 121.091(9)(b)8. for a person who is elected to  
43 public office, and, effective July 1, 1991, as provided in s.  
44 121.122 for all other retirees. Officers and employees of the  
45 University Athletic Association, Inc., a nonprofit association  
46 connected with the University of Florida, employed on and after

Bill No. SB 1428



397176

47 July 1, 1979, shall not participate in any state-supported  
48 retirement system.

49 1.a. Any person appointed on or after July 1, 1989, to a  
50 faculty position in a college at the J. Hillis Miller Health  
51 Center at the University of Florida or the Medical Center at the  
52 University of South Florida which has a faculty practice plan  
53 provided by rule adopted by the Board of Regents may ~~shall~~ not  
54 participate in the Florida Retirement System. Effective July 1,  
55 2008, any person appointed thereafter to a faculty position,  
56 including clinical faculty, in a college at a state university  
57 that has a faculty practice plan authorized by the Board of  
58 Governors may not participate in the Florida Retirement System. A  
59 faculty member so appointed shall participate in the optional  
60 retirement program for the State University System ~~on the basis~~  
61 ~~of his or her state-funded compensation,~~ notwithstanding the  
62 provisions of s. 121.35(2)(a).

63 b. For purposes of this subparagraph, the term "faculty  
64 position" is defined as a position assigned the principal  
65 responsibility of teaching, research, or public service activities  
66 or administrative responsibility directly related to the academic  
67 mission of the college. The term "clinical faculty" is defined as  
68 a faculty position appointment in conjunction with a professional  
69 position in a hospital or other clinical environment at a college.  
70 The term "faculty practice plan" includes professional services to  
71 patients, institutions, or other parties which are rendered by the  
72 clinical faculty employed by a college with a faculty practice  
73 plan at a state university authorized by the Board of Governors.

74 Section 3. Paragraph (a) of subsection (4) of section  
75 121.35, Florida Statutes, is amended, and paragraph (g) is added  
76 to subsection (4) of that section, to read:

Bill No. SB 1428



397176

77 121.35 Optional retirement program for the State University  
78 System.--

79 (4) CONTRIBUTIONS.--

80 (a) Through June 30, 2001, each employer shall contribute  
81 on behalf of each participant in the optional retirement program  
82 an amount equal to the normal cost portion of the employer  
83 retirement contribution which would be required if the  
84 participant were a regular member of the Florida Retirement  
85 System defined benefit program, plus the portion of the  
86 contribution rate required in s. 112.363(8) that would otherwise  
87 be assigned to the Retiree Health Insurance Subsidy Trust Fund.  
88 Effective July 1, 2001, each employer shall contribute on behalf  
89 of each participant in the optional program an amount equal to  
90 10.43 percent of the participant's gross monthly compensation.  
91 The department shall deduct an amount approved by the Legislature  
92 to provide for the administration of this program. The payment of  
93 the contributions to the optional program which is required by  
94 this paragraph for each participant shall be made by the employer  
95 to the department, which shall forward the contributions to the  
96 designated company or companies contracting for payment of  
97 benefits for the participant under the program. However, such  
98 contributions paid on behalf of an employee described in  
99 paragraph (3)(c) shall not be forwarded to a company and shall  
100 not begin to accrue interest until the employee has executed a ~~an~~  
101 ~~annuity~~ contract and notified the department.

102 (g) Effective July 1, 2008, for purposes of paragraph (a)  
103 and notwithstanding s. 121.021(22)(b)1., the term "participant's  
104 gross monthly compensation" includes salary payments made to  
105 eligible clinical faculty from a state university using funds



397176

106 provided by a faculty practice plan authorized by the Board of  
107 Governors of the State University System if:

108 1. There is not any employer contribution from the state  
109 university to any other retirement program with respect to such  
110 salary payments; and

111 2. The employer contribution on behalf of the participant  
112 in the optional retirement program with respect to such salary  
113 payments is made using funds provided by the faculty practice  
114 plan.

115  
116 ===== T I T L E A M E N D M E N T =====

117 And the title is amended as follows:

118 On line(s) 2, after the first semicolon,  
119 insert:

120 amending s. 121.021, F.S.; clarifying that the term  
121 "compensation" for purposes of the benefit retirement  
122 program or the Public Employee Optional Retirement Program  
123 of the Florida Retirement System does not include fees or  
124 salary payments made from a faculty practice plan  
125 authorized by the Board of Governors of the State  
126 University System for clinical faculty at a state  
127 university having a faculty practice plan; amending s.  
128 121.051, F.S.; requiring that a person appointed to a  
129 faculty position at a state university having a faculty  
130 practice plan participate in the optional retirement  
131 program of the State University System rather than the  
132 Florida Retirement System; providing definitions; amending  
133 s. 121.35, F.S.; requiring the participating employee in  
134 the optional retirement program to execute a contract, not  
135 just an annuity contract, with a designated company in



397176

136 | order for employee contributions to be forwarded to the  
137 | company and for interest to accrue; defining the term  
138 | "participant's gross monthly compensation" for purposes of  
139 | the optional retirement program for the State University  
140 | System;