

By Senator Wise

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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:

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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 assuming
27 office, or within 6 months after this act becomes a law for
28 serving elected officers, elect membership in the Senior
29 Management Service Class as provided in s. 121.055 in lieu of

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30 membership in the Elected Officers' Class. Any such election made
31 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 published
54 once a week for 2 consecutive weeks in a newspaper of general
55 circulation published in the county or counties affected, as
56 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

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

67 c. Each position added to the class must be a managerial or
68 policymaking position filled by an employee who is not subject to
69 continuing contract and serves at the pleasure of the local
70 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.

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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 participate
90 in either the defined benefit program or the Public Employee
91 Optional Retirement Program of the Florida Retirement System.

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

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101 had withdrawn from the system.

102 (I) The cost for such credit shall be an amount
103 representing the actuarial accrued liability for the affected
104 period of service. The cost shall be calculated using the
105 discount rate and other relevant actuarial assumptions that were
106 used to value the Florida Retirement System defined benefit plan
107 liabilities in the most recent actuarial valuation. The
108 calculation shall include any service already maintained under
109 the defined benefit plan in addition to the period of withdrawal.
110 The actuarial accrued liability attributable to any service
111 already maintained under the defined benefit plan shall be
112 applied as a credit to the total cost resulting from the
113 calculation. The division shall ensure that the transfer sum is
114 prepared using a formula and methodology certified by an actuary.

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

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