

By Senator Wise

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1 A bill to be entitled
2 An act relating to the Florida Retirement System;
3 amending s. 121.052, F.S.; providing that election to
4 participate in the Senior Management Service Class by
5 elected county officers does not affect the statutory
6 limit on the number of nonelective full-time positions
7 that may be designated for inclusion in the class by a
8 school district; deleting obsolete provisions;
9 amending s. 121.055, F.S.; authorizing the designation
10 of a certain number of nonelective full-time positions
11 for certain school districts for inclusion in the
12 Senior Management Service Class; deleting obsolete
13 provisions; providing an effective date.

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

16
17 Section 1. Paragraph (c) of subsection (3) of section
18 121.052, Florida Statutes, is amended to read:

19 121.052 Membership class of elected officers.—

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

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

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30 Management Service Class as provided in s. 121.055 in lieu of
31 membership in the Elected Officers' Class. Any such election
32 made by a county elected officer does not affect ~~shall have no~~
33 ~~effect upon~~ the statutory limit on the number of nonelective
34 full-time positions that may be designated by a local agency
35 employer or a specified school district for inclusion in the
36 Senior Management Service Class under s. 121.055(1)(b)1.

37 Section 2. Paragraph (b) of subsection (1) of section
38 121.055, Florida Statutes, is amended to read:

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

43 (1)

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

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

58 b. Up to 10 nonelective full-time positions may be

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

67 c. Each position added to the class is ~~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 under pursuant to the provisions of subparagraph 1. may withdraw
78 from the Florida Retirement System ~~altogether~~. The decision to
79 withdraw is ~~from the Florida Retirement System shall be~~
80 irrevocable ~~for~~ as long as the employee holds such a position.
81 Any service creditable under the Senior Management Service Class
82 is ~~shall be~~ retained after the member withdraws from the Florida
83 Retirement System; however, additional service credit in the
84 ~~Senior Management Service~~ class may ~~shall~~ not be earned after
85 such withdrawal. Such members are ~~shall~~ not be eligible to
86 participate in the Senior Management Service Optional Annuity
87 Program.

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

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

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

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

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117 ~~actuary.~~

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

124 Section 3. This act shall take effect July 1, 2009.