

By Senator Baker

20-00351-10

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1                   A bill to be entitled  
 2           An act relating to retirement; amending s. 121.0515,  
 3           F.S.; authorizing certain employees to purchase the  
 4           retirement credit for past service at a 3 percent  
 5           Special Risk Class accrual value; providing  
 6           requirements for calculating the first 2 percent of a  
 7           member's average monthly compensation for purposes of  
 8           purchasing past service credit; providing requirements  
 9           for purchasing past service credit in excess of 2  
 10          percent but not to exceed 3 percent of the member's  
 11          average monthly compensation; providing requirements  
 12          for calculating the contribution amount; requiring the  
 13          contribution for past service credit to be paid  
 14          immediately upon notification by the Division of  
 15          Retirement; providing that past service credit may be  
 16          purchased by the member or by the employer on behalf  
 17          of the member; providing a declaration of important  
 18          state interest; providing an effective date.

19  
 20 Be It Enacted by the Legislature of the State of Florida:

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 22           Section 1. Subsection (5) of section 121.0515, Florida  
 23           Statutes, is amended to read:

24           121.0515 Special risk membership.—

25           (5) CREDIT FOR PAST SERVICE.—A special risk member may  
 26           purchase retirement credit in the Special Risk Class based upon  
 27           past service, and may upgrade retirement credit for such past  
 28           service, to the extent of 3 ~~2~~ percent of the member's average  
 29           monthly compensation as specified in s. 121.091(1)(a) for such

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30 service as follows:

31 (a) The member may purchase special risk credit for past  
32 service with a city or special district which has elected to  
33 join the Florida Retirement System, or with a participating  
34 agency to which a member's governmental unit was transferred,  
35 merged, or consolidated as provided in s. 121.081(1)(f), if the  
36 member was employed with the city or special district at the  
37 time it commenced participating in the Florida Retirement System  
38 or with the governmental unit at the time of its transfer,  
39 merger, or consolidation with the participating agency. The  
40 service must satisfy the criteria set forth in subsection (2)  
41 for special risk membership as a law enforcement officer, a  
42 firefighter, a ~~ex~~ correctional officer, or an emergency medical  
43 technician or paramedic whose employer was a licensed advanced  
44 life support or basic life support provider; however, no  
45 certificate or waiver of certificate of compliance with s.  
46 943.1395 or s. 633.35 shall be required for such service.

47 (b) Contributions for upgrading the first 2 percent of the  
48 member's average monthly compensation for the additional special  
49 risk credit pursuant to this subsection shall be equal to the  
50 difference in the contributions paid and the special risk  
51 percentage rate of gross salary in effect at the time of  
52 purchase for the period being claimed, plus interest thereon at  
53 the rate of 4 percent a year compounded annually from the date  
54 of such service until July 1, 1975, and 6.5 percent a year  
55 thereafter until the date of payment. This past service may be  
56 purchased by the member or by the employer on behalf of the  
57 member.

58 (c) Contributions for upgrading additional special risk

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59 credit in excess of 2 percent but not to exceed 3 percent of the  
60 member's average monthly compensation shall be an amount  
61 representing the actuarial accrued liability for the difference  
62 in accrual value during the period of service for which credit  
63 is being purchased. Contributions shall be calculated by an  
64 actuary designated by the department using the discount rate and  
65 other relevant actuarial assumptions that were used to value the  
66 Florida Retirement System defined benefit plan liabilities in  
67 the most recent actuarial valuation. The contribution for  
68 service credit being purchased must be paid by the member or by  
69 the employer on behalf of the member immediately upon  
70 notification by the division.

71 Section 2. The Legislature finds that a proper and  
72 legitimate state purpose is served when employees and retirees  
73 of the state and of its political subdivisions, and the  
74 dependents, survivors, and beneficiaries of such employees and  
75 retirees, are extended the basic protections afforded by  
76 governmental retirement systems that provide fair and adequate  
77 benefits and that are managed, administered, and funded in an  
78 actuarially sound manner as required by s. 14, Article X of the  
79 State Constitution and part VII of chapter 112, Florida  
80 Statutes. Therefore, the Legislature determines and declares  
81 that the provisions of this act fulfill an important state  
82 interest.

83 Section 3. This act shall take effect July 1, 2010.