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1 A bill to be entitled
2 An act relating to retirement; amending s. 112.64, F.S.;
3 providing limitations for the total contributions made to
4 certain retirement systems or plans; prohibiting certain
5 retirement systems or plans from amortizing their unfunded
6 liabilities over a specified period; limiting the
7 amortization bases created in specified future plan years;
8 providing disclosure requirements; amending s. 121.053,
9 F.S.; requiring employers to make specified retirement
10 contributions on behalf of certain employees in the
11 Elected Officers' Class, including those in DROP;
12 providing exceptions; amending s. 121.055, F.S.; requiring
13 employers to make specified retirement contributions on
14 behalf of certain employees who have withdrawn from the
15 Senior Management Service Class; providing an exception;
16 amending s. 121.122, F.S.; requiring employers to make
17 specified retirement contributions on behalf of certain
18 reemployed retirees; providing an exception; amending ss.
19 112.05, 121.051, 121.091, 121.35, and 1012.875, F.S.;
20 providing exceptions to required employer contributions on
21 behalf of certain program participants in conformance with
22 changes made by this act; providing a declaration of
23 important state interest; providing an effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Paragraph (c) of subsection (4) of section
28 112.05, Florida Statutes, is amended to read:

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29 | 112.05 Retirement; cost-of-living adjustment; employment
 30 | after retirement.—

31 | (4)

32 | (c) An employer, upon employment of any person who has
 33 | been retired under a state-administered retirement program,
 34 | shall pay retirement contributions in an amount equal to the
 35 | unfunded actuarial accrued liability portion of the employer
 36 | contribution which would be required for a regular member of the
 37 | Florida Retirement System, except as provided in s.

38 | 112.64(2)(b).

39 | Section 2. Subsections (2) and (3) of section 112.64,
 40 | Florida Statutes, are amended to read:

41 | 112.64 Administration of funds; amortization of unfunded
 42 | liability.—

43 | (2) (a) From and after October 1, 1980, for those plans in
 44 | existence on October 1, 1980, the total contributions to the
 45 | retirement system or plan shall be sufficient to meet the normal
 46 | cost of the retirement system or plan and to amortize the
 47 | unfunded liability, if any, within 40 years; however, ~~nothing~~
 48 | ~~contained in this paragraph does not permit subsection permits~~
 49 | any retirement system or plan to amortize its unfunded
 50 | liabilities over a period longer than that which remains under
 51 | its current amortization schedule.

52 | (b) Notwithstanding paragraph (a), for retirement systems
 53 | or plans with an actuarial funded ratio of 90 percent or greater
 54 | in the plan year ending in calendar year 2008, calculated using
 55 | the Governmental Accounting Standards Board Statement 25 basis,
 56 | the provisions of subparagraph 1. may be applied to funding for

57 plan years beginning in calendar years 2010, 2011, and 2012:

58 1. Total contributions to the retirement system or plan
 59 may be limited to the greater of:

60 a. The contribution rate in effect for the previous plan
 61 year; or

62 b. The normal cost of the retirement system or plan in the
 63 current plan year.

64 2. This paragraph does not permit any retirement system or
 65 plan to amortize its unfunded liabilities over a period longer
 66 than that which remains under its existing amortization
 67 schedules. New amortization bases created in plan years
 68 beginning in calendar years 2010, 2011, and 2012 may not exceed
 69 the maximum duration allowed in this section, notwithstanding
 70 any postponed amortization payments resulting from the
 71 application of this paragraph.

72 3. Any retirement system or plan that uses the provisions
 73 of subparagraph 1. must disclose this option of funding in its
 74 actuarial valuation for affected plan years beginning in
 75 calendar years 2010, 2011, and 2012.

76 (3) (a) For a retirement system or plan which comes into
 77 existence after October 1, 1980, the unfunded liability, if any,
 78 shall be amortized within 40 years of the first plan year.

79 (b) Notwithstanding paragraph (a), for retirement systems
 80 or plans with an actuarial funded ratio of 90 percent or greater
 81 in the plan year ending in calendar year 2008, calculated using
 82 the Governmental Accounting Standards Board Statement 25 basis,
 83 the provisions of subparagraph 1. may be applied to funding for
 84 plan years beginning in calendar years 2010, 2011, and 2012:

85 1. Total contributions to the retirement system or plan
 86 may be limited to the greater of:

87 a. The contribution rate in effect for the previous plan
 88 year; or

89 b. The normal cost of the retirement system or plan in the
 90 current plan year.

91 2. This paragraph does not permit any retirement system or
 92 plan to amortize its unfunded liabilities over a period longer
 93 than that which remains under its existing amortization
 94 schedules. New amortization bases created in plan years
 95 beginning in calendar years 2010, 2011, and 2012 may not exceed
 96 the maximum duration allowed in this section, notwithstanding
 97 any postponed amortization payments resulting from the
 98 application of this paragraph.

99 3. Any retirement system or plan that uses the provisions
 100 of subparagraph 1. must disclose this option of funding in its
 101 actuarial valuation for affected plan years beginning in
 102 calendar years 2010, 2011, and 2012.

103 Section 3. Paragraph (c) of subsection (2) of section
 104 121.051, Florida Statutes, is amended to read:

105 121.051 Participation in the system.—

106 (2) OPTIONAL PARTICIPATION.—

107 (c) Employees of public community colleges or charter
 108 technical career centers sponsored by public community colleges,
 109 designated in s. 1000.21(3), who are members of the Regular
 110 Class of the Florida Retirement System and who comply with the
 111 criteria set forth in this paragraph and s. 1012.875 may, in
 112 lieu of participating in the Florida Retirement System, elect to

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113 | withdraw from the system altogether and participate in the State
114 | Community College System Optional Retirement Program provided by
115 | the employing agency under s. 1012.875.

116 | 1. Through June 30, 2001, the cost to the employer for
117 | such annuity equals the normal cost portion of the employer
118 | retirement contribution which would be required if the employee
119 | were a member of the Regular Class defined benefit program, plus
120 | the portion of the contribution rate required by s. 112.363(8)
121 | which would otherwise be assigned to the Retiree Health
122 | Insurance Subsidy Trust Fund. Effective July 1, 2001, each
123 | employer shall contribute on behalf of each participant in the
124 | optional program an amount equal to 10.43 percent of the
125 | participant's gross monthly compensation. The employer shall
126 | deduct an amount for the administration of the program. The
127 | employer shall contribute an additional amount to the Florida
128 | Retirement System Trust Fund equal to the unfunded actuarial
129 | accrued liability portion of the Regular Class contribution
130 | rate, except as provided in s. 112.64(2)(b).

131 | 2. The decision to participate in an optional retirement
132 | program is irrevocable as long as the employee holds a position
133 | eligible for participation, except as provided in subparagraph
134 | 3. Any service creditable under the Florida Retirement System is
135 | retained after the member withdraws from the system; however,
136 | additional service credit in the system may not be earned while
137 | a member of the optional retirement program.

138 | 3. An employee who has elected to participate in the
139 | optional retirement program shall have one opportunity, at the
140 | employee's discretion, to transfer from the optional retirement

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141 program to the defined benefit program of the Florida Retirement
142 System or to the Public Employee Optional Retirement Program,
143 subject to the terms of the applicable optional retirement
144 program contracts.

145 a. If the employee chooses to move to the Public Employee
146 Optional Retirement Program, any contributions, interest, and
147 earnings creditable to the employee under the State Community
148 College System Optional Retirement Program are retained by the
149 employee in the State Community College System Optional
150 Retirement Program, and the applicable provisions of s.
151 121.4501(4) govern the election.

152 b. If the employee chooses to move to the defined benefit
153 program of the Florida Retirement System, the employee shall
154 receive service credit equal to his or her years of service
155 under the State Community College System Optional Retirement
156 Program.

157 (I) The cost for such credit is the amount representing
158 the present value of the employee's accumulated benefit
159 obligation for the affected period of service. The cost shall be
160 calculated as if the benefit commencement occurs on the first
161 date the employee becomes eligible for unreduced benefits, using
162 the discount rate and other relevant actuarial assumptions that
163 were used to value the Florida Retirement System defined benefit
164 plan liabilities in the most recent actuarial valuation. The
165 calculation must include any service already maintained under
166 the defined benefit plan in addition to the years under the
167 State Community College System Optional Retirement Program. The
168 present value of any service already maintained must be applied

169 as a credit to total cost resulting from the calculation. The
 170 division shall ensure that the transfer sum is prepared using a
 171 formula and methodology certified by an enrolled actuary.

172 (II) The employee must transfer from his or her State
 173 Community College System Optional Retirement Program account and
 174 from other employee moneys as necessary, a sum representing the
 175 present value of the employee's accumulated benefit obligation
 176 immediately following the time of such movement, determined
 177 assuming that attained service equals the sum of service in the
 178 defined benefit program and service in the State Community
 179 College System Optional Retirement Program.

180 4. Participation in the optional retirement program is
 181 limited to employees who satisfy the following eligibility
 182 criteria:

183 a. The employee must be otherwise eligible for membership
 184 or renewed membership in the Regular Class of the Florida
 185 Retirement System, as provided in s. 121.021(11) and (12) or s.
 186 121.122.

187 b. The employee must be employed in a full-time position
 188 classified in the Accounting Manual for Florida's Public
 189 Community Colleges as:

190 (I) Instructional; or

191 (II) Executive Management, Instructional Management, or
 192 Institutional Management, if a community college determines that
 193 recruiting to fill a vacancy in the position is to be conducted
 194 in the national or regional market, and the duties and
 195 responsibilities of the position include the formulation,
 196 interpretation, or implementation of policies, or the

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197 performance of functions that are unique or specialized within
198 higher education and that frequently support the mission of the
199 community college.

200 c. The employee must be employed in a position not
201 included in the Senior Management Service Class of the Florida
202 Retirement System, as described in s. 121.055.

203 5. Participants in the program are subject to the same
204 reemployment limitations, renewed membership provisions, and
205 forfeiture provisions as are applicable to regular members of
206 the Florida Retirement System under ss. 121.091(9), 121.122, and
207 121.091(5), respectively. A participant who receives a program
208 distribution funded by employer contributions shall be deemed to
209 be retired from a state-administered retirement system if the
210 participant is subsequently employed with an employer that
211 participates in the Florida Retirement System.

212 6. Eligible community college employees are compulsory
213 members of the Florida Retirement System until, pursuant to s.
214 1012.875, a written election to withdraw from the system and
215 participate in the State Community College System Optional
216 Retirement Program is filed with the program administrator and
217 received by the division.

218 a. A community college employee whose program eligibility
219 results from initial employment must be enrolled in the State
220 Community College System Optional Retirement Program retroactive
221 to the first day of eligible employment. The employer retirement
222 contributions paid through the month of the employee plan change
223 shall be transferred to the community college to the employee's
224 optional program account, and, effective the first day of the

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225 next month, the employer shall pay the applicable contributions
226 based upon subparagraph 1.

227 b. A community college employee whose program eligibility
228 is due to the subsequent designation of the employee's position
229 as one of those specified in subparagraph 4., or due to the
230 employee's appointment, promotion, transfer, or reclassification
231 to a position specified in subparagraph 4., must be enrolled in
232 the program on the first day of the first full calendar month
233 that such change in status becomes effective. The employer
234 retirement contributions paid from the effective date through
235 the month of the employee plan change must be transferred to the
236 community college to the employee's optional program account,
237 and, effective the first day of the next month, the employer
238 shall pay the applicable contributions based upon subparagraph
239 1.

240 7. Effective July 1, 2003, through December 31, 2008, any
241 participant of the State Community College System Optional
242 Retirement Program who has service credit in the defined benefit
243 plan of the Florida Retirement System for the period between his
244 or her first eligibility to transfer from the defined benefit
245 plan to the optional retirement program and the actual date of
246 transfer may, during employment, transfer to the optional
247 retirement program a sum representing the present value of the
248 accumulated benefit obligation under the defined benefit
249 retirement program for the period of service credit. Upon
250 transfer, all service credit previously earned under the defined
251 benefit program of the Florida Retirement System during this
252 period is nullified for purposes of entitlement to a future

253 benefit under the defined benefit program of the Florida
 254 Retirement System.

255 Section 4. Paragraph (a) of subsection (3) and paragraph
 256 (a) of subsection (7) of section 121.053, Florida Statutes, are
 257 amended to read:

258 121.053 Participation in the Elected Officers' Class for
 259 retired members.—

260 (3) On or after July 1, 2010:

261 (a) A retiree of a state-administered retirement system
 262 who is elected or appointed for the first time to an elective
 263 office in a regularly established position with a covered
 264 employer may not reenroll in the Florida Retirement System. Each
 265 employer shall contribute on behalf of each employed retiree
 266 ineligible for renewed membership under this paragraph an amount
 267 equal to the unfunded actuarial liability portion of the
 268 employer contribution which would be required for members of the
 269 Elected Officers' Class or the Regular Class, as appropriate, in
 270 the Florida Retirement System, except as provided in s.
 271 112.64(2)(b).

272 (7) A member who is elected or appointed to an elective
 273 office and who is participating in the Deferred Retirement
 274 Option Program is not subject to termination as defined in s.
 275 121.021, or reemployment limitations as provided in s.
 276 121.091(9), until the end of his or her current term of office
 277 or, if the officer is consecutively elected or reelected to an
 278 elective office eligible for coverage under the Florida
 279 Retirement System, until he or she no longer holds an elective
 280 office, as follows:

281 (a) At the end of the 60-month DROP period:
 282 1. The officer's DROP account may not accrue additional
 283 monthly benefits, but does continue to earn interest as provided
 284 in s. 121.091(13). However, an officer whose DROP participation
 285 begins on or after July 1, 2010, may not continue to earn such
 286 interest.

287 2. Except for the payment of the unfunded actuarial
 288 liability funding, retirement contributions are not required of
 289 the employer of the elected officer and additional retirement
 290 credit may not be earned under the Florida Retirement System.
 291 Each employer shall contribute on behalf of each nonenrolled
 292 employee under this subsection an amount equal to the unfunded
 293 actuarial liability portion of the employer contribution which
 294 would be required for members of the Elected Officers' Class or
 295 the Regular Class, as appropriate, in the Florida Retirement
 296 System, except as provided in s. 112.64(2) (b).

297 Section 5. Paragraph (b) of subsection (1) and paragraph
 298 (d) of subsection (6) of section 121.055, Florida Statutes, are
 299 amended to read:

300 121.055 Senior Management Service Class.—There is hereby
 301 established a separate class of membership within the Florida
 302 Retirement System to be known as the "Senior Management Service
 303 Class," which shall become effective February 1, 1987.

304 (1)

305 (b)1. Except as provided in subparagraph 2., effective
 306 January 1, 1990, participation in the Senior Management Service
 307 Class shall be compulsory for the president of each community
 308 college, the manager of each participating city or county, and

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309 all appointed district school superintendents. Effective January
310 1, 1994, additional positions may be designated for inclusion in
311 the Senior Management Service Class of the Florida Retirement
312 System, provided that:

313 a. Positions to be included in the class shall be
314 designated by the local agency employer. Notice of intent to
315 designate positions for inclusion in the class shall be
316 published once a week for 2 consecutive weeks in a newspaper of
317 general circulation published in the county or counties
318 affected, as provided in chapter 50.

319 b. Up to 10 nonelective full-time positions may be
320 designated for each local agency employer reporting to the
321 Department of Management Services; for local agencies with 100
322 or more regularly established positions, additional nonelective
323 full-time positions may be designated, not to exceed 1 percent
324 of the regularly established positions within the agency.

325 c. Each position added to the class must be a managerial
326 or policymaking position filled by an employee who is not
327 subject to continuing contract and serves at the pleasure of the
328 local agency employer without civil service protection, and who:

329 (I) Heads an organizational unit; or

330 (II) Has responsibility to effect or recommend personnel,
331 budget, expenditure, or policy decisions in his or her areas of
332 responsibility.

333 2. In lieu of participation in the Senior Management
334 Service Class, members of the Senior Management Service Class
335 pursuant to the provisions of subparagraph 1. may withdraw from
336 the Florida Retirement System altogether. The decision to

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337 withdraw from the Florida Retirement System shall be irrevocable
338 for as long as the employee holds such a position. Any service
339 creditable under the Senior Management Service Class shall be
340 retained after the member withdraws from the Florida Retirement
341 System; however, additional service credit in the Senior
342 Management Service Class shall not be earned after such
343 withdrawal. Such members shall not be eligible to participate in
344 the Senior Management Service Optional Annuity Program. Each
345 employer shall contribute on behalf of each withdrawn employee
346 under this subparagraph an amount equal to the unfunded
347 actuarial accrued liability portion of the employer contribution
348 which would be required for members of the Senior Management
349 Service Class in the Florida Retirement System, except as
350 provided in s. 112.64(2)(b).

351 3. Effective January 1, 2006, through June 30, 2006, an
352 employee who has withdrawn from the Florida Retirement System
353 under subparagraph 2. has one opportunity to elect to
354 participate in either the defined benefit program or the Public
355 Employee Optional Retirement Program of the Florida Retirement
356 System.

357 a. If the employee elects to participate in the Public
358 Employee Optional Retirement Program, membership shall be
359 prospective, and the applicable provisions of s. 121.4501(4)
360 shall govern the election.

361 b. If the employee elects to participate in the defined
362 benefit program of the Florida Retirement System, the employee
363 shall, upon payment to the system trust fund of the amount
364 calculated under sub-sub-subparagraph (I), receive service

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365 credit for prior service based upon the time during which the
366 employee had withdrawn from the system.

367 (I) The cost for such credit shall be an amount
368 representing the actuarial accrued liability for the affected
369 period of service. The cost shall be calculated using the
370 discount rate and other relevant actuarial assumptions that were
371 used to value the Florida Retirement System defined benefit plan
372 liabilities in the most recent actuarial valuation. The
373 calculation shall include any service already maintained under
374 the defined benefit plan in addition to the period of
375 withdrawal. The actuarial accrued liability attributable to any
376 service already maintained under the defined benefit plan shall
377 be applied as a credit to the total cost resulting from the
378 calculation. The division shall ensure that the transfer sum is
379 prepared using a formula and methodology certified by an
380 actuary.

381 (II) The employee must transfer a sum representing the net
382 cost owed for the actuarial accrued liability in sub-sub-
383 subparagraph (I) immediately following the time of such
384 movement, determined assuming that attained service equals the
385 sum of service in the defined benefit program and the period of
386 withdrawal.

387 (6)

388 (d) Contributions.—

389 1. Through June 30, 2001, each employer shall contribute
390 on behalf of each participant in the Senior Management Service
391 Optional Annuity Program an amount equal to the normal cost
392 portion of the employer retirement contribution which would be

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393 required if the participant were a Senior Management Service
394 Class member of the Florida Retirement System defined benefit
395 program, plus the portion of the contribution rate required in
396 s. 112.363(8) that would otherwise be assigned to the Retiree
397 Health Insurance Subsidy Trust Fund. Effective July 1, 2001,
398 each employer shall contribute on behalf of each participant in
399 the optional program an amount equal to 12.49 percent of the
400 participant's gross monthly compensation. The department shall
401 deduct an amount approved by the Legislature to provide for the
402 administration of this program. The payment of the contributions
403 to the optional program which is required by this subparagraph
404 for each participant shall be made by the employer to the
405 department, which shall forward the contributions to the
406 designated company or companies contracting for payment of
407 benefits for the participant under the program.

408 2. Each employer shall contribute on behalf of each
409 participant in the Senior Management Service Optional Annuity
410 Program an amount equal to the unfunded actuarial accrued
411 liability portion of the employer contribution which would be
412 required for members of the Senior Management Service Class in
413 the Florida Retirement System, except as provided in s.
414 112.64(2)(b). This contribution shall be paid to the department
415 for transfer to the Florida Retirement System Trust Fund.

416 3. An Optional Annuity Program Trust Fund shall be
417 established in the State Treasury and administered by the
418 department to make payments to provider companies on behalf of
419 the optional annuity program participants, and to transfer the
420 unfunded liability portion of the state optional annuity program

421 contributions to the Florida Retirement System Trust Fund.

422 4. Contributions required for social security by each
 423 employer and each participant, in the amount required for social
 424 security coverage as now or hereafter may be provided by the
 425 federal Social Security Act shall be maintained for each
 426 participant in the Senior Management Service retirement program
 427 and shall be in addition to the retirement contributions
 428 specified in this paragraph.

429 5. Each participant in the Senior Management Service
 430 Optional Annuity Program may contribute by way of salary
 431 reduction or deduction a percentage amount of the participant's
 432 gross compensation not to exceed the percentage amount
 433 contributed by the employer to the optional annuity program.
 434 Payment of the participant's contributions shall be made by the
 435 employer to the department, which shall forward the
 436 contributions to the designated company or companies contracting
 437 for payment of benefits for the participant under the program.

438 Section 6. Paragraph (c) of subsection (9) of section
 439 121.091, Florida Statutes, is amended to read:

440 121.091 Benefits payable under the system.—Benefits may
 441 not be paid under this section unless the member has terminated
 442 employment as provided in s. 121.021(39) (a) or begun
 443 participation in the Deferred Retirement Option Program as
 444 provided in subsection (13), and a proper application has been
 445 filed in the manner prescribed by the department. The department
 446 may cancel an application for retirement benefits when the
 447 member or beneficiary fails to timely provide the information
 448 and documents required by this chapter and the department's

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449 rules. The department shall adopt rules establishing procedures
450 for application for retirement benefits and for the cancellation
451 of such application when the required information or documents
452 are not received.

453 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

454 (c) Any person whose retirement is effective on or after
455 July 1, 2010, or whose participation in the Deferred Retirement
456 Option Program terminates on or after July 1, 2010, who is
457 retired under this chapter, except under the disability
458 retirement provisions of subsection (4) or as provided in s.
459 121.053, may be reemployed by an employer that participates in a
460 state-administered retirement system and receive retirement
461 benefits and compensation from that employer. However, a person
462 may not be reemployed by an employer participating in the
463 Florida Retirement System before meeting the definition of
464 termination in s. 121.021 and may not receive both a salary from
465 the employer and retirement benefits for 6 calendar months after
466 meeting the definition of termination. However, a DROP
467 participant shall continue employment and receive a salary
468 during the period of participation in the Deferred Retirement
469 Option Program, as provided in subsection (13).

470 1. The reemployed retiree may not renew membership in the
471 Florida Retirement System.

472 2. The employer shall pay retirement contributions in an
473 amount equal to the unfunded actuarial liability portion of the
474 employer contribution that would be required for active members
475 of the Florida Retirement System in addition to the
476 contributions required by s. 121.76, except as provided in s.

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477 112.64(2)(b).

478 3. A retiree initially reemployed in violation of this
479 paragraph and an employer that employs or appoints such person
480 are jointly and severally liable for reimbursement of any
481 retirement benefits paid to the retirement trust fund from which
482 the benefits were paid, including the Florida Retirement System
483 Trust Fund and the Public Employee Optional Retirement Program
484 Trust Fund, as appropriate. The employer must have a written
485 statement from the employee that he or she is not retired from a
486 state-administered retirement system. Retirement benefits shall
487 remain suspended until repayment is made. Benefits suspended
488 beyond the end of the retiree's 6-month reemployment limitation
489 period shall apply toward the repayment of benefits received in
490 violation of this paragraph.

491 Section 7. Subsection (2) of section 121.122, Florida
492 Statutes, is amended to read:

493 121.122 Renewed membership in system.—

494 (2) A retiree of a state-administered retirement system
495 who is initially reemployed on or after July 1, 2010, is not
496 eligible for renewed membership. Each employer shall contribute
497 on behalf of each reemployed retiree ineligible for membership
498 under this subsection an amount equal to the unfunded actuarial
499 liability portion of the employer contribution which would be
500 required for the membership class covering the position held,
501 except as provided in s. 112.64(2)(b).

502 Section 8. Paragraph (b) of subsection (4) of section
503 121.35, Florida Statutes, is amended to read:

504 121.35 Optional retirement program for the State

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505 University System.—

506 (4) CONTRIBUTIONS.—

507 (b) Each employer shall contribute on behalf of each
 508 participant in the optional retirement program an amount equal
 509 to the unfunded actuarial accrued liability portion of the
 510 employer contribution which would be required for members of the
 511 Florida Retirement System, except as provided in s.

512 112.64(2)(b). This contribution shall be paid to the department
 513 for transfer to the Florida Retirement System Trust Fund.

514 Section 9. Paragraph (b) of subsection (4) of section
 515 1012.875, Florida Statutes, is amended to read:

516 1012.875 State Community College System Optional
 517 Retirement Program.—Each community college may implement an
 518 optional retirement program, if such program is established
 519 therefor pursuant to s. 1001.64(20), under which annuity or
 520 other contracts providing retirement and death benefits may be
 521 purchased by, and on behalf of, eligible employees who
 522 participate in the program, in accordance with s. 403(b) of the
 523 Internal Revenue Code. Except as otherwise provided herein, this
 524 retirement program, which shall be known as the State Community
 525 College System Optional Retirement Program, may be implemented
 526 and administered only by an individual community college or by a
 527 consortium of community colleges.

528 (4)

529 (b) Each college must contribute on behalf of each program
 530 participant an amount equal to the unfunded actuarial accrued
 531 liability portion of the employer contribution which would be
 532 required if the program participant were a member of the Regular

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533 Class of the Florida Retirement System, except as provided in s.
534 112.64(2)(b). Payment of this contribution must be made directly
535 by the college to the department for deposit in the Florida
536 Retirement System Trust Fund.

537 Section 10. The Legislature finds that a proper and
538 legitimate state purpose is served when employees and retirees
539 of the state and its political subdivisions, and the dependents,
540 survivors, and beneficiaries of such employees and retirees, are
541 extended the basic protections afforded by governmental
542 retirement systems. These persons must be provided benefits that
543 are fair and adequate and that are managed, administered, and
544 funded in an actuarially sound manner, as required by s. 14,
545 Article X of the State Constitution and part VII of chapter 112,
546 Florida Statutes. Therefore, the Legislature determines and
547 declares that this act fulfills an important state interest.

548 Section 11. This act shall take effect July 1, 2010.