

By Senator Aronberg

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1 A bill to be entitled
2 An act relating to the Florida Retirement System;
3 amending s. 121.111, F.S.; conforming cross-
4 references; authorizing additional persons to purchase
5 credit for prior military wartime service; amending s.
6 121.052, F.S.; conforming a cross-reference; revising
7 the payroll contribution rates for the membership
8 classes of the system; providing a declaration of
9 important state interest; providing an effective date.

10
11 Be It Enacted by the Legislature of the State of Florida:

12
13 Section 1. Section 121.111, Florida Statutes, is amended to
14 read:

15 121.111 Credit for military service.—

16 (1) Creditable service of any member shall also include
17 military service as defined in s. 121.021(20) (a) if:

18 (a) The member is in the active employ of an employer
19 immediately before ~~prior to~~ such service and leaves a position,
20 other than a temporary position, for the purpose of induction
21 into ~~the Armed Forces of the United States~~ or entry upon duty in
22 the Armed Forces of the United States. When applied to the
23 Florida Retirement System:

24 1. The term "position other than a temporary position"
25 means a regularly established position with a Florida Retirement
26 System employer; and

27 2. A member shall be construed to have left his or her
28 employment for military purposes if he or she reported for
29 active duty within 60 days after leaving such employment;

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30 (b) The member is entitled to reemployment under the
31 provisions of the Uniformed Services Employment and Reemployment
32 Rights Act ~~Veterans' Reemployment Rights Act (38 U.S.C. ss. 2021~~
33 ~~et seq.)~~;

34 (c) The member applies for reemployment with the same
35 employer within the time set forth in the Uniformed Services
36 Employment and Reemployment Rights Act s. 2021 or s. 2024 of the
37 ~~Veterans' Reemployment Rights Act, whichever is applicable,~~ and
38 is reemployed by such employer;

39 (d) The member makes the required employee contributions,
40 if any, and the employer makes the required employer
41 contributions for the employee's membership class for each month
42 of service credit during the ~~such~~ period of military service,
43 based upon the employee's rate of monthly compensation as of the
44 date that the employee left his or her position, plus 4 percent
45 interest on such contributions compounded annually from the due
46 date of the contribution until July 1, 1975, and 6.5 percent
47 interest compounded annually thereafter, until the payment is
48 made to the appropriate ~~proper~~ retirement trust fund; and

49 (e) The period of service claimed pursuant to this
50 subsection does not exceed the periods specified by the
51 provisions of the Uniformed Services Employment and Reemployment
52 Rights Act ss. 2021 and 2024 of the Veterans' Reemployment
53 ~~Rights Act~~ which are applicable in the member's case.

54 (2) Any member ~~whose initial date of employment is before~~
55 ~~January 1, 1987,~~ who has military service as defined in s.
56 121.021(20)(b) ~~and~~ and who does not claim such service under
57 subsection (1) may receive creditable service for such military
58 service if:

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59 (a) The member is vested;

60 (b) Creditable service, not to exceed a total of 4 years,
61 is claimed only as service earned in the Regular Class of
62 membership; and

63 (c) The member pays into the proper retirement trust fund 4
64 percent of gross salary, based upon his or her first year of
65 salary subsequent to July 1, 1945, that he or she has credit for
66 under this system, plus 4 percent interest thereon compounded
67 annually from the date of first creditable service under this
68 chapter until July 1, 1975, and 6.5 percent interest compounded
69 annually thereafter, until payment is made to the appropriate
70 ~~proper~~ retirement trust fund.

71 (3) ~~(d)~~ The member may not receive credit under subsection
72 (2) for any wartime military service if the member also receives
73 credit for such service under any federal, state, or local
74 retirement or pension system where "length of service" is a
75 factor in determining the amount of compensation received.
76 However, credit for wartime military service may be received if
77 ~~where~~ the member also receives credit under a pension system
78 providing retired pay for nonregular service in the Armed Forces
79 of the United States in accordance with 10 U.S.C. ss. 1331 et
80 seq., as follows:

81 (a) ~~1.~~ Any person whose retirement date under the Florida
82 Retirement System is before ~~prior to~~ July 1, 1985, may claim
83 such service at any time, ~~as provided in this subsection,~~ upon
84 payment of contributions and interest as provided in paragraph
85 (2)(c) ~~(e)~~, with interest computed to the retired member's
86 retirement date. The benefit must ~~shall~~ be recalculated and
87 increased to include the additional service credit granted for

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88 such wartime military service, and a lump-sum payment ~~shall be~~
89 made to the retiree for the amount owed due to the additional
90 service credit, retroactive to the date of retirement.

91 (b)2. Any person whose retirement date is on or after July
92 1, 1985, must claim such service and pay the required
93 contributions, as provided in subsection (4) ~~paragraph (c)~~,
94 prior to the commencement of his or her retirement benefits, ~~as~~
95 ~~provided in this subsection.~~

96 (4)(e) Any member claiming credit under ~~this~~ subsection (2)
97 must certify on the form prescribed by the department that
98 credit for such service has not and will not be claimed for
99 retirement purposes under any other federal, state, or local
100 retirement or pension system where "length of service" is a
101 factor in determining the amount of compensation received,
102 unless ~~except where~~ credit for such service has been granted in
103 a pension system providing retired pay for nonregular service as
104 provided in subsection (3) ~~paragraph (d)~~. If the member dies
105 before ~~prior to~~ retirement, the member's beneficiary must make
106 the required certification before credit may be claimed. If such
107 certification is not made by the member or the member's
108 beneficiary, credit for wartime military service may ~~shall~~ not
109 be claimed ~~allowed~~.

110 (5)(f) Service credit awarded for wartime military service
111 under subsection (2) equals ~~shall be~~ the total number of years,
112 months, and days from and including the date of entry into
113 active duty through the date of discharge from active duty, up
114 to a maximum of 4 years. If the military service includes a
115 partial year, it must ~~shall~~ be stated as a fraction of a year.
116 Creditable military service must ~~shall~~ be calculated in

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117 accordance with rule 60S-2.005(2)(j), Florida Administrative
118 Code.

119 ~~(6)(3)~~ Except as provided by law or rule, the employer is
120 not required to make contributions for military service credit
121 for any member.

122 Section 2. Paragraph (d) of subsection (12) of section
123 121.052, Florida Statutes, is amended to read:

124 121.052 Membership class of elected officers.—

125 (12) BENEFITS.—

126 (d) The provisions of ss. 121.101 and 121.111, relating to
127 the cost-of-living adjustment of retirement benefits and
128 retirement credit for wartime military service, respectively,
129 shall apply to members of the Elected Officers' Class.

130 Creditable service for actual wartime service, ~~as authorized by~~
131 ~~s. 121.111(2)~~, not exceeding 4 years, shall be acquired and paid
132 for as provided in s. 121.111 ~~said subsection~~. Upon payment by
133 the member of 4 percent of gross salary plus accrued interest,
134 retirement credit shall be granted at the rate of 1.6 percent
135 for each year of creditable service acquired under said
136 subsection.

137 Section 3. Effective July 1, 2010, in order to fund the
138 benefits provided by this act:

139 (1) The contribution rate that applies to the Regular Class
140 of the Florida Retirement System is increased by 0.11 percentage
141 points.

142 (2) The contribution rate that applies to the Special Risk
143 Class of the Florida Retirement System is increased by 0.16
144 percentage points.

145 (3) The contribution rate that applies to the Special Risk

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146 Administrative Support Class of the Florida Retirement System is
147 increased by 0.21 percentage points.

148 (4) The contribution rate that applies to the Judicial
149 subclass of the Elected Officers' Class of the Florida
150 Retirement System is increased by 0.20 percentage points.

151 (5) The contribution rate that applies to the legislative-
152 attorney-Cabinet subclass of the Elected Officers' Class of the
153 Florida Retirement System is increased by 0.19 percentage
154 points.

155 (6) The contribution rate that applies to the County
156 Officers' subclass of the Elected Officers' Class of the Florida
157 Retirement System is increased by 0.22 percentage points.

158 (7) The contribution rate that applies to the Senior
159 Management Service Class of the Florida Retirement System is
160 increased by 0.18 percentage points.

161
162 These increases are in addition to all other changes to such
163 contribution rates which may be enacted into law to take effect
164 on that date. The Division of Statutory Revision is directed to
165 adjust the contribution rates set forth in ss. 121.052, 121.055,
166 and 121.071, Florida Statutes.

167 Section 4. The Legislature finds that a proper and
168 legitimate state purpose is served when employees and retirees
169 of the state and its political subdivisions, and the dependents,
170 survivors, and beneficiaries of such employees and retirees, are
171 extended the basic protections afforded by governmental
172 retirement systems. These persons must be provided benefits that
173 are fair and adequate and that are managed, administered, and
174 funded in an actuarially sound manner, as required by s. 14,

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175 Article X of the State Constitution and part VII of chapter 112,
176 Florida Statutes. Therefore, the Legislature determines and
177 declares that this act fulfills an important state interest.

178 Section 5. This act shall take effect July 1, 2010.