

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Government Operations
2 Subcommittee

3 Representative Workman offered the following:

4
5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:
7 Section 1. Subsection (29) and paragraph (b) of subsection
8 (45) of section 121.021, Florida Statutes, are amended, and
9 paragraph (c) is added to subsection (45) of that section, to
10 read:

11 121.021 Definitions.—The following words and phrases as
12 used in this chapter have the respective meanings set forth
13 unless a different meaning is plainly required by the context:

14 (29) "Normal retirement date" means the date a member
15 attains normal retirement age and is vested, which is determined
16 as follows:

17 (a) ~~1.~~ If a Regular Class member, a Senior Management
18 Service Class member, or an Elected Officers' Class member
19 initially enrolled:

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20 1. Before July 1, 2011:

21 a. The first day of the month the member attains age 62;
22 or

23 b. The first day of the month following the date the
24 member completes 30 years of creditable service, regardless of
25 age.

26 ~~2. If a Regular Class member, a Senior Management Service~~
27 ~~Class member, or an Elected Officers' Class member initially~~
28 ~~enrolled~~ On or after July 1, 2011:

29 a. The first day of the month the member attains age 65;
30 or

31 b. The first day of the month following the date the
32 member completes 33 years of creditable service, regardless of
33 age.

34 ~~(b)1.~~ If a Special Risk Class member initially enrolled:

35 1. Before July 1, 2011:

36 a. The first day of the month the member attains age 55
37 and completes the years of creditable service in the Special
38 Risk Class equal to or greater than the years of service
39 required for vesting;

40 b. The first day of the month following the date the
41 member completes 25 years of creditable service in the Special
42 Risk Class, regardless of age; or

43 c. The first day of the month following the date the
44 member completes 25 years of creditable service and attains age
45 52, which service may include a maximum of 4 years of military
46 service credit if such credit is not claimed under any other
47 system and the remaining years are in the Special Risk Class.

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48 2. ~~If a Special Risk Class member initially enrolled~~ On or
49 after July 1, 2011:

50 a. The first day of the month the member attains age 55 ~~60~~
51 and completes the years of creditable service in the Special
52 Risk Class equal to or greater than the years of service
53 required for vesting;

54 b. The first day of the month the member attains age 50
55 ~~and following the date the member~~ completes 25 ~~30~~ years of
56 creditable service in the Special Risk Class, ~~regardless of age;~~
57 or

58 c. The first day of the month following the date the
59 member completes 25 ~~30~~ years of creditable service and attains
60 age 52 ~~57~~, which service may include a maximum of 4 years of
61 military service credit if such credit is not claimed under any
62 other system and the remaining years are in the Special Risk
63 Class.

64
65 For pension plan members, "normal retirement age" is attained on
66 the "normal retirement date." For investment plan members,
67 normal retirement age is the date a member attains his or her
68 normal retirement date as provided in this section, or the date
69 a member is vested under the investment plan as provided in s.
70 121.4501(6), whichever is later.

71 (45) "Vested" or "vesting" means the guarantee that a
72 member is eligible to receive a future retirement benefit upon
73 completion of the required years of creditable service for the
74 employee's class of membership, even though the member may have
75 terminated covered employment before reaching normal or early

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76 retirement date. Being vested does not entitle a member to a
77 disability benefit. Provisions governing entitlement to
78 disability benefits are set forth under s. 121.091(4).

79 (b) Any member initially enrolled in the Florida
80 Retirement System on or after July 1, 2011, but before July 1,
81 2012, shall be vested in the pension plan upon completion of 8
82 years of creditable service.

83 (c) Any member initially enrolled in the Florida
84 Retirement System on or after July 1, 2012, shall be vested in
85 the pension plan upon completion of 11 years of creditable
86 service.

87 Section 2. Paragraph (f) of subsection (1) and paragraph
88 (e) of subsection (6) of section 121.055, Florida Statutes, are
89 amended to read:

90 121.055 Senior Management Service Class.—There is hereby
91 established a separate class of membership within the Florida
92 Retirement System to be known as the "Senior Management Service
93 Class," which shall become effective February 1, 1987.

94 (1)

95 (f) Effective July 1, 1997:

96 1. Except as provided in subparagraph 3., an elected state
97 officer eligible for membership in the Elected Officers' Class
98 under s. 121.052(2)(a), (b), or (c) who elects membership in the
99 Senior Management Service Class under s. 121.052(3)(c) may,
100 within 6 months after assuming office or within 6 months after
101 this act becomes a law for serving elected state officers, elect
102 to participate in the Senior Management Service Optional Annuity

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103 Program, as provided in subsection (6), in lieu of membership in
104 the Senior Management Service Class.

105 2. Except as provided in subparagraph 3., an elected
106 officer of a local agency employer eligible for membership in
107 the Elected Officers' Class under s. 121.052(2)(d) who elects
108 membership in the Senior Management Service Class under s.
109 121.052(3)(c) may, within 6 months after assuming office, or
110 within 6 months after this act becomes a law for serving elected
111 officers of a local agency employer, elect to withdraw from the
112 Florida Retirement System, as provided in subparagraph (b)2., in
113 lieu of membership in the Senior Management Service Class.

114 3. A retiree of a state-administered retirement system who
115 is initially reemployed in a regularly established position on
116 or after July 1, 2010, as an elected official eligible for the
117 Elected Officers' Class may not be enrolled in renewed ~~renew~~
118 membership in the Senior Management Service Class or in the
119 Senior Management Service Optional Annuity Program as provided
120 in subsection (6), and may not withdraw from the Florida
121 Retirement System as a renewed member as provided in
122 subparagraph (b)2., as applicable, in lieu of membership in the
123 Senior Management Service Class.

124 (6)

125 (e) *Benefits.*—

126 1. Benefits under the Senior Management Service Optional
127 Annuity Program are payable only to members of the program, or
128 their beneficiaries as designated by the member in the contract
129 with the provider company, and must be paid by the designated
130 company in accordance with the terms of the annuity contract

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131 applicable to the member. A member must be terminated from all
132 employment relationships with Florida Retirement System
133 employers for 3 calendar months to begin receiving the employer-
134 funded and employee-funded benefit. The department may authorize
135 a distribution of up to 10 percent of the member's account after
136 being terminated from employment with participating employers
137 for 1 calendar month if the member has reached the normal
138 retirement date as defined in s. 121.021. The department may
139 adopt rules to implement this provision. The member must meet
140 the definition of termination in s. 121.021(39) beginning the
141 month after receiving a benefit, including a distribution.
142 Benefits funded by employer and employee contributions are
143 payable under the terms of the contract to the member, his or
144 her beneficiary, or his or her estate, in addition to:

145 a. A lump-sum payment to the beneficiary upon the death of
146 the member;

147 b. A cash-out of a de minimis account upon the request of
148 a former member who has been terminated for a minimum of 6
149 calendar months from the employment that entitled him or her to
150 optional annuity program participation. Such cash-out must be a
151 complete liquidation of the account balance with that company
152 and is subject to the Internal Revenue Code;

153 c. A mandatory distribution of a de minimis account of a
154 former member who has been terminated for a minimum of 6
155 calendar months from the employment that entitled him or her to
156 optional annuity program participation as authorized by the
157 department; or

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158 d. A lump-sum direct rollover distribution whereby all
159 accrued benefits, plus interest and investment earnings, are
160 paid from the member's account directly to the custodian of an
161 eligible retirement plan, as defined in s. 402(c)(8)(B) of the
162 Internal Revenue Code, on behalf of the member.

163 2. Under the Senior Management Service Optional Annuity
164 Program, benefits, including employee contributions, are not
165 payable for employee hardships, unforeseeable emergencies,
166 loans, medical expenses, educational expenses, purchase of a
167 principal residence, payments necessary to prevent eviction or
168 foreclosure on an employee's principal residence, or any other
169 reason except a requested distribution for retirement, a
170 mandatory de minimis distribution authorized by the
171 administrator, or a required minimum distribution provided
172 pursuant to the Internal Revenue Code ~~before termination from~~
173 ~~all employment relationships with participating employers for 3~~
174 ~~calendar months.~~

175 3. The benefits payable to any person under the Senior
176 Management Service Optional Annuity Program, and any
177 contribution accumulated under such program, are not subject to
178 assignment, execution, or attachment or to any legal process
179 whatsoever.

180 4. Except as provided in subparagraph 5., a member who
181 terminates employment and receives a distribution, including a
182 rollover or trustee-to-trustee transfer, funded by employer and
183 required employee contributions is a retiree of ~~deemed to be~~
184 ~~retired from~~ a state-administered retirement system. A retiree
185 of a state-administered retirement system who is initially

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186 reemployed in a regularly established position on or after July
187 1, 2010, is not eligible to be enrolled in renewed membership ~~if~~
188 ~~the member is subsequently employed with an employer that~~
189 ~~participates in the Florida Retirement System.~~

190 5. A member who receives optional annuity program benefits
191 funded by employer and employee contributions as a mandatory
192 distribution of a de minimis account authorized by the
193 department is not considered a retiree.

194
195 As used in this paragraph, a "de minimis account" means an
196 account with a provider company containing employer and employee
197 contributions and accumulated earnings of not more than \$5,000
198 made under this chapter.

199 Section 3. Paragraph (a) of subsection (3) and paragraph
200 (a) of subsection (4) of section 121.091, Florida Statutes, are
201 amended to read:

202 121.091 Benefits payable under the system.—Benefits may
203 not be paid under this section unless the member has terminated
204 employment as provided in s. 121.021(39) (a) or begun
205 participation in the Deferred Retirement Option Program as
206 provided in subsection (13), and a proper application has been
207 filed in the manner prescribed by the department. The department
208 may cancel an application for retirement benefits when the
209 member or beneficiary fails to timely provide the information
210 and documents required by this chapter and the department's
211 rules. The department shall adopt rules establishing procedures
212 for application for retirement benefits and for the cancellation

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213 of such application when the required information or documents
214 are not received.

215 (3) EARLY RETIREMENT BENEFIT.—Upon retirement on his or
216 her early retirement date, the member shall receive an immediate
217 monthly benefit that shall begin to accrue on the first day of
218 the month of the retirement date and be payable on the last day
219 of that month and each month thereafter during his or her
220 lifetime. Such benefit shall be calculated as follows:

221 (a) For a member initially enrolled:

222 1. Before July 1, 2011, the amount of each monthly payment
223 shall be computed in the same manner as for a normal retirement
224 benefit, in accordance with subsection (1), but shall be based
225 on the member's average monthly compensation and creditable
226 service as of the member's early retirement date. The benefit so
227 computed shall be reduced by five-twelfths of 1 percent for each
228 complete month by which the early retirement date precedes the
229 normal retirement date of age 62 for a member of the Regular
230 Class, Senior Management Service Class, or the Elected Officers'
231 Class, and age 55 for a member of the Special Risk Class, or age
232 52 if a Special Risk member has completed 25 years of creditable
233 service in accordance with s. 121.021(29)(b)1.c.

234 2. On or after July 1, 2011, the amount of each monthly
235 payment shall be computed in the same manner as for a normal
236 retirement benefit, in accordance with subsection (1), but shall
237 be based on the member's average monthly compensation and
238 creditable service as of the member's early retirement date. The
239 benefit so computed shall be reduced by five-twelfths of 1
240 percent for each complete month by which the early retirement

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241 date precedes the normal retirement date of age 65 for a member
242 of the Regular Class, Senior Management Service Class, or the
243 Elected Officers' Class, and age 55 ~~60~~ for a member of the
244 Special Risk Class, or age 50 ~~57~~ if a Special Risk member has
245 completed 25 ~~30~~ years of creditable service in accordance with
246 s. 121.021(29)(b)2.b. ~~s. 121.021(29)(b)2.c.~~

247 (4) DISABILITY RETIREMENT BENEFIT.—

248 (a) Disability retirement; entitlement and effective
249 date.—

250 1.a. A member who becomes totally and permanently
251 disabled, as defined in paragraph (b), after completing 5 years
252 of creditable service, or a member who becomes totally and
253 permanently disabled in the line of duty regardless of service,
254 is entitled to a monthly disability benefit; except that any
255 member with less than 5 years of creditable service on July 1,
256 1980, or any person who becomes a member of the Florida
257 Retirement System on or after such date must have completed 10
258 years of creditable service before becoming totally and
259 permanently disabled in order to receive disability retirement
260 benefits for any disability which occurs other than in the line
261 of duty. However, if a member employed on July 1, 1980, who has
262 less than 5 years of creditable service as of that date becomes
263 totally and permanently disabled after completing 5 years of
264 creditable service and is found not to have attained fully
265 insured status for benefits under the federal Social Security
266 Act, such member is entitled to a monthly disability benefit.

267 b. Effective July 1, 2001, for a member initially enrolled
268 before July 1, 2012, a member of the pension plan who becomes

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269 totally and permanently disabled, as defined in paragraph (b),
270 after completing 8 years of creditable service, or a member who
271 becomes totally and permanently disabled in the line of duty
272 regardless of service, is entitled to a monthly disability
273 benefit.

274 c. For a member of the pension plan who is initially
275 enrolled on or after July 1, 2012, and becomes totally and
276 permanently disabled, as defined in paragraph (b), after
277 completing the years of service for vesting in s. 121.021, or a
278 member who becomes totally and permanently disabled in the line
279 of duty regardless of service, is entitled to a monthly
280 disability benefit.

281 2. If the division has received from the employer the
282 required documentation of the member's termination of
283 employment, the effective retirement date for a member who
284 applies and is approved for disability retirement shall be
285 established by rule of the division.

286 3. For a member who is receiving Workers' Compensation
287 payments, the effective disability retirement date may not
288 precede the date the member reaches Maximum Medical Improvement
289 (MMI), unless the member terminates employment before reaching
290 MMI.

291 Section 4. Paragraphs (a), (b), and (g) of subsection (5)
292 of section 121.35, Florida Statutes, are amended to read:

293 121.35 Optional retirement program for the State
294 University System.—

295 (5) BENEFITS.—

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296 (a) Benefits are payable under the optional retirement
297 program only to vested members participating in the program, or
298 their beneficiaries as designated by the member in the contract
299 with a provider company, and such benefits shall be paid only by
300 the designated company in accordance with s. 403(b) of the
301 Internal Revenue Code and the terms of the annuity contract or
302 investment contracts applicable to the member. A "benefit" under
303 the optional retirement program is a distribution requested by
304 the member or surviving beneficiary funded in part or in whole
305 by employer or required employee contributions, plus earnings
306 and includes rolling a distribution over to another qualified
307 plan. Benefits accrue in individual accounts that are member-
308 directed, portable, and funded by employer and employee
309 contributions and the earnings thereon. The member must be
310 terminated for 3 calendar months from all employment
311 relationships with all Florida Retirement System employers to
312 begin receiving the benefit. The department may authorize a
313 distribution of up to 10 percent of the member's account after
314 being terminated from employment with participating employers
315 for 1 calendar month if the member has reached the normal
316 retirement date as defined in s. 121.021. The department may
317 adopt rules to implement this provision. Benefits funded by
318 employer and required employee contributions are payable in
319 accordance with the following terms and conditions:

320 1. Benefits shall be paid only to a participating member,
321 to his or her beneficiaries, or to his or her estate, as
322 designated by the member.

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323 2. Benefits shall be paid by the provider company or
324 companies in accordance with the law, the provisions of the
325 contract, and any applicable department rule or policy.

326 3. In the event of a member's death, moneys accumulated
327 by, or on behalf of, the member, less withholding taxes remitted
328 to the Internal Revenue Service, if any, shall be distributed to
329 the member's designated beneficiary or beneficiaries, or to the
330 member's estate, as if the member retired on the date of death,
331 as provided in paragraph (d). No other death benefits are
332 available to survivors of members under the optional retirement
333 program except for such benefits, or coverage for such benefits,
334 as are separately afforded by the employer, at the employer's
335 discretion.

336 (b) Benefits, including employee contributions, are not
337 payable for employee hardships, unforeseeable emergencies,
338 loans, medical expenses, educational expenses, purchase of a
339 principal residence, payments necessary to prevent eviction or
340 foreclosure on an employee's principal residence, or any other
341 reason except a requested distribution for retirement, a
342 mandatory de minimis distribution authorized by the
343 administrator, or a required minimum distribution provided
344 pursuant to the Internal Revenue Code ~~before termination from~~
345 ~~all employment relationships with participating employers for 3~~
346 ~~calendar months.~~

347 (g) Benefits funded by the participating member's
348 voluntary personal contributions may be paid out after
349 termination from employment with all participating employers for
350 3 calendar months ~~at any time~~ and in any form within the limits

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351 provided in the contract between the member and the provider
352 company. The member shall notify the provider company regarding
353 the date and provisions under which he or she wants to receive
354 the employee-funded portion of the plan.

355 Section 5. Paragraph (i) of subsection (2), paragraph (b)
356 of subsection (3), and subsection (4) of section 121.4501,
357 Florida Statutes, are amended to read:

358 121.4501 Florida Retirement System Investment Plan.—

359 (2) DEFINITIONS.—As used in this part, the term:

360 (i) "Member" or "employee" means an eligible employee who
361 enrolls in or is defaulted into the investment plan as provided
362 in subsection (4), a terminated Deferred Retirement Option
363 Program member as described in subsection (21), or a beneficiary
364 or alternate payee of a member or employee.

365 (3) RETIREMENT SERVICE CREDIT; TRANSFER OF BENEFITS.—

366 (b) Notwithstanding paragraph (a), an eligible employee
367 who elects to participate in or is defaulted into the investment
368 plan and establishes one or more individual member accounts may
369 elect to transfer to the investment plan a sum representing the
370 present value of the employee's accumulated benefit obligation
371 under the pension plan, except as provided in paragraph (4) (d).
372 Upon transfer, all service credit earned under the pension plan
373 is nullified for purposes of entitlement to a future benefit
374 under the pension plan. A member may not transfer the
375 accumulated benefit obligation balance from the pension plan
376 after the time period for enrolling ~~in the investment plan~~ has
377 expired.

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378 1. For purposes of this subsection, the present value of
379 the member's accumulated benefit obligation is based upon the
380 member's estimated creditable service and estimated average
381 final compensation under the pension plan, subject to
382 recomputation under subparagraph 2. For state employees, initial
383 estimates shall be based upon creditable service and average
384 final compensation as of midnight on June 30, 2002; for district
385 school board employees, initial estimates shall be based upon
386 creditable service and average final compensation as of midnight
387 on September 30, 2002; and for local government employees,
388 initial estimates shall be based upon creditable service and
389 average final compensation as of midnight on December 31, 2002.
390 The dates specified are the "estimate date" for these employees.
391 The actuarial present value of the employee's accumulated
392 benefit obligation shall be based on the following:

393 a. The discount rate and other relevant actuarial
394 assumptions used to value the Florida Retirement System Trust
395 Fund at the time the amount to be transferred is determined,
396 consistent with the factors provided in sub-subparagraphs b. and
397 c.

398 b. A benefit commencement age, based on the member's
399 estimated creditable service as of the estimate date.

400 c. Except as provided under sub-subparagraph d., for a
401 member initially enrolled:

402 (I) Before July 1, 2011, the benefit commencement age is
403 the younger of the following, but may not be younger than the
404 member's age as of the estimate date:

405 (A) Age 62; or

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406 (B) The age the member would attain if the member
407 completed 30 years of service with an employer, assuming the
408 member worked continuously from the estimate date, and
409 disregarding any vesting requirement that would otherwise apply
410 under the pension plan.

411 (II) On or after July 1, 2011, the benefit commencement
412 age is the younger of the following, but may not be younger than
413 the member's age as of the estimate date:

414 (A) Age 65; or

415 (B) The age the member would attain if the member
416 completed 33 years of service with an employer, assuming the
417 member worked continuously from the estimate date, and
418 disregarding any vesting requirement that would otherwise apply
419 under the pension plan.

420 d. For members of the Special Risk Class and for members
421 of the Special Risk Administrative Support Class entitled to
422 retain the special risk normal retirement date:

423 (I) Initially enrolled before July 1, 2011, the benefit
424 commencement age is the younger of the following, but may not be
425 younger than the member's age as of the estimate date:

426 (A) Age 55; or

427 (B) The age the member would attain if the member
428 completed 25 years of service with an employer, assuming the
429 member worked continuously from the estimate date, and
430 disregarding any vesting requirement that would otherwise apply
431 under the pension plan.

432 (II) Initially enrolled on or after July 1, 2011, the
433 benefit commencement age is the younger of the following, but

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434 may not be younger than the member's age as of the estimate
435 date:

436 (A) Age 55 ~~60~~; or

437 (B) The Age 50 ~~the member would attain~~ if the member
438 completed 25 ~~30~~ years of service with an employer, assuming the
439 member worked continuously from the estimate date, and
440 disregarding any vesting requirement that would otherwise apply
441 under the pension plan.

442 e. The calculation must disregard vesting requirements and
443 early retirement reduction factors that would otherwise apply
444 under the pension plan.

445 2. For each member who elects to transfer moneys from the
446 pension plan to his or her account in the investment plan, the
447 division shall recompute the amount transferred under
448 subparagraph 1. within 60 days after the actual transfer of
449 funds based upon the member's actual creditable service and
450 actual final average compensation as of the initial date of
451 participation in the investment plan. If the recomputed amount
452 differs from the amount transferred by \$10 or more, the division
453 shall:

454 a. Transfer, or cause to be transferred, from the Florida
455 Retirement System Trust Fund to the member's account the excess,
456 if any, of the recomputed amount over the previously transferred
457 amount together with interest from the initial date of transfer
458 to the date of transfer under this subparagraph, based upon the
459 effective annual interest equal to the assumed return on the
460 actuarial investment which was used in the most recent actuarial
461 valuation of the system, compounded annually.

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462 b. Transfer, or cause to be transferred, from the member's
463 account to the Florida Retirement System Trust Fund the excess,
464 if any, of the previously transferred amount over the recomputed
465 amount, together with interest from the initial date of transfer
466 to the date of transfer under this subparagraph, based upon 6
467 percent effective annual interest, compounded annually, pro rata
468 based on the member's allocation plan.

469 3. If contribution adjustments are made as a result of
470 employer errors or corrections, including plan corrections,
471 following recomputation of the amount transferred under
472 subparagraph 1., the member is entitled to the additional
473 contributions or is responsible for returning any excess
474 contributions resulting from the correction. However, any return
475 of such erroneous excess pretax contribution by the plan must be
476 made within the period allowed by the Internal Revenue Service.
477 The present value of the member's accumulated benefit obligation
478 shall not be recalculated.

479 4. As directed by the member, the state board shall
480 transfer or cause to be transferred the appropriate amounts to
481 the designated accounts within 30 days after the effective date
482 of the member's participation in the investment plan unless the
483 major financial markets for securities available for a transfer
484 are seriously disrupted by an unforeseen event that causes the
485 suspension of trading on any national securities exchange in the
486 country where the securities were issued. In that event, the 30-
487 day period may be extended by a resolution of the state board.
488 Transfers are not commissionable or subject to other fees and
489 may be in the form of securities or cash, as determined by the

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490 state board. Such securities are valued as of the date of
491 receipt in the member's account.

492 5. If the state board or the division receives
493 notification from the United States Internal Revenue Service
494 that this paragraph or any portion of this paragraph will cause
495 the retirement system, or a portion thereof, to be disqualified
496 for tax purposes under the Internal Revenue Code, the portion
497 that will cause the disqualification does not apply. Upon such
498 notice, the state board and the division shall notify the
499 presiding officers of the Legislature.

500 (4) PARTICIPATION; ENROLLMENT.—

501 (a)1. With respect to an eligible employee who is employed
502 in a regularly established position on June 1, 2002, by a state
503 employer:

504 a. Any such employee may elect to participate in the
505 investment plan in lieu of retaining his or her membership in
506 the pension plan. The election must be made in writing or by
507 electronic means and must be filed with the third-party
508 administrator by August 31, 2002, or, in the case of an active
509 employee who is on a leave of absence on April 1, 2002, by the
510 last business day of the 5th month following the month the leave
511 of absence concludes. This election is irrevocable, except as
512 provided in paragraph (g). Upon making such election, the
513 employee shall be enrolled as a member of the investment plan,
514 the employee's membership in the Florida Retirement System is
515 governed by the provisions of this part, and the employee's
516 membership in the pension plan terminates. The employee's
517 enrollment in the investment plan is effective the first day of

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518 the month for which a full month's employer contribution is made
519 to the investment plan.

520 b. Any such employee who fails to elect to participate in
521 the investment plan within the prescribed time period is deemed
522 to have elected to retain membership in the pension plan, and
523 the employee's option to elect to participate in the investment
524 plan is forfeited.

525 2. With respect to employees who become eligible to
526 participate in the investment plan by reason of employment in a
527 regularly established position with a state employer commencing
528 after April 1, 2002, through June 30, 2012:

529 a. Any such employee shall, by default, be enrolled in the
530 pension plan at the commencement of employment, and may, by the
531 last business day of the 5th month following the employee's
532 month of hire, elect to participate in the investment plan. The
533 employee's election must be made in writing or by electronic
534 means and must be filed with the third-party administrator. The
535 election to participate in the investment plan is irrevocable,
536 except as provided in paragraph (h) ~~(g)~~.

537 b. If the employee files such election within the
538 prescribed time period, enrollment in the investment plan is
539 effective on the first day of employment. The retirement
540 contributions paid through the month of the employee plan change
541 shall be transferred to the investment program, and, effective
542 the first day of the next month, the employer and employee must
543 pay the applicable contributions based on the employee
544 membership class in the program.

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545 c. Any such ~~An~~ employee who fails to elect to participate
546 in the investment plan within the prescribed time period is
547 deemed to have elected to retain membership in the pension plan,
548 and the employee's option to elect to participate in the
549 investment plan is forfeited.

550 3. With respect to employees who become eligible to
551 participate in the investment plan pursuant to s.
552 121.051(2)(c)3. or s. 121.35(3)(i), the employee may elect to
553 participate in the investment plan in lieu of retaining his or
554 her membership in the State Community College System Optional
555 Retirement Program or the State University System Optional
556 Retirement Program. The election must be made in writing or by
557 electronic means and must be filed with the third-party
558 administrator. This election is irrevocable, except as provided
559 in paragraph (h) ~~(g)~~. Upon making such election, the employee
560 shall be enrolled as a member in the investment plan, the
561 employee's membership in the Florida Retirement System is
562 governed by the provisions of this part, and the employee's
563 participation in the State Community College System Optional
564 Retirement Program or the State University System Optional
565 Retirement Program terminates. The employee's enrollment in the
566 investment plan is effective on the first day of the month for
567 which a full month's employer and employee contribution is made
568 to the investment plan.

569 4. For purposes of this paragraph, "state employer" means
570 any agency, board, branch, commission, community college,
571 department, institution, institution of higher education, or
572 water management district of the state, which participates in

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573 the Florida Retirement System for the benefit of certain
574 employees.

575 (b)1. With respect to an eligible employee who is employed
576 in a regularly established position on September 1, 2002, by a
577 district school board employer:

578 a. Any such employee may elect to participate in the
579 investment plan in lieu of retaining his or her membership in
580 the pension plan. The election must be made in writing or by
581 electronic means and must be filed with the third-party
582 administrator by November 30, or, in the case of an active
583 employee who is on a leave of absence on July 1, 2002, by the
584 last business day of the 5th month following the month the leave
585 of absence concludes. This election is irrevocable, except as
586 provided in paragraph (g). Upon making such election, the
587 employee shall be enrolled as a member of the investment plan,
588 the employee's membership in the Florida Retirement System is
589 governed by the provisions of this part, and the employee's
590 membership in the pension plan terminates. The employee's
591 enrollment in the investment plan is effective the first day of
592 the month for which a full month's employer contribution is made
593 to the investment program.

594 b. Any such employee who fails to elect to participate in
595 the investment plan within the prescribed time period is deemed
596 to have elected to retain membership in the pension plan, and
597 the employee's option to elect to participate in the investment
598 plan is forfeited.

599 2. With respect to employees who become eligible to
600 participate in the investment plan by reason of employment in a

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601 regularly established position with a district school board
602 employer commencing after July 1, 2002, through June 30, 2012:

603 a. Any such employee shall, by default, be enrolled in the
604 pension plan at the commencement of employment, and may, by the
605 last business day of the 5th month following the employee's
606 month of hire, elect to participate in the investment plan. The
607 employee's election must be made in writing or by electronic
608 means and must be filed with the third-party administrator. The
609 election to participate in the investment plan is irrevocable,
610 except as provided in paragraph (h) ~~(g)~~.

611 b. If the employee files such election within the
612 prescribed time period, enrollment in the investment plan is
613 effective on the first day of employment. The employer
614 retirement contributions paid through the month of the employee
615 plan change shall be transferred to the investment plan, and,
616 effective the first day of the next month, the employer shall
617 pay the applicable contributions based on the employee
618 membership class in the investment plan.

619 c. Any such employee who fails to elect to participate in
620 the investment plan within the prescribed time period is deemed
621 to have elected to retain membership in the pension plan, and
622 the employee's option to elect to participate in the investment
623 plan is forfeited.

624 3. For purposes of this paragraph, "district school board
625 employer" means any district school board that participates in
626 the Florida Retirement System for the benefit of certain
627 employees, or a charter school or charter technical career

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628 center that participates in the Florida Retirement System as
629 provided in s. 121.051(2)(d).

630 (c)1. With respect to an eligible employee who is employed
631 in a regularly established position on December 1, 2002, by a
632 local employer:

633 a. Any such employee may elect to participate in the
634 investment plan in lieu of retaining his or her membership in
635 the pension plan. The election must be made in writing or by
636 electronic means and must be filed with the third-party
637 administrator by February 28, 2003, or, in the case of an active
638 employee who is on a leave of absence on October 1, 2002, by the
639 last business day of the 5th month following the month the leave
640 of absence concludes. This election is irrevocable, except as
641 provided in paragraph (g). Upon making such election, the
642 employee shall be enrolled as a participant of the investment
643 plan, the employee's membership in the Florida Retirement System
644 is governed by the provisions of this part, and the employee's
645 membership in the pension plan terminates. The employee's
646 enrollment in the investment plan is effective the first day of
647 the month for which a full month's employer contribution is made
648 to the investment plan.

649 b. Any such employee who fails to elect to participate in
650 the investment plan within the prescribed time period is deemed
651 to have elected to retain membership in the pension plan, and
652 the employee's option to elect to participate in the investment
653 plan is forfeited.

654 2. With respect to employees who become eligible to
655 participate in the investment plan by reason of employment in a

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656 regularly established position with a local employer commencing
657 after October 1, 2002, through June 30, 2012:

658 a. Any such employee shall, by default, be enrolled in the
659 pension plan at the commencement of employment, and may, by the
660 last business day of the 5th month following the employee's
661 month of hire, elect to participate in the investment plan. The
662 employee's election must be made in writing or by electronic
663 means and must be filed with the third-party administrator. The
664 election to participate in the investment plan is irrevocable,
665 except as provided in paragraph (h) ~~(g)~~.

666 b. If the employee files such election within the
667 prescribed time period, enrollment in the investment plan is
668 effective on the first day of employment. The employer
669 retirement contributions paid through the month of the employee
670 plan change shall be transferred to the investment plan, and,
671 effective the first day of the next month, the employer shall
672 pay the applicable contributions based on the employee
673 membership class in the investment plan.

674 c. Any such employee who fails to elect to participate in
675 the investment plan within the prescribed time period is deemed
676 to have elected to retain membership in the pension plan, and
677 the employee's option to elect to participate in the investment
678 plan is forfeited.

679 3. For purposes of this paragraph, "local employer" means
680 any employer not included in paragraph (a) or paragraph (b).

681 (d)1. With respect to employees who become eligible to
682 participate in the investment plan by reason of employment in a
683 regularly established position commencing on or after July 1,

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684 2012, any such employee shall be enrolled in the pension plan at
685 the commencement of employment, and may, by the last business
686 day of the 5th month following the employee's month of hire,
687 elect to participate in the pension plan or the investment plan.
688 Eligible employees may only make a plan election if they are
689 earning service credit in an employer-employee relationship
690 consistent with s. 121.021(17) (b), excluding leaves of absence
691 without pay.

692 2. The employee's election must be made in writing or by
693 electronic means and must be filed with the third-party
694 administrator. The election to participate in the pension plan
695 or investment plan is irrevocable, except as provided in
696 paragraph (h).

697 3. If the employee fails to make an election to either the
698 pension plan or investment plan during the five months following
699 the month of hire the employee is deemed to have elected the
700 investment plan, and will be defaulted to the investment plan
701 retroactively to the employee's date of employment. The
702 employee's option to participate in the pension plan is
703 forfeited, except as provided in paragraph (h).

704 4. The amount of the employee and employer contributions
705 paid prior to the default to the investment plan shall be
706 transferred to the investment plan along with any accumulated
707 benefit obligation from previous pension plan service and placed
708 in a default fund as designated by the State Board of
709 Administration. The employee may move the contributions once an
710 account is activated in the investment plan.

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711 5. Effective the first day of the month after an eligible
712 employee makes a plan election to the pension plan or investment
713 plan, or after the month of default to the investment plan, the
714 employee and employer shall pay the applicable contributions
715 based on the employee membership class in the pension plan or
716 investment plan.

717 (e)~~(d)~~ Contributions available for self-direction by a
718 member who has not selected one or more specific investment
719 products shall be allocated as prescribed by the state board.
720 The third-party administrator shall notify the member at least
721 quarterly that the member should take an affirmative action to
722 make an asset allocation among the investment products.

723 (f)~~(e)~~ On or after July 1, 2011, a member of the pension
724 plan who obtains a refund of employee contributions retains his
725 or her prior plan choice upon return to employment in a
726 regularly established position with a participating employer.

727 (g)~~(f)~~ A member of the investment plan who takes a
728 distribution of any contributions from his or her investment
729 plan account is considered a retiree. A retiree who is initially
730 reemployed on or after July 1, 2010, is not eligible for renewed
731 membership.

732 (h)~~(g)~~ After the period during which an eligible employee
733 had the choice to elect the pension plan or the investment plan,
734 or the month following the receipt of the eligible employee's
735 plan election, if sooner, the employee shall have one
736 opportunity, at the employee's discretion, to choose to move
737 from the pension plan to the investment plan or from the
738 investment plan to the pension plan. Eligible employees may

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739 elect to move between plans only if they are earning service
740 credit in an employer-employee relationship consistent with s.
741 121.021(17)(b), excluding leaves of absence without pay.
742 Effective July 1, 2005, such elections are effective on the
743 first day of the month following the receipt of the election by
744 the third-party administrator and are not subject to the
745 requirements regarding an employer-employee relationship or
746 receipt of contributions for the eligible employee in the
747 effective month, except when the election is received by the
748 third-party administrator. This paragraph is contingent upon
749 approval by the Internal Revenue Service.

750 1. If the employee chooses to move to the investment plan,
751 the provisions of subsection (3) govern the transfer.

752 2. If the employee chooses to move to the pension plan,
753 the employee must transfer from his or her investment plan
754 account, and from other employee moneys as necessary, a sum
755 representing the present value of that employee's accumulated
756 benefit obligation immediately following the time of such
757 movement, determined assuming that attained service equals the
758 sum of service in the pension plan and service in the investment
759 plan. Benefit commencement occurs on the first date the employee
760 is eligible for unreduced benefits, using the discount rate and
761 other relevant actuarial assumptions that were used to value the
762 pension plan liabilities in the most recent actuarial valuation.
763 For any employee who, at the time of the second election,
764 already maintains an accrued benefit amount in the pension plan,
765 the then-present value of the accrued benefit is deemed part of
766 the required transfer amount. The division must ensure that the

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767 transfer sum is prepared using a formula and methodology
768 certified by an enrolled actuary. A refund of any employee
769 contributions or additional member payments made which exceed
770 the employee contributions that would have accrued had the
771 member remained in the pension plan and not transferred to the
772 investment plan is not permitted.

773 3. Notwithstanding subparagraph 2., an employee who
774 chooses to move to the pension plan and who became eligible to
775 participate in the investment plan by reason of employment in a
776 regularly established position with a state employer after June
777 1, 2002; a district school board employer after September 1,
778 2002; or a local employer after December 1, 2002, must transfer
779 from his or her investment plan account, and from other employee
780 moneys as necessary, a sum representing the employee's actuarial
781 accrued liability. A refund of any employee contributions or
782 additional participant payments made which exceed the employee
783 contributions that would have accrued had the member remained in
784 the pension plan and not transferred to the investment plan is
785 not permitted.

786 4. An employee's ability to transfer from the pension plan
787 to the investment plan pursuant to paragraphs (a) - (g) ~~(a) - (d)~~,
788 and the ability of a current employee to have an option to later
789 transfer back into the pension plan under subparagraph 2., shall
790 be deemed a significant system amendment. Pursuant to s.
791 121.031(4), any resulting unfunded liability arising from actual
792 original transfers from the pension plan to the investment plan
793 must be amortized within 30 plan years as a separate unfunded
794 actuarial base independent of the reserve stabilization

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795 mechanism defined in s. 121.031(3)(f). For the first 25 years, a
796 direct amortization payment may not be calculated for this base.
797 During this 25-year period, the separate base shall be used to
798 offset the impact of employees exercising their second program
799 election under this paragraph. The actuarial funded status of
800 the pension plan will not be affected by such second program
801 elections in any significant manner, after due recognition of
802 the separate unfunded actuarial base. Following the initial 25-
803 year period, any remaining balance of the original separate base
804 shall be amortized over the remaining 5 years of the required
805 30-year amortization period.

806 5. If the employee chooses to transfer from the investment
807 plan to the pension plan and retains an excess account balance
808 in the investment plan after satisfying the buy-in requirements
809 under this paragraph, the excess may not be distributed until
810 the member retires from the pension plan. The excess account
811 balance may be rolled over to the pension plan and used to
812 purchase service credit or upgrade creditable service in the
813 pension plan.

814 Section 6. Paragraph (b) of subsection (2) of section
815 121.591, Florida Statutes, is amended to read:

816 121.591 Payment of benefits.—Benefits may not be paid
817 under the Florida Retirement System Investment Plan unless the
818 member has terminated employment as provided in s.
819 121.021(39)(a) or is deceased and a proper application has been
820 filed as prescribed by the state board or the department. Before
821 termination of employment, benefits, including employee
822 contributions, are not payable under the investment plan for

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823 employee hardships, unforeseeable emergencies, loans, medical
824 expenses, educational expenses, purchase of a principal
825 residence, payments necessary to prevent eviction or foreclosure
826 on an employee's principal residence, or any other reason prior
827 to termination from all employment relationships with
828 participating employers. The state board or department, as
829 appropriate, may cancel an application for retirement benefits
830 if the member or beneficiary fails to timely provide the
831 information and documents required by this chapter and the rules
832 of the state board and department. In accordance with their
833 respective responsibilities, the state board and the department
834 shall adopt rules establishing procedures for application for
835 retirement benefits and for the cancellation of such application
836 if the required information or documents are not received. The
837 state board and the department, as appropriate, are authorized
838 to cash out a de minimis account of a member who has been
839 terminated from Florida Retirement System covered employment for
840 a minimum of 6 calendar months. A de minimis account is an
841 account containing employer and employee contributions and
842 accumulated earnings of not more than \$5,000 made under the
843 provisions of this chapter. Such cash-out must be a complete
844 lump-sum liquidation of the account balance, subject to the
845 provisions of the Internal Revenue Code, or a lump-sum direct
846 rollover distribution paid directly to the custodian of an
847 eligible retirement plan, as defined by the Internal Revenue
848 Code, on behalf of the member. Any nonvested accumulations and
849 associated service credit, including amounts transferred to the
850 suspense account of the Florida Retirement System Investment

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851 Plan Trust Fund authorized under s. 121.4501(6), shall be
852 forfeited upon payment of any vested benefit to a member or
853 beneficiary, except for de minimis distributions or minimum
854 required distributions as provided under this section. If any
855 financial instrument issued for the payment of retirement
856 benefits under this section is not presented for payment within
857 180 days after the last day of the month in which it was
858 originally issued, the third-party administrator or other duly
859 authorized agent of the state board shall cancel the instrument
860 and credit the amount of the instrument to the suspense account
861 of the Florida Retirement System Investment Plan Trust Fund
862 authorized under s. 121.4501(6). Any amounts transferred to the
863 suspense account are payable upon a proper application, not to
864 include earnings thereon, as provided in this section, within 10
865 years after the last day of the month in which the instrument
866 was originally issued, after which time such amounts and any
867 earnings attributable to employer contributions shall be
868 forfeited. Any forfeited amounts are assets of the trust fund
869 and are not subject to chapter 717.

870 (2) DISABILITY RETIREMENT BENEFITS.—Benefits provided
871 under this subsection are payable in lieu of the benefits that
872 would otherwise be payable under the provisions of subsection
873 (1). Such benefits must be funded from employer contributions
874 made under s. 121.571, transferred employee contributions and
875 funds accumulated pursuant to paragraph (a), and interest and
876 earnings thereon.

877 (b) Disability retirement; entitlement.—

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878 1.a. For a member of the investment plan who is initially
879 enrolled before July 1, 2012, and becomes totally and
880 permanently disabled, as defined in paragraph (d), after
881 completing 8 years of creditable service, or a member who
882 becomes totally and permanently disabled in the line of duty
883 regardless of length of service, is entitled to a monthly
884 disability benefit.

885 b. For a member of the investment plan who is initially
886 enrolled on or after July 1, 2012, and becomes totally and
887 permanently disabled, as defined in paragraph (d), after
888 completing the years of service required for vesting in s.
889 121.021, or a member who becomes totally and permanently
890 disabled in the line of duty regardless of length of service, is
891 entitled to a monthly disability benefit.

892 2. In order for service to apply toward the 8 years of
893 creditable service required for regular disability benefits, or
894 toward the creditable service used in calculating a service-
895 based benefit as provided under paragraph (g), the service must
896 be creditable service as described below:

897 a. The member's period of service under the investment
898 plan shall be considered creditable service, except as provided
899 in subparagraph d.

900 b. If the member has elected to retain credit for service
901 under the pension plan as provided under s. 121.4501(3), all
902 such service shall be considered creditable service.

903 c. If the member elects to transfer to his or her member
904 accounts a sum representing the present value of his or her
905 retirement credit under the pension plan as provided under s.

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906 121.4501(3), the period of service under the pension plan
907 represented in the present value amounts transferred shall be
908 considered creditable service, except as provided in
909 subparagraph d.

910 d. If a member has terminated employment and has taken
911 distribution of his or her funds as provided in subsection (1),
912 all creditable service represented by such distributed funds is
913 forfeited for purposes of this subsection.

914 Section 7. Paragraph (b) of subsection (5) and subsection
915 (7) of section 1012.875, Florida Statutes, are amended to read:

916 1012.875 State Community College System Optional
917 Retirement Program.—Each Florida College System institution may
918 implement an optional retirement program, if such program is
919 established therefor pursuant to s. 1001.64(20), under which
920 annuity or other contracts providing retirement and death
921 benefits may be purchased by, and on behalf of, eligible
922 employees who participate in the program, in accordance with s.
923 403(b) of the Internal Revenue Code. Except as otherwise
924 provided herein, this retirement program, which shall be known
925 as the State Community College System Optional Retirement
926 Program, may be implemented and administered only by an
927 individual Florida College System institution or by a consortium
928 of Florida College System institutions.

929 (5)

930 (b) Benefits are payable under the optional retirement
931 program to program participants or their beneficiaries and paid
932 only by the designated company in accordance with the terms of
933 the contracts applicable to the program participant. Benefits

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934 shall accrue in individual accounts that are participant-
935 directed, portable, and funded by employer and employee
936 contributions and the earnings thereon. Benefit payments may not
937 be made until the member has been terminated for 3 calendar
938 months, except, the college may authorize a distribution of up
939 to 10 percent of the member's account after being terminated
940 from employment with Florida Retirement System participating
941 employers for 1 calendar month if the member has reached the
942 normal retirement date as defined in s. 121.021. The college
943 may adopt rules to implement this provision. Benefits funded by
944 employer and employee contributions are payable in accordance
945 with the following terms and conditions:

946 1. Benefits shall be payable only to a participant, to his
947 or her beneficiaries, or to his or her estate, as designated by
948 the participant.

949 2. Benefits shall be paid by the provider company or
950 companies in accordance with the law, the provisions of the
951 contract, and any applicable employer rule or policy.

952 3. In the event of a participant's death, moneys
953 accumulated by, or on behalf of, the participant, less
954 withholding taxes remitted to the Internal Revenue Service, if
955 any, shall be distributed to the participant's designated
956 beneficiary or beneficiaries, or to the participant's estate, as
957 if the participant retired on the date of death as provided in
958 paragraph (d). No other death benefits are available for
959 survivors of participants under the optional retirement program
960 except for such benefits, or coverage for such benefits, as are

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961 separately afforded by the employer at the employer's
962 discretion.

963 (7) Benefits, including employee contributions, are not
964 payable for employee hardships, unforeseeable emergencies,
965 loans, medical expenses, educational expenses, purchase of a
966 principal residence, payments necessary to prevent eviction or
967 foreclosure on an employee's principal residence, or any other
968 reason except a requested distribution for retirement, a
969 mandatory de minimis distribution authorized by the
970 administrator, or a required minimum distribution provided
971 pursuant to the Internal Revenue Code before termination from
972 all employment relationships with participating employers for 3
973 calendar months.

974 Section 8. (1) Effective July 1, 2012, in order to fund
975 the benefit changes provided in this act, the required
976 contribution rates of the Florida Retirement System Pension Plan
977 shall be adjusted as follows:

978 (a) Regular class shall be decreased by 0.05 percentage
979 points.

980 (b) Special Risk Class shall be increased by 1.19
981 percentage points.

982 (c) Special Risk Administrative Support Class shall be
983 increased by 0.65 percentage points.

984 (d) Elected Officers' Class for Legislators, Governor, Lt.
985 Governor, Cabinet Officers, State Attorneys, and Public
986 Defenders shall be decreased by 0.58 percentage points.

987 (e) Elected Officers' Class for Justices and Judges shall
988 be decreased by 0.17 percentage points.

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989 (f) Elected Officers' Class for County Elected Officers
990 shall be decreased by 0.59 percentage points.

991 (g) Senior Management Service Class shall be decreased by
992 0.11 percentage points.

993 (h) Deferred Retirement Option Program shall be increased
994 by 0.33 percentage points.

995 (2) Effective July 1, 2012, in order to fund the benefit
996 changes provided in this act, the required employer contribution
997 rates for the unfunded actuarial liability of the Florida
998 Retirement System Pension Plan shall be adjusted as follows:

999 (a) Regular Class shall be decreased by 0.02 percentage
1000 points.

1001 (b) Special Risk Class shall be decreased by 0.51
1002 percentage points.

1003 (c) Special Risk Administrative Support Class shall be
1004 decreased by 0.27 percentage points.

1005 (d) Elected Officers' Class for Legislators, Governor, Lt.
1006 Governor, Cabinet Officers, State Attorneys, and Public
1007 Defenders shall be decreased by 0.06 percentage points.

1008 (e) Elected Officers' Class for Justices and Judges shall
1009 be decreased by 0.06 percentage points.

1010 (f) Elected Officers' Class for County Elected Officers
1011 shall be increased by 0.32 percentage points.

1012 (g) Senior Management Service Class shall be decreased by
1013 0.01 percentage points.

1014 (3) The adjustments provided in subsections (1) and (2)
1015 shall be in addition to all other changes to such contribution
1016 rates which may be enacted into law to take effect on that date.

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1017 The Division of Statutory Revision is directed to adjust
1018 accordingly the contribution rates set forth in s. 121.71,
1019 Florida Statutes.

1020 Section 9. The Legislature finds that a proper and
1021 legitimate state purpose is served when employees and retirees
1022 of the state and its political subdivisions, and the dependents,
1023 survivors, and beneficiaries of such employees and retirees are
1024 extended the basic protections afforded by governmental
1025 retirement systems that provide fair and adequate benefits and
1026 that are managed, administered, and funded in an actuarially
1027 sound manner as required by s. 14, Art. X of the State
1028 Constitution and part VII of chapter 112, Florida Statutes.
1029 Therefore, the Legislature determines and declares that this act
1030 fulfills an important state interest.

1031 Section 10. This act shall take effect July 1, 2012.

1032
1033
1034
1035 -----
1036 **T I T L E A M E N D M E N T**

1037 Remove the entire title and insert:

1038 A bill to be entitled

1039 An act relating to state retirement; amending s. 121.021,
1040 F.S.; revising definitions of the terms "normal retirement
1041 date" and "vested" or "vesting"; amending s. 121.055, F.S.;
1042 clarifying provisions related to the prohibition of
1043 hardship loans or payments; clarifying that a retiree who
1044 is reemployed in a regularly established position after a

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 525 (2012)

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1045 certain date may not be enrolled as a renewed member;
1046 authorizing certain distributions to a member who is
1047 terminated from employment for one calendar month if the
1048 member has reached the normal retirement date; providing
1049 rulemaking authority to the Department of Management
1050 Services; amending s. 121.091, F.S.; revising provisions
1051 relating to the early retirement benefit calculation to
1052 conform to changes made by the act; revising provisions
1053 relating to the disability retirement benefit calculation
1054 to conform to changes made by the act; amending s. 121.35,
1055 F.S.; providing that a benefit for the purposes of the
1056 optional retirement program for the State University System
1057 includes a certain distribution; clarifying provisions
1058 related to the prohibition of hardship loans or payments;
1059 clarifying when voluntary contributions may be paid out;
1060 authorizing certain distributions to a member who is
1061 terminated from employment for one calendar month if the
1062 member has reached the normal retirement date; providing
1063 rulemaking authority to the Department of Management
1064 Services; amending s. 121.4501, F.S.; requiring new
1065 employees to, by default, be enrolled in the investment
1066 plan; revising the benefit commencement age to conform to
1067 changes made by the act; amending s. 121.591, F.S.;
1068 revising provisions relating to the disability retirement
1069 benefit calculation to conform to changes made by the act;
1070 amending s. 1012.875, F.S.; clarifying provisions related
1071 to the prohibition of hardship loans or payments;
1072 authorizing certain distributions to a member who is

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 525 (2012)

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1073 terminated from employment for one calendar month if the
1074 member has reached the normal retirement date; providing
1075 rulemaking authority to the college; providing for
1076 contribution rate adjustments to fund benefit changes
1077 provided in this act; directing the Division of Statutory
1078 Revision to adjust contribution rates set forth in s.
1079 121.71, F.S.; providing a declaration of important state
1080 interest; providing an effective date.

1081