

Amendment No. 1

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WITHDRAWN	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: Appropriations Committee
 2 Representative Workman offered the following:

Amendment (with title amendment)

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

9 121.021 Definitions.—The following words and phrases as
 10 used in this chapter have the respective meanings set forth
 11 unless a different meaning is plainly required by the context:

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

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

18 1. Before July 1, 2011:

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19 a. The first day of the month the member attains age 62;
20 or

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

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

27 a. The first day of the month the member attains age 65;
28 or

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

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

33 1. Before July 1, 2011:

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

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

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

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

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

52 b. The first day of the month the member attains age 48
53 ~~and following the date the member~~ completes 25 ~~30~~ years of
54 creditable service in the Special Risk Class, ~~regardless of age;~~
55 or

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

62
63 For pension plan members, "normal retirement age" is attained on
64 the "normal retirement date." For investment plan members,
65 normal retirement age is the date a member attains his or her
66 normal retirement date as provided in this section, or the date
67 a member is vested under the investment plan as provided in s.
68 121.4501(6), whichever is later.

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

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

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

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

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

88 121.055 Senior Management Service Class.—There is hereby
89 established a separate class of membership within the Florida
90 Retirement System to be known as the "Senior Management Service
91 Class," which shall become effective February 1, 1987.

92 (1)

93 (f) Effective July 1, 1997:

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

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

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

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

122 (6)

123 (e) Benefits.—

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

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

143 a. A lump-sum payment to the beneficiary upon the death of
144 the member;

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

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

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

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

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

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

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184 reemployed in a regularly established position on or after July
185 1, 2010, is not eligible to be enrolled in renewed membership ~~if~~
186 ~~the member is subsequently employed with an employer that~~
187 ~~participates in the Florida Retirement System.~~

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

192
193 As used in this paragraph, a "de minimis account" means an
194 account with a provider company containing employer and employee
195 contributions and accumulated earnings of not more than \$5,000
196 made under this chapter.

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

200 121.091 Benefits payable under the system.—Benefits may
201 not be paid under this section unless the member has terminated
202 employment as provided in s. 121.021(39) (a) or begun
203 participation in the Deferred Retirement Option Program as
204 provided in subsection (13), and a proper application has been
205 filed in the manner prescribed by the department. The department
206 may cancel an application for retirement benefits when the
207 member or beneficiary fails to timely provide the information
208 and documents required by this chapter and the department's
209 rules. The department shall adopt rules establishing procedures
210 for application for retirement benefits and for the cancellation

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211 of such application when the required information or documents
212 are not received.

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

219 (a) For a member initially enrolled:

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

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

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239 date precedes the normal retirement date of age 65 for a member
240 of the Regular Class, Senior Management Service Class, or the
241 Elected Officers' Class, and age 55 ~~60~~ for a member of the
242 Special Risk Class, or age 48 ~~57~~ if a Special Risk member has
243 completed 25 ~~30~~ years of creditable service in accordance with
244 s. 121.021(29)(b)2.b. ~~s. 121.021(29)(b)2.c.~~

245 (4) DISABILITY RETIREMENT BENEFIT.—

246 (a) Disability retirement; entitlement and effective
247 date.—

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

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

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

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

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

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

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

291 121.35 Optional retirement program for the State
292 University System.—

293 (5) BENEFITS.—

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

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

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

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

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

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

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

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

357 121.4501 Florida Retirement System Investment Plan.—

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

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

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

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

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

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

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

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

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

404 (A) Age 62; or

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

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

413 (A) Age 65; or

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

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

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

425 (A) Age 55; or

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

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

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

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

436 (B) The Age 48 ~~the member would attain~~ if the member
437 completed 25 ~~30~~ years of service with an employer, assuming the
438 member worked continuously from the estimate date, and
439 disregarding any vesting requirement that would otherwise apply
440 under the pension plan.

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

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

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

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

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

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

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

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

499 (4) PARTICIPATION; ENROLLMENT.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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683 2012, any such employee shall be enrolled in the pension plan at
684 the commencement of employment, and may, by the last business
685 day of the 12th month following the employee's month of hire,
686 elect to participate in the pension plan or the investment plan.
687 Eligible employees may make a plan election only if they are
688 earning service credit in an employer-employee relationship
689 consistent with s. 121.021(17) (b), excluding leaves of absence
690 without pay.

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

696 3. If the employee fails to make an election to either the
697 pension plan or investment plan during the 12 months following
698 the month of hire, the employee is deemed to have elected the
699 investment plan, and will be defaulted to the investment plan
700 retroactively to the employee's date of employment. The
701 employee's option to participate in the pension plan is
702 forfeited, except as provided in paragraph (h).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

813 (5) CONTRIBUTIONS.—

814 (c) The state board, acting as plan fiduciary, must ensure
815 that all plan assets are held in a trust, pursuant to s. 401 of
816 the Internal Revenue Code. The fiduciary must ensure that such
817 contributions are allocated as follows:

818 1. The employer and employee contribution portion
819 earmarked for member accounts shall be used to purchase
820 interests in the appropriate investment vehicles as specified by
821 the member, or in accordance with paragraph (4) (e) ~~(4) (d)~~.

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822 2. The employer contribution portion earmarked for
823 administrative and educational expenses shall be transferred to
824 the Florida Retirement System Investment Plan Trust Fund.

825 3. The employer contribution portion earmarked for
826 disability benefits shall be transferred to the Florida
827 Retirement System Trust Fund.

828 Section 6. Paragraph (b) of subsection (2) of section
829 121.591, Florida Statutes, is amended to read:

830 121.591 Payment of benefits.—Benefits may not be paid
831 under the Florida Retirement System Investment Plan unless the
832 member has terminated employment as provided in s.
833 121.021(39) (a) or is deceased and a proper application has been
834 filed as prescribed by the state board or the department. Before
835 termination of employment, benefits, including employee
836 contributions, are not payable under the investment plan for
837 employee hardships, unforeseeable emergencies, loans, medical
838 expenses, educational expenses, purchase of a principal
839 residence, payments necessary to prevent eviction or foreclosure
840 on an employee's principal residence, or any other reason prior
841 to termination from all employment relationships with
842 participating employers. The state board or department, as
843 appropriate, may cancel an application for retirement benefits
844 if the member or beneficiary fails to timely provide the
845 information and documents required by this chapter and the rules
846 of the state board and department. In accordance with their
847 respective responsibilities, the state board and the department
848 shall adopt rules establishing procedures for application for
849 retirement benefits and for the cancellation of such application

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850 if the required information or documents are not received. The
851 state board and the department, as appropriate, are authorized
852 to cash out a de minimis account of a member who has been
853 terminated from Florida Retirement System covered employment for
854 a minimum of 6 calendar months. A de minimis account is an
855 account containing employer and employee contributions and
856 accumulated earnings of not more than \$5,000 made under the
857 provisions of this chapter. Such cash-out must be a complete
858 lump-sum liquidation of the account balance, subject to the
859 provisions of the Internal Revenue Code, or a lump-sum direct
860 rollover distribution paid directly to the custodian of an
861 eligible retirement plan, as defined by the Internal Revenue
862 Code, on behalf of the member. Any nonvested accumulations and
863 associated service credit, including amounts transferred to the
864 suspense account of the Florida Retirement System Investment
865 Plan Trust Fund authorized under s. 121.4501(6), shall be
866 forfeited upon payment of any vested benefit to a member or
867 beneficiary, except for de minimis distributions or minimum
868 required distributions as provided under this section. If any
869 financial instrument issued for the payment of retirement
870 benefits under this section is not presented for payment within
871 180 days after the last day of the month in which it was
872 originally issued, the third-party administrator or other duly
873 authorized agent of the state board shall cancel the instrument
874 and credit the amount of the instrument to the suspense account
875 of the Florida Retirement System Investment Plan Trust Fund
876 authorized under s. 121.4501(6). Any amounts transferred to the
877 suspense account are payable upon a proper application, not to

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878 include earnings thereon, as provided in this section, within 10
879 years after the last day of the month in which the instrument
880 was originally issued, after which time such amounts and any
881 earnings attributable to employer contributions shall be
882 forfeited. Any forfeited amounts are assets of the trust fund
883 and are not subject to chapter 717.

884 (2) DISABILITY RETIREMENT BENEFITS.—Benefits provided
885 under this subsection are payable in lieu of the benefits that
886 would otherwise be payable under the provisions of subsection
887 (1). Such benefits must be funded from employer contributions
888 made under s. 121.571, transferred employee contributions and
889 funds accumulated pursuant to paragraph (a), and interest and
890 earnings thereon.

891 (b) Disability retirement; entitlement.—

892 1.a. For a member of the investment plan who is initially
893 enrolled before July 1, 2012, and becomes totally and
894 permanently disabled, as defined in paragraph (d), after
895 completing 8 years of creditable service, or a member who
896 becomes totally and permanently disabled in the line of duty
897 regardless of length of service, is entitled to a monthly
898 disability benefit.

899 b. For a member of the investment plan who is initially
900 enrolled on or after July 1, 2012, and becomes totally and
901 permanently disabled, as defined in paragraph (d), after
902 completing the years of service required for vesting provided in
903 s. 121.021, or a member who becomes totally and permanently
904 disabled in the line of duty regardless of length of service, is
905 entitled to a monthly disability benefit.

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906 2. In order for service to apply toward the 11 & years of
907 creditable service required for regular disability benefits, or
908 toward the creditable service used in calculating a service-
909 based benefit as provided under paragraph (g), the service must
910 be creditable service as described below:

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

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

917 c. If the member elects to transfer to his or her member
918 accounts a sum representing the present value of his or her
919 retirement credit under the pension plan as provided under s.
920 121.4501(3), the period of service under the pension plan
921 represented in the present value amounts transferred shall be
922 considered creditable service, except as provided in
923 subparagraph d.

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

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

930 1012.875 State Community College System Optional
931 Retirement Program.—Each Florida College System institution may
932 implement an optional retirement program, if such program is
933 established therefor pursuant to s. 1001.64(20), under which

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934 annuity or other contracts providing retirement and death
935 benefits may be purchased by, and on behalf of, eligible
936 employees who participate in the program, in accordance with s.
937 403(b) of the Internal Revenue Code. Except as otherwise
938 provided herein, this retirement program, which shall be known
939 as the State Community College System Optional Retirement
940 Program, may be implemented and administered only by an
941 individual Florida College System institution or by a consortium
942 of Florida College System institutions.

943 (5)

944 (b) Benefits are payable under the optional retirement
945 program to program participants or their beneficiaries and paid
946 only by the designated company in accordance with the terms of
947 the contracts applicable to the program participant. Benefits
948 shall accrue in individual accounts that are participant-
949 directed, portable, and funded by employer and employee
950 contributions and the earnings thereon. Benefit payments may not
951 be made until the member has been terminated for 3 calendar
952 months, except the college may authorize a distribution of up to
953 10 percent of the member's account after the member is
954 terminated from employment with a Florida Retirement System
955 participating employer for 1 calendar month if the member has
956 reached the normal retirement date as defined in s. 121.021. The
957 board of trustees for the college may adopt rules to implement
958 this paragraph. Benefits funded by employer and employee
959 contributions are payable in accordance with the following terms
960 and conditions:

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961 1. Benefits shall be payable only to a participant, to his
962 or her beneficiaries, or to his or her estate, as designated by
963 the participant.

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

967 3. In the event of a participant's death, moneys
968 accumulated by, or on behalf of, the participant, less
969 withholding taxes remitted to the Internal Revenue Service, if
970 any, shall be distributed to the participant's designated
971 beneficiary or beneficiaries, or to the participant's estate, as
972 if the participant retired on the date of death as provided in
973 paragraph (d). No other death benefits are available for
974 survivors of participants under the optional retirement program
975 except for such benefits, or coverage for such benefits, as are
976 separately afforded by the employer at the employer's
977 discretion.

978 (7) Benefits, including employee contributions, are not
979 payable for employee hardships, unforeseeable emergencies,
980 loans, medical expenses, educational expenses, purchase of a
981 principal residence, payments necessary to prevent eviction or
982 foreclosure on an employee's principal residence, or any other
983 reason except a requested distribution for retirement, a
984 mandatory de minimis distribution authorized by the
985 administrator, or a required minimum distribution provided
986 pursuant to the Internal Revenue Code ~~before termination from~~
987 ~~all employment relationships with participating employers for 3~~
988 ~~calendar months.~~

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989 Section 8. (1) Effective July 1, 2012, in order to fund
990 the benefit changes provided in this act, the required
991 contribution rates of the Florida Retirement System in s.
992 121.71(4), shall be adjusted as follows:

993 (a) Regular Class shall be decreased by 0.05 percentage
994 points.

995 (b) Special Risk Class shall be increased by 1.19
996 percentage points.

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

999 (d) Elected Officers' Class for Legislators, Governor, Lt.
1000 Governor, Cabinet Officers, State Attorneys, and Public
1001 Defenders shall be decreased by 0.58 percentage points.

1002 (e) Elected Officers' Class for Justices and Judges shall
1003 be decreased by 0.17 percentage points.

1004 (f) Elected Officers' Class for County Elected Officers
1005 shall be decreased by 0.59 percentage points.

1006 (g) Senior Management Service Class shall be decreased by
1007 0.11 percentage points.

1008 (h) Deferred Retirement Option Program shall be increased
1009 by 0.33 percentage points.

1010 (2) Effective July 1, 2012, in order to fund the benefit
1011 changes provided in this act, the required contribution rates
1012 for the unfunded actuarial liability of the Florida Retirement
1013 System in s. 121.71(5) shall be adjusted as follows:

1014 (a) Regular Class shall be decreased by 0.02 percentage
1015 points.

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1016 (b) Special Risk Class shall be decreased by 0.51
1017 percentage points.

1018 (c) Special Risk Administrative Support Class shall be
1019 decreased by 0.27 percentage points.

1020 (d) Elected Officers' Class for Legislators, Governor, Lt.
1021 Governor, Cabinet Officers, State Attorneys, and Public
1022 Defenders shall be decreased by 0.06 percentage points.

1023 (e) Elected Officers' Class for Justices and Judges shall
1024 be decreased by 0.06 percentage points.

1025 (f) Elected Officers' Class for County Elected Officers
1026 shall be increased by 0.32 percentage points.

1027 (g) Senior Management Service Class shall be decreased by
1028 0.01 percentage points.

1029 (3) The adjustments provided in subsections (1) and (2)
1030 shall be in addition to all other changes to such contribution
1031 rates which may be enacted into law to take effect on July 1,
1032 2012. The Division of Statutory Revision is directed to adjust
1033 accordingly the contribution rates provided in s. 121.71.

1034 Section 9. The Legislature finds that a proper and
1035 legitimate state purpose is served when employees and retirees
1036 of the state and its political subdivisions, and the dependents,
1037 survivors, and beneficiaries of such employees and retirees, are
1038 extended the basic protections afforded by governmental
1039 retirement systems that provide fair and adequate benefits and
1040 that are managed, administered, and funded in an actuarially
1041 sound manner as required by s. 14, Art. X of the State
1042 Constitution and part VII of chapter 112, Florida Statutes.

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1043 Therefore, the Legislature determines and declares that this act
1044 fulfills an important state interest.

1045 Section 10. This act shall take effect July 1, 2012.
1046
1047
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1049 -----
1050 **T I T L E A M E N D M E N T**

1051 Remove the entire title and insert:

1052 An act relating to state retirement; amending s. 121.021,
1053 F.S.; revising definitions of the terms "normal retirement
1054 date" and "vested" or "vesting"; amending s. 121.055, F.S.;
1055 clarifying provisions related to the prohibition of
1056 hardship loans or payments; clarifying that a retiree who
1057 is reemployed in a regularly established position after a
1058 certain date may not be enrolled as a renewed member;
1059 authorizing certain distributions to a member who is
1060 terminated from employment for 1 calendar month if the
1061 member has reached the normal retirement date; providing
1062 rulemaking authority to the Department of Management
1063 Services; amending s. 121.091, F.S.; revising provisions
1064 related to the early retirement benefit calculation to
1065 conform to changes made by the act; revising provisions
1066 related to the disability retirement benefit calculation to
1067 conform to changes made by the act; amending s. 121.35,
1068 F.S.; providing that a benefit for the purposes of the
1069 optional retirement program for the State University System
1070 includes a certain distribution; clarifying provisions

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1071 related to the prohibition of hardship loans or payments;
1072 clarifying when voluntary contributions may be paid out;
1073 authorizing certain distributions to a member who is
1074 terminated from employment for 1 calendar month if the
1075 member has reached the normal retirement date; providing
1076 rulemaking authority to the Department of Management
1077 Services; amending s. 121.4501, F.S.; revising the
1078 definition of the term "member" or "employee"; requiring
1079 new employees to, by default, be enrolled in the investment
1080 plan; authorizing new employees to elect to participate in
1081 the pension plan or the investment plan within a specified
1082 time; revising the benefit commencement age and years of
1083 service to conform to changes made by the act; conforming
1084 cross-references; amending s. 121.591, F.S.; revising
1085 provisions related to the disability retirement benefit
1086 calculation to conform to changes made by the act; amending
1087 s. 1012.875, F.S.; clarifying provisions related to the
1088 prohibition of hardship loans or payments; authorizing
1089 certain distributions to a member who is terminated from
1090 employment for 1 calendar month if the member has reached
1091 the normal retirement date; providing rulemaking authority
1092 to the boards of trustees for colleges; providing for
1093 contribution rate adjustments to fund benefit changes
1094 provided in this act; directing the Division of Statutory
1095 Revision to adjust contribution rates set forth in s.
1096 121.71, F.S.; providing a declaration of important state
1097 interest; providing an effective date.