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LEGISLATIVE ACTION

Senate	.	House
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Floor: AD/CR	.	
05/03/2013 12:21 PM	.	
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The Conference Committee on SB 1810 recommended the following:

1 **Senate Conference Committee Amendment (with title**
2 **amendment)**

3
4 Delete everything after the enacting clause
5 and insert:

6 Section 1. Paragraph (g) is added to subsection (8) of
7 section 112.363, Florida Statutes, to read:

8 112.363 Retiree health insurance subsidy.—

9 (8) CONTRIBUTIONS.—For purposes of funding the insurance
10 subsidy provided by this section:

11 (g) Beginning July 1, 2013, the employer of each member of
12 a state-administered plan shall contribute 1.20 percent of gross
13 compensation each pay period.



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Such contributions shall be submitted to the Department of Management Services and deposited in the Retiree Health Insurance Subsidy Trust Fund.

Section 2. Paragraph (d) of subsection (7) of section 121.052, Florida Statutes, is amended to read:

121.052 Membership class of elected officers.—

(7) CONTRIBUTIONS.—

(d) The following table states the required employer contribution on behalf of each member of the Elected Officers' Class in terms of a percentage of the member's gross compensation. Such contribution constitutes the entire health insurance subsidy contribution with respect to each such member. A change in the contribution rate is effective with the first salary paid on or after the beginning date of the change. The retiree health insurance subsidy contribution rate is as follows:

Dates of Contribution Rate Changes	Contribution Rate
October 1, 1987, through December 31, 1988	0.24%
January 1, 1989, through December 31, 1993	0.48%
January 1, 1994, through December 31, 1994	0.56%
January 1, 1995, through June 30, 1998	0.66%



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July 1, 1998, through June 30, 2001 0.94%

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Effective July 1, 2001, through June 30, 2013 1.11%

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Effective July 1, 2013 1.20%

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40 Such contributions and accompanying payroll data are due and
41 payable no later than the 5th working day of the month
42 immediately following the month during which the payroll period
43 ended and shall be deposited by the administrator in the Retiree
44 Health Insurance Subsidy Trust Fund.

45 Section 3. Paragraph (d) of subsection (3) of section
46 121.055, Florida Statutes, is amended to read:

47 121.055 Senior Management Service Class.—There is hereby
48 established a separate class of membership within the Florida
49 Retirement System to be known as the "Senior Management Service
50 Class," which shall become effective February 1, 1987.

51 (3)

52 (d) The following table states the required employer
53 contribution on behalf of each member of the Senior Management
54 Service Class in terms of a percentage of the member's gross
55 compensation. Such contribution constitutes the entire health
56 insurance subsidy contribution with respect to each such member.
57 A change in the contribution rate is effective with the first
58 salary paid on or after the beginning date of the change. The
59 retiree health insurance subsidy contribution rate is as
60 follows:

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Dates of Contribution	Contribution
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Rate Changes	Rate
October 1, 1987, through December 31, 1988	0.24%
January 1, 1989, through December 31, 1993	0.48%
January 1, 1994, through December 31, 1994	0.56%
January 1, 1995, through June 30, 1998	0.66%
July 1, 1998, through June 30, 2001	0.94%
<u>Effective July 1, 2001, through June 30, 2013</u>	1.11%
<u>Effective July 1, 2013</u>	<u>1.20%</u>

Such contributions and accompanying payroll data are due and payable no later than the 5th working day of the month immediately following the month during which the payroll period ended and shall be deposited by the administrator in the Retiree Health Insurance Subsidy Trust Fund.

Section 4. Subsection (4) of section 121.071, Florida Statutes, is amended to read:

121.071 Contributions.—Contributions to the system shall be made as follows:

(4) The following table states the required employer contribution on behalf of each member of the Regular Class, Special Risk Class, or Special Risk Administrative Support Class in terms of a percentage of the member's gross compensation.



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83 Such contribution constitutes the entire health insurance
84 subsidy contribution with respect to each such member. A change
85 in the contribution rate is effective with the first salary paid
86 on or after the beginning date of the change. The retiree health
87 insurance subsidy contribution rate is as follows:
88

Dates of Contribution Rate Changes	Contribution Rate
October 1, 1987, through December 31, 1988	0.24%
January 1, 1989, through December 31, 1993	0.48%
January 1, 1994, through December 31, 1994	0.56%
January 1, 1995, through June 30, 1998	0.66%
July 1, 1998, through June 30, 2001	0.94%
<u>Effective July 1, 2001, through June 30, 2013</u>	1.11%
<u>Effective July 1, 2013</u>	<u>1.20%</u>

96
97 Such contributions shall be deposited by the administrator in
98 the Retiree Health Insurance Subsidy Trust Fund.

99 Section 5. Subsections (4) and (5) of section 121.71,
100 Florida Statutes, are amended to read:

101 121.71 Uniform rates; process; calculations; levy.—

102 (4) Required employer retirement contribution rates for



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103 each membership class and subclass of the Florida Retirement
 104 System for both retirement plans are as follows:

105	Membership Class	Percentage of Gross Compensation, Effective July 1, 2012	Percentage of Gross Compensation, Effective July 1, 2013
106	Regular Class	3.55%	<u>3.53%</u> 3.55%
107	Special Risk Class	11.01%	<u>11.00%</u> 11.01%
108	Special Risk Administrative Support Class	3.94%	<u>4.17%</u> 3.94%
109	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	6.51%	<u>6.52%</u> 6.51%
110	Elected Officers' Class— Justices, Judges	10.02%	<u>10.05%</u> 10.02%
111	Elected Officers' Class— County Elected Officers	8.36%	<u>8.44%</u> 8.36%



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Senior Management Class	4.84%	<u>4.81%</u>	4.84%
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DROP	4.33%	<u>4.63%</u>	4.33%
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115 (5) In order to address unfunded actuarial liabilities of
 116 the system, the required employer retirement contribution rates
 117 for each membership class and subclass of the Florida Retirement
 118 System for both retirement plans are as follows:
 119

119

	Percentage of Gross Compensation, Effective July 1, 2012	Percentage of Gross Compensation, Effective July 1, 2013	
Membership Class			

120

Regular Class	0.49%	<u>2.19%</u>	2.02%
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121

Special Risk Class	2.75%	<u>6.83%</u>	7.03%
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Special Risk Administrative Support Class	0.83%	<u>30.56%</u>	27.04%
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Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys,	0.88%	<u>24.85%</u>	27.18%
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Public Defenders

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Elected Officers' Class-

Justices, Judges ~~0.77%~~ 17.00% ~~16.38%~~

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Elected Officers' Class-

County Elected Officers ~~0.73%~~ 23.36% ~~23.01%~~

126

Senior Management Service Class ~~0.32%~~ 12.27% ~~11.25%~~

127

DROP ~~0.00%~~ 7.01% ~~6.21%~~

128

129 Section 6. The Legislature finds that a proper and
130 legitimate state purpose is served when employees, officers, and
131 retirees of the state and its political subdivisions, and the
132 dependents, survivors, and beneficiaries of such employees,
133 officers, and retirees, are extended the basic protections
134 afforded by governmental retirement systems. These persons must
135 be provided benefits that are fair and adequate and that are
136 managed, administered, and funded in an actuarially sound
137 manner, as required by s. 14, Article X of the State
138 Constitution and part VII of chapter 112, Florida Statutes.
139 Therefore, the Legislature determines and declares that this act
140 fulfills an important state interest.

141 Section 7. The Legislature finds that a proper and
142 legitimate state purpose is served when employees, officers, and
143 retirees of the state and of its political subdivisions, and the
144 dependents, survivors, and beneficiaries of such employees,
145 officers, and retirees, are extended the basic protections



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146 afforded by governmental retirement systems that provide fair
147 and adequate benefits, including health insurance subsidies, and
148 that are managed, administered, and funded in a reasonable
149 manner. Therefore, the Legislature determines and declares that
150 this act fulfills an important state interest.

151 Section 8. This act shall take effect July 1, 2013.

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153 ===== T I T L E A M E N D M E N T =====

154 And the title is amended as follows:

155 Delete everything before the enacting clause
156 and insert:

157 A bill to be entitled
158 An act relating to the Florida Retirement System;
159 amending ss. 112.363, 121.052, 121.055, and 121.071,
160 F.S.; revising the employer contribution rates for the
161 retiree health insurance subsidy; amending s. 121.71,
162 F.S.; revising the required employer retirement
163 contribution rates for members of each membership
164 class and subclass of the Florida Retirement System;
165 providing findings of an important state interest;
166 providing an effective date.