

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WITHDRAWN	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: State Affairs Committee
 2 Representative Caldwell offered the following:

Amendment (with title amendment)

5 Remove lines 44-112 and insert:

6 (f) Effective January 1, 2016, the mortality tables used
 7 in either of the two most recently published actuarial valuation
 8 reports of the Florida Retirement System, including the
 9 projection scale for mortality improvement. Appropriate risk and
 10 collar adjustments must be made based on plan demographics. The
 11 tables must be used for assumptions for preretirement and
 12 postretirement mortality.

13 (g)~~(f)~~ A statement by the enrolled actuary that the report
 14 is complete and accurate and that in his or her opinion the
 15 techniques and assumptions used are reasonable and meet the
 16 requirements and intent of this act.

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18 The actuarial cost methods utilized for establishing the amount
19 of the annual actuarial normal cost to support the promised
20 benefits shall only be those methods approved in the Employee
21 Retirement Income Security Act of 1974 and as permitted under
22 regulations prescribed by the Secretary of the Treasury.

23 Section 2. Effective January 1, 2016, subsection (1) of
24 section 112.664, Florida Statutes, is amended to read:

25 112.664 Reporting standards for defined benefit retirement
26 plans or systems.—

27 (1) In addition to the other reporting requirements of
28 this part, within 60 days after receipt of the certified
29 actuarial report submitted after the close of the plan year that
30 ends on or after June 30, 2014, and thereafter in each year
31 required under s. 112.63(2), each defined benefit retirement
32 system or plan, excluding the Florida Retirement System, shall
33 prepare and electronically report the following information to
34 the Department of Management Services in a format prescribed by
35 the department:

36 (a) Annual financial statements that comply ~~are in~~
37 ~~compliance~~ with the requirements of the Governmental Accounting
38 Standards ~~Government Accounting and Standard~~ Board's Statement
39 No. 67, titled "Financial Reporting for Pension Plans," and
40 Statement No. 68, titled "Accounting and Financial Reporting for
41 Pensions," using mortality tables used in either of the two most
42 recently published actuarial valuation reports of the Florida
43 Retirement System, including the projection scale for mortality

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44 improvement. Appropriate risk and collar adjustments must be
45 made based on plan demographics. The tables must be used for
46 assumptions for preretirement and postretirement mortality RP-
47 2000 Combined Healthy Participant Mortality Tables, by gender,
48 with generational projection by Scale AA.

49 (b) Annual financial statements similar to those required
50 under paragraph (a), but which use an assumed rate of return on
51 investments and an assumed discount rate that are equal to 200
52 basis points less than the plan's assumed rate of return.

53 (c) Information indicating the number of months or years
54 for which the current market value of assets are adequate to
55 sustain the payment of expected retirement benefits as
56 determined in the plan's latest valuation and under the
57 financial statements prepared pursuant to paragraphs (a) and
58 (b).

59 (d) Information indicating the recommended contributions
60 to the plan based on the plan's latest valuation, and the
61 contributions necessary to fund the plan based on financial
62 statements prepared pursuant to paragraphs (a) and (b), stated
63 as an annual dollar value and a percentage of valuation payroll.

64 Section 3. The Legislature finds that a proper and
65 legitimate state purpose is served when employees and retirees
66 of the state and its political subdivisions, and the dependents,
67 survivors, and beneficiaries of such employees and retirees, are
68 extended the basic protections afforded by governmental
69 retirement systems that provide fair and adequate benefits and

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70 that are managed, administered, and funded in an actuarially
71 sound manner as required by s. 14, Article X of the State
72 Constitution and part VII of chapter 112, Florida Statutes.
73 Therefore, the Legislature determines and declares that this act
74 fulfills an important state interest.

75 Section 4. Except as otherwise expressly provided in this
76 act, this act shall take effect July 1, 2015.

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79 **T I T L E A M E N D M E N T**

80 Remove lines 9-10 and insert:

81 declaration of important state interest; providing effective
82 dates.