

Amendment No.

CHAMBER ACTION

Senate

House

.

Representative Corcoran offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

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

112.363 Retiree health insurance subsidy.-

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

(i) Beginning July 1, 2015, the employer of each member of a state-administered plan shall contribute 1.66 percent of gross compensation each pay period.

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

17 Section 2. Paragraph (d) of subsection (7) of section
18 121.052, Florida Statutes, is amended to read:

19 121.052 Membership class of elected officers.—

20 (7) CONTRIBUTIONS.—

21 (d) The following table states the required employer
22 contribution on behalf of each member of the Elected Officers'
23 Class in terms of a percentage of the member's gross
24 compensation. Such contribution constitutes the entire health
25 insurance subsidy contribution with respect to each such member.
26 A change in the contribution rate is effective with the first
27 salary paid on or after the beginning date of the change. The
28 retiree health insurance subsidy contribution rate is as
29 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%

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35	January 1, 1995, through June 30, 1998	0.66%
36	July 1, 1998, through June 30, 2001	0.94%
37	July 1, 2001, through June 30, 2013	1.11%
38	July 1, 2013, through June 30, 2014	1.20%
39	<u>Effective July 1, 2014, through June 30, 2015</u>	1.26%
40	<u>Effective July 1, 2015</u>	<u>1.66%</u>

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

46 Section 3. Paragraph (d) of subsection (3) of section
47 121.055, Florida Statutes, is amended to read:

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

52 (3)

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(d) The following table states the required employer contribution on behalf of each member of the Senior Management Service 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%
July 1, 1998, through June 30, 2001	0.94%
July 1, 2001, through June 30, 2013	1.11%

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July 1, 2013, through June 30, 2014	1.20%
Effective July 1, 2014, through June 30, 2015	1.26%
<u>Effective July 1, 2015</u>	<u>1.66%</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. 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:

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	Dates of Contribution Rate Changes	Contribution Rate
93	October 1, 1987, through December 31, 1988	0.24%
94	January 1, 1989, through December 31, 1993	0.48%
95	January 1, 1994, through December 31, 1994	0.56%
96	January 1, 1995, through June 30, 1998	0.66%
97	July 1, 1998, through June 30, 2001	0.94%
98	July 1, 2001, through June 30, 2013	1.11%
99	July 1, 2013, through June 30, 2014	1.20%
100	Effective <u>July 1, 2014, through June 30, 2015</u>	1.26%
101	<u>Effective July 1, 2015</u>	<u>1.66%</u>
102		
103	Such contributions shall be deposited by the administrator in	
104	the Retiree Health Insurance Subsidy Trust Fund.	
105	Section 5. Subsections (4) and (5) of section 121.71,	
106	Florida Statutes, are amended to read:	
107	121.71 Uniform rates; process; calculations; levy.—	

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108 (4) Required employer retirement contribution rates for
109 each membership class and subclass of the Florida Retirement
110 System for both retirement plans are as follows:
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Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2015</u> 2014
Regular Class	<u>2.91%</u> 3.53%
Special Risk Class	<u>11.35%</u> 11.01%
Special Risk Administrative Support Class	<u>3.71%</u> 4.18%
Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>6.48%</u> 6.30%

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Elected Officers' Class— Justices, Judges	<u>11.39%</u> 10.10%
Elected Officers' Class— County Elected Officers	<u>8.48%</u> 8.36%
Senior Management Class	<u>4.32%</u> 4.80%
DROP	<u>4.10%</u> 4.30%

(5) In order to address unfunded actuarial liabilities of the system, the required employer retirement contribution rates for each membership class and subclass of the Florida Retirement System for both retirement plans are as follows:

Membership Class	Percentage of Gross Compensation, Effective	
	July 1, <u>2015</u>	2014
Regular Class	<u>2.65%</u>	2.54%

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130	Special Risk Class	<u>8.99%</u> 7.51%
	Special Risk	
	Administrative	
131	Support Class	<u>27.54%</u> 36.59%
	Elected Officers' Class—	
	Legislators, Governor,	
	Lt. Governor,	
	Cabinet Officers,	
	State Attorneys,	
132	Public Defenders	<u>37.62%</u> 38.66%
	Elected Officers' Class—	
	Justices, Judges	<u>22.62%</u> 21.77%
133	Elected Officers' Class—	
	County Elected Officers	<u>32.09%</u> 33.58%
134	Senior Management Service Class	<u>15.41%</u> 15.04%
135	DROP	<u>7.12%</u> 6.72%

137 Section 6. The Legislature finds that a proper and
 138 legitimate state purpose is served when employees, officers, and
 139 retirees of the state and its political subdivisions, and the

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140 dependents, survivors, and beneficiaries of such employees,
 141 officers, and retirees, are extended the basic protections
 142 afforded by governmental retirement systems. These persons must
 143 be provided benefits that are fair and adequate and that are
 144 managed, administered, and funded in an actuarially sound
 145 manner, as required by s. 14, Article X of the State
 146 Constitution and part VII of chapter 112, Florida Statutes.
 147 Therefore, the Legislature determines and declares that this act
 148 fulfills an important state interest.

149 Section 7. The Legislature finds that a proper and
 150 legitimate state purpose is served when employees, officers, and
 151 retirees of the state and its political subdivisions, and the
 152 dependents, survivors, and beneficiaries of such employees,
 153 officers, and retirees, are extended the basic protections
 154 afforded by governmental retirement systems that provide fair
 155 and adequate benefits, including health insurance subsidies, and
 156 that are managed, administered, and funded in a sustainable
 157 manner. Therefore, the Legislature determines and declares that
 158 this act fulfills an important state interest.

159 Section 8. This act shall take effect July 1, 2015.

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

163 Remove everything before the enacting clause and insert:

164 A bill to be entitled

165 An act relating to state-administered retirement

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166 systems; amending s. 112.363, F.S.; increasing the
167 employer contribution to the retiree health insurance
168 subsidy for members of a state-administered plan;
169 amending s. 121.052, F.S.; increasing the employer
170 contribution to the health insurance subsidy for
171 members of the Elected Officers' Class; amending s.
172 121.055, F.S.; increasing the employer contribution to
173 the health insurance subsidy for members of the Senior
174 Management Service Class; amending s. 121.071, F.S.;
175 increasing the employer contribution to the health
176 insurance subsidy for members of the Regular, Special
177 Risk, and Special Risk Administrative Support Classes;
178 amending s. 121.71, F.S.; revising the amount of
179 employer contributions to the Florida Retirement
180 System for the 2015-2016 fiscal year; providing
181 findings of important state interest; providing an
182 effective date.

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