

FOR CONSIDERATION By the Committee on Governmental Oversight and Accountability

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1 A bill to be entitled
2 An act relating to the Florida Retirement System;
3 amending s. 121.0515, F.S.; authorizing renewed
4 membership in the retirement system for retirees who
5 are reemployed in a position eligible for the Special
6 Risk Class under certain circumstances; amending s.
7 121.053, F.S.; authorizing renewed membership in the
8 retirement system for retirees who are reemployed in a
9 position eligible for the Elected Officers' Class
10 under certain circumstances; amending s. 121.055,
11 F.S.; providing for renewed membership in the
12 retirement system for retirees of the Senior
13 Management Service Optional Annuity Program who are
14 employed on or after a specified date; amending s.
15 121.091, F.S.; conforming a provision to changes made
16 by the act; amending s. 121.111, F.S.; requiring an
17 employer to make employer and employee contributions
18 toward credit for military service for service credit
19 earned on or after a specified date; amending s.
20 121.122, F.S.; requiring that certain retirees who are
21 employed on or after a specified date be renewed
22 members in the investment plan; providing exceptions;
23 specifying that creditable service does not accrue for
24 employment during a specified period; prohibiting
25 certain funds from being paid into a renewed member's
26 investment plan account for a specified period of
27 employment; requiring the renewed member to satisfy
28 vesting requirements; prohibiting a renewed member
29 from receiving specified disability benefits;

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30 specifying limitations and requirements; requiring the
31 employer and the retiree to make applicable
32 contributions to the renewed member's investment plan
33 account; providing for the transfer of contributions;
34 prohibiting the purchase of past service in the
35 investment plan; authorizing a renewed member to
36 receive additional credit towards the health insurance
37 subsidy under certain circumstances; prohibiting
38 transfers to the pension plan; providing that a
39 retiree employed on or after a specified date in a
40 regularly established position eligible for the State
41 University System Optional Retirement Program or State
42 Community College System Optional Retirement Program
43 is a renewed member of that program; specifying
44 limitations and requirements; requiring the employer
45 and the retiree to make applicable contributions;
46 prohibiting the purchase of past service in the
47 program; providing for renewed membership in the
48 optional retirement program for certain retirees
49 initially reemployed on or after a specified date;
50 prohibiting a renewed member from receiving specified
51 disability benefits; specifying limitations and
52 requirements; requiring the employer and the retiree
53 to make applicable contributions; providing for the
54 transfer of contributions; prohibiting the purchase of
55 past service in the optional retirement program;
56 authorizing a renewed member to receive additional
57 credit towards the health insurance subsidy under
58 certain circumstances; providing for enrollment in the

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59 investment plan for retirees initially reemployed on
60 or after a specified date; prohibiting such retirees
61 from receiving specified disability benefits;
62 specifying limitations and requirements; providing for
63 contributions, and the transfer thereof, to the
64 reemployed retiree's investment plan account;
65 prohibiting the purchase of past service; authorizing
66 a renewed member to receive additional credit towards
67 the health insurance subsidy under certain
68 circumstances; prohibiting transfers to the pension
69 plan; amending s. 121.4501, F.S.; revising the
70 definition of the term "eligible employee"; conforming
71 a provision to changes made by the act; providing for
72 employer contribution rate increases to fund changes
73 made by the act; providing a directive to the Division
74 of Law Revision and Information; declaring that the
75 act fulfills an important state interest; providing an
76 effective date.

77

78 Be It Enacted by the Legislature of the State of Florida:

79

80 Section 1. Paragraphs (i) and (j) are added to subsection
81 (2) of section 121.0515, Florida Statutes, to read:

82 121.0515 Special Risk Class.—

83 (2) MEMBERSHIP.—

84 (i) A retiree of a state-administered retirement system who
85 is employed in a regularly established position eligible for the
86 Special Risk Class with a covered employer and initially
87 enrolled in the Special Risk Class as a renewed member as

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88 provided in s. 121.122 on or after July 1, 2016, is subject to
89 the following conditions:

90 1. If initially reemployed at any time from July 1, 2010,
91 through June 30, 2016, and employed in a regularly established
92 position eligible for the Special Risk Class as provided in this
93 subsection and subsection (3), the retiree shall be enrolled in
94 the Special Risk Class as a renewed member of the investment
95 plan for creditable service earned on or after July 1, 2016.

96 2. If initially reemployed on or after July 1, 2016 in a
97 regularly established position eligible for the Special Risk
98 Class as provided in this subsection and subsection (3), the
99 retiree shall be enrolled as a renewed member of the investment
100 plan.

101 3. A reemployed retiree, or the employer on behalf of the
102 retiree, may not purchase any past service for employment from
103 July 1, 2010, to June 30, 2016, when renewed membership was not
104 available.

105 (j) Effective July 1, 2016, a renewed member initially
106 enrolled before July 1, 2010, who is employed in a regularly
107 established position eligible for the Special Risk Class as
108 provided in this subsection and subsection (3) may be enrolled
109 in the Special Risk Class as a renewed member of the Florida
110 Retirement System for creditable service earned on or after July
111 1, 2016. Service as a renewed member in a regularly established
112 position otherwise covered by the Special Risk Class as required
113 by this subsection and subsection (3), before July 1, 2016,
114 cannot be upgraded from the Regular Class accrual value.

115 Section 2. Paragraph (a) of subsection (3) and subsection
116 (5) of section 121.053, Florida Statutes, are amended to read:

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117 121.053 Participation in the Elected Officers' Class for
118 retired members.—

119 (3) On or after July 1, 2010:

120 (a) A retiree of a state-administered retirement system who
121 is initially reemployed in ~~elected or appointed for the first~~
122 ~~time to~~ an elective office in a regularly established position
123 with a covered employer may not reenroll in the Florida
124 Retirement System, except as provided in s. 121.122.

125 (5) Any renewed member, as described in s. 121.122(1), (3),
126 or (6) ~~subsection (1) or subsection (2)~~, who is not receiving
127 the maximum health insurance subsidy provided in s. 112.363 is
128 entitled to earn additional credit toward the maximum health
129 insurance subsidy. Any additional subsidy due because of such
130 additional credit may be received only at the time of payment of
131 the second career retirement benefit. The total health insurance
132 subsidy received from initial and renewed membership may not
133 exceed the maximum allowed in s. 112.363.

134 Section 3. Paragraph (f) of subsection (1) and paragraph
135 (c) of subsection (6) of section 121.055, Florida Statutes, are
136 amended to read:

137 121.055 Senior Management Service Class.—There is hereby
138 established a separate class of membership within the Florida
139 Retirement System to be known as the "Senior Management Service
140 Class," which shall become effective February 1, 1987.

141 (1)

142 (f) Effective July 1, 1997:

143 1. Except as provided in subparagraph 3., an elected state
144 officer eligible for membership in the Elected Officers' Class
145 under s. 121.052(2)(a), (b), or (c) who elects membership in the

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146 Senior Management Service Class under s. 121.052(3)(c) may,
147 within 6 months after assuming office or within 6 months after
148 this act becomes a law for serving elected state officers, elect
149 to participate in the Senior Management Service Optional Annuity
150 Program, as provided in subsection (6), in lieu of membership in
151 the Senior Management Service Class.

152 2. Except as provided in subparagraph 3., an elected
153 officer of a local agency employer eligible for membership in
154 the Elected Officers' Class under s. 121.052(2)(d) who elects
155 membership in the Senior Management Service Class under s.
156 121.052(3)(c) may, within 6 months after assuming office, or
157 within 6 months after this act becomes a law for serving elected
158 officers of a local agency employer, elect to withdraw from the
159 Florida Retirement System, as provided in subparagraph (b)2., in
160 lieu of membership in the Senior Management Service Class.

161 3. A retiree of a state-administered retirement system who
162 is initially reemployed in a regularly established position on
163 ~~or after~~ July 1, 2010, through June 30, 2016, as an elected
164 official eligible for the Elected Officers' Class may not be
165 enrolled in renewed membership in the Senior Management Service
166 Class or in the Senior Management Service Optional Annuity
167 Program as provided in subsection (6), and may not withdraw from
168 the Florida Retirement System as a renewed member as provided in
169 subparagraph (b)2., as applicable, in lieu of membership in the
170 Senior Management Service Class. Effective July 1, 2016, a
171 retiree of the Senior Management Service Optional Annuity
172 Program who reenters covered employment shall be enrolled as a
173 renewed member as provided in s. 121.122.

174 (6)

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175 (c) *Participation.*—

176 1. An eligible employee who is employed on or before
177 February 1, 1987, may elect to participate in the optional
178 annuity program in lieu of participating in the Senior
179 Management Service Class. Such election shall ~~must~~ be made in
180 writing and filed with the department and the personnel officer
181 of the employer on or before May 1, 1987. An eligible employee
182 who is employed on or before February 1, 1987, and who fails to
183 make an election to participate in the optional annuity program
184 by May 1, 1987, is ~~shall be~~ deemed to have elected membership in
185 the Senior Management Service Class.

186 2. Except as provided in subparagraph 6., an employee who
187 becomes eligible to participate in the optional annuity program
188 by reason of initial employment commencing after February 1,
189 1987, may, within 90 days after the date of commencing
190 employment, elect to participate in the optional annuity
191 program. Such election shall ~~must~~ be made in writing and filed
192 with the personnel officer of the employer. An eligible employee
193 who does not within 90 days after commencing employment elect to
194 participate in the optional annuity program is ~~shall be~~ deemed
195 to have elected membership in the Senior Management Service
196 Class.

197 3. A person who is appointed to a position in the Senior
198 Management Service Class and who is a member of an existing
199 retirement system or the Special Risk or Special Risk
200 Administrative Support Classes of the Florida Retirement System
201 may elect to remain in such system or class in lieu of
202 participating in the Senior Management Service Class or optional
203 annuity program. Such election shall ~~must~~ be made in writing and

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204 filed with the department and the personnel officer of the
205 employer within 90 days after such appointment. An eligible
206 employee who fails to make an election to participate in the
207 existing system, the Special Risk Class of the Florida
208 Retirement System, the Special Risk Administrative Support Class
209 of the Florida Retirement System, or the optional annuity
210 program is ~~shall be~~ deemed to have elected membership in the
211 Senior Management Service Class.

212 4. Except as provided in subparagraph 5., an employee's
213 election to participate in the optional annuity program is
214 irrevocable if the employee continues to be employed in an
215 eligible position and continues to meet the eligibility
216 requirements set forth in this paragraph.

217 5. Effective from July 1, 2002, through September 30, 2002,
218 an active employee in a regularly established position who has
219 elected to participate in the Senior Management Service Optional
220 Annuity Program has one opportunity to choose to move from the
221 Senior Management Service Optional Annuity Program to the
222 Florida Retirement System Pension Plan.

223 a. The election shall ~~must~~ be made in writing and ~~must be~~
224 filed with the department and the personnel officer of the
225 employer before October 1, 2002, or, in the case of an active
226 employee who is on a leave of absence on July 1, 2002, within 90
227 days after the conclusion of the leave of absence. This election
228 is irrevocable.

229 b. The employee shall receive service credit under the
230 pension plan equal to his or her years of service under the
231 Senior Management Service Optional Annuity Program. The cost for
232 such credit is the amount representing the present value of that

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233 employee's accumulated benefit obligation for the affected
234 period of service.

235 c. The employee shall ~~must~~ transfer the total accumulated
236 employer contributions and earnings on deposit in his or her
237 Senior Management Service Optional Annuity Program account. If
238 the transferred amount is not sufficient to pay the amount due,
239 the employee shall ~~must~~ pay a sum representing the remainder of
240 the amount due. The employee may not retain any employer
241 contributions or earnings from the Senior Management Service
242 Optional Annuity Program account.

243 6. A retiree of a state-administered retirement system who
244 is initially reemployed on or after July 1, 2010, through June
245 30, 2016, may not renew membership in the Senior Management
246 Service Optional Annuity Program. Effective July 1, 2016, a
247 retiree of the Senior Management Service Optional Annuity
248 Program who reenters covered employment shall be enrolled as a
249 renewed member as provided in s. 121.122.

250 Section 4. Paragraph (c) of subsection (9) of section
251 121.091, Florida Statutes, is amended to read:

252 121.091 Benefits payable under the system.—Benefits may not
253 be paid under this section unless the member has terminated
254 employment as provided in s. 121.021(39) (a) or begun
255 participation in the Deferred Retirement Option Program as
256 provided in subsection (13), and a proper application has been
257 filed in the manner prescribed by the department. The department
258 may cancel an application for retirement benefits when the
259 member or beneficiary fails to timely provide the information
260 and documents required by this chapter and the department's
261 rules. The department shall adopt rules establishing procedures

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262 for application for retirement benefits and for the cancellation
263 of such application when the required information or documents
264 are not received.

265 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

266 (c) Any person whose retirement is effective on or after
267 July 1, 2010, or whose participation in the Deferred Retirement
268 Option Program terminates on or after July 1, 2010, who is
269 retired under this chapter, except under the disability
270 retirement provisions of subsection (4) or as provided in s.
271 121.053, may be reemployed by an employer that participates in a
272 state-administered retirement system and receive retirement
273 benefits and compensation from that employer. However, a person
274 may not be reemployed by an employer participating in the
275 Florida Retirement System before meeting the definition of
276 termination in s. 121.021 and may not receive both a salary from
277 the employer and retirement benefits for 6 calendar months after
278 meeting the definition of termination. However, a DROP
279 participant shall continue employment and receive a salary
280 during the period of participation in the Deferred Retirement
281 Option Program, as provided in subsection (13).

282 1. The reemployed retiree may not renew membership in the
283 Florida Retirement System, except as provided in s. 121.122.

284 2. The employer shall pay retirement contributions in an
285 amount equal to the unfunded actuarial liability portion of the
286 employer contribution that would be required for active members
287 of the Florida Retirement System in addition to the
288 contributions required by s. 121.76.

289 3. A retiree initially reemployed in violation of this
290 paragraph and an employer that employs or appoints such person

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291 are jointly and severally liable for reimbursement of any
292 retirement benefits paid to the retirement trust fund from which
293 the benefits were paid, including the Florida Retirement System
294 Trust Fund and the Public Employee Optional Retirement Program
295 Trust Fund, as appropriate. The employer must have a written
296 statement from the employee that he or she is not retired from a
297 state-administered retirement system. Retirement benefits shall
298 remain suspended until repayment is made. Benefits suspended
299 beyond the end of the retiree's 6-month reemployment limitation
300 period shall apply toward the repayment of benefits received in
301 violation of this paragraph.

302 Section 5. Subsection (1) of section 121.111, Florida
303 Statutes, is amended to read:

304 121.111 Credit for military service.—

305 (1) Creditable service of any member shall also include
306 military service as defined in s. 121.021(20) (a) if:

307 (a) The member is in the active employ of an employer
308 immediately prior to such service and leaves a position, other
309 than a temporary position, for the purpose of induction into the
310 Armed Forces of the United States or entry upon duty in the
311 Armed Forces of the United States. When applied to the Florida
312 Retirement System:

313 1. The term "position other than a temporary position"
314 means a regularly established position with a Florida Retirement
315 System employer; and

316 2. A member shall be construed to have left his or her
317 employment for military purposes if he or she reported for
318 active duty within 60 days after leaving such employment;

319 (b) The member is entitled to reemployment under the

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320 provisions of the Veterans' Reemployment Rights Act (38 U.S.C.
321 ss. 2021 et seq.);

322 (c) The member applies for reemployment with the same
323 employer within the time set forth in s. 2021 or s. 2024 of the
324 Veterans' Reemployment Rights Act, whichever is applicable, and
325 is reemployed by such employer;

326 (d)1. For service credit before July 1, 2016, the member
327 makes the required employee contributions, if any, and the
328 employer makes the required employer contributions for the
329 employee's membership class for each month of service credit
330 during such period of military service, based upon the
331 employee's rate of monthly compensation as of the date that the
332 employee left his or her position, plus 4 percent interest on
333 such contributions compounded annually from the due date of the
334 contribution until July 1, 1975, and 6.5 percent interest
335 compounded annually thereafter, until the payment is made to the
336 proper retirement trust fund; and

337 2. For service credit on or after July 1, 2016, the
338 employer makes the required employer and employee contributions
339 for the employee's membership class for each month of service
340 credit during such period of military service, based upon the
341 employee's rate of monthly compensation as of the date that the
342 employee left his or her position, plus 6.5 percent interest on
343 such contributions compounded annually from the due date of the
344 contribution until the payment is made to the Florida Retirement
345 System Trust Fund; and

346 (e) The period of service claimed pursuant to this
347 subsection does not exceed the periods specified by the
348 provisions of ss. 2021 and 2024 of the Veterans' Reemployment

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349 Rights Act which are applicable in the member's case.

350 Section 6. Subsection (2) of section 121.122, Florida
351 Statutes, is amended, and subsections (3) through (6) are added
352 to that section, to read:

353 121.122 Renewed membership in system.—

354 (2) A retiree of a state-administered retirement system who
355 is initially reemployed in a regularly established position on
356 or after July 1, 2010, through June 30, 2016, may not be
357 enrolled as a renewed member.

358 (3) A retiree of a state-administered retirement system
359 specified in subsection (2) who is employed on or after July 1,
360 2016, in a regularly established position shall be a renewed
361 member of the investment plan, regardless of the position held,
362 unless employed in a position eligible for participation in the
363 State University System Optional Retirement Program or the State
364 Community College System Optional Retirement Program as provided
365 in subsections (4) and (5), respectively. A renewed member must
366 satisfy the vesting requirements and other provisions of this
367 chapter.

368 (a) Creditable service, including credit toward the retiree
369 health insurance subsidy provided in s. 112.363, does not accrue
370 for a retiree's employment in a regularly established position
371 with a covered employer during the period from July 1, 2010,
372 through June 30, 2016.

373 (b) Employer and employee contributions, interest,
374 earnings, or any other funds may not be paid into a renewed
375 member's investment plan account for any employment in a
376 regularly established position with a covered employer from July
377 1, 2010, through June 30, 2016, by the renewed member or the

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378 employer on behalf of the member.

379 (c) To be eligible to receive a retirement benefit, the
380 renewed member must satisfy the vesting requirements in s.
381 121.4501(6).

382 (d) The member is ineligible to receive disability benefits
383 as provided in s. 121.091(4) or s. 121.591(2).

384 (e) The member is subject to the reemployment after
385 retirement limitations provided in s. 121.091(9), as applicable.

386 (f) The member must satisfy the requirements for
387 termination from employment provided in s. 121.021(39).

388 (g) Upon the renewed membership or reemployment of a
389 retiree, the employer and the retiree shall pay the applicable
390 employer and employee contributions required under ss. 112.363,
391 121.71, 121.74, and 121.76. The contributions are payable only
392 for employment and salary earned in a regularly established
393 position with a covered employer on or after July 1, 2016. The
394 employer and employee contributions shall be transferred to the
395 investment plan and placed in a default fund as designated by
396 the state board. The retiree may move the contributions once an
397 account is activated in the investment plan.

398 (h) The member may not purchase any past service in the
399 investment plan, including employment in a regularly established
400 position with a covered employer from July 1, 2010, through June
401 30, 2016.

402 (i) A renewed member who earns creditable service under the
403 investment plan and who is not receiving the maximum health
404 insurance subsidy provided in s. 112.363 is entitled to earn
405 additional credit toward the subsidy. Such credit may be earned
406 only for employment in a regularly established position with a

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407 covered employer on or after July 1, 2016. Any additional
408 subsidy due because of additional credit may be received only at
409 the time of paying the second career retirement benefit. The
410 total health insurance subsidy received by a retiree receiving
411 benefits from initial and renewed membership may not exceed the
412 maximum allowed under s. 112.363.

413 (j) Notwithstanding s. 121.4501(4)(g), the renewed member
414 is not eligible to move to the pension plan.

415 (4) A retiree of a state-administered retirement system
416 specified in subsection (2) who is employed on or after July 1,
417 2016, in a regularly established position eligible for
418 participation in the State University System Optional Retirement
419 Program shall become a renewed member of the optional retirement
420 program. The renewed member must satisfy the vesting
421 requirements and other provisions of this chapter. Once
422 enrolled, a renewed member remains enrolled in the optional
423 retirement program while employed in an eligible position for
424 the optional retirement program. If employment in a different
425 covered position results in the retiree's enrollment in the
426 investment plan, the retiree is no longer eligible to
427 participate in the optional retirement program unless employed
428 in a mandatory position under s. 121.35.

429 (a) The member is subject to the reemployment after
430 retirement limitations provided in s. 121.091(9), as applicable.

431 (b) The member must satisfy the requirements for
432 termination of employment provided in s. 121.021(39).

433 (c) Upon renewed membership or reemployment of a retiree,
434 the employer and the retiree shall pay the applicable employer
435 and employee contributions required under s. 121.35.

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436 (d) The member, or the employer on behalf of the member,
437 may not purchase any past service in the optional retirement
438 program or employment from July 1, 2010, to June 30, 2016, when
439 renewed membership is not available.

440 (5) A retiree of a state-administered retirement system
441 specified in subsection (2) who is employed on or after July 1,
442 2016, in a regularly established position eligible for
443 participation in the State Community College System Optional
444 Retirement Program as provided in s. 121.051(2)(c)4. shall
445 become a renewed member of the optional retirement program. The
446 renewed member must satisfy the eligibility requirements of this
447 chapter and s. 1012.875 for the optional retirement program.
448 Once enrolled, a renewed member remains enrolled in the optional
449 retirement program while employed in an eligible position for
450 the optional retirement program. If employment in a different
451 covered position results in the retiree's enrollment in the
452 investment plan, the retiree is no longer eligible to
453 participate in the optional retirement program.

454 (a) The member is subject to the reemployment after
455 retirement limitations provided in s. 121.091(9), as applicable.

456 (b) The member must satisfy the requirements for
457 termination of employment provided in s. 121.021(39).

458 (c) Upon renewed membership or reemployment of a retiree,
459 the employer and the retiree shall pay the applicable employer
460 and employee contributions required under ss. 121.051(2)(c) and
461 1012.875.

462 (d) The member, or the employer on behalf of the member,
463 may not purchase any past service in the optional retirement
464 program or employment accrued from July 1, 2010, to June 30,

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465 2016.

466 (6) A retiree of a state-administered retirement system who
467 is initially reemployed in a regularly established position on
468 or after July 1, 2016, shall be enrolled in the investment plan
469 unless eligible for participation in the State University System
470 Optional Retirement Program as provided in s. 121.35 or in the
471 State Community College System Optional Retirement Program as
472 provided in ss. 121.051(2)(c) and 1012.875. A renewed member
473 must satisfy the vesting requirements and other provisions
474 provided in this chapter.

475 (a) The member is not entitled to disability benefits as
476 provided in s. 121.091(4) or s. 121.591(2).

477 (b) The member is subject to the reemployment after
478 retirement limitations as provided in s. 121.091(9), as
479 applicable.

480 (c) The member must meet the termination from employment
481 provisions as provided in s. 121.021(39).

482 (d) Upon the renewed membership of a reemployed retiree,
483 the employer and the retiree shall pay the applicable employer
484 and employee contributions as required by ss. 112.363, 121.71,
485 121.74, and 121.76. The contributions are payable only for
486 employment and compensation earned in a regularly established
487 position with a covered employer on or after July 1, 2016. The
488 employer and employee contributions shall be transferred to the
489 investment plan and placed in a default fund as designated by
490 the state board. The retiree may move the contributions once an
491 account is activated in the investment plan.

492 (e) The member or the employer on behalf of the member may
493 not purchase any past service in the optional retirement program

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494 or employment accrued from July 1, 2010 to June 30, 2016.

495 (f) A renewed member who earns creditable service in the
496 investment plan and is not receiving the maximum health
497 insurance subsidy provided in s. 112.363 is entitled to earn
498 additional credit toward the subsidy. Such credit may be earned
499 only for employment in a regularly established position with a
500 covered employer on or after July 1, 2016. Any additional
501 subsidy due because of additional credit may be received only at
502 the time of paying the second career retirement benefit. The
503 total health insurance subsidy received by a retiree receiving
504 benefits from initial and renewed membership may not exceed the
505 maximum allowable under s. 112.363.

506 (g) Notwithstanding s. 121.4501(4)(g), the renewed member
507 is not eligible to move to the pension plan.

508 Section 7. Paragraph (e) of subsection (2) and paragraph
509 (f) of subsection (4) of section 121.4501, Florida Statutes, are
510 amended to read:

511 121.4501 Florida Retirement System Investment Plan.—

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

513 (e) "Eligible employee" means an officer or employee, as
514 defined in s. 121.021, who:

515 1. Is a member of, or is eligible for membership in, the
516 Florida Retirement System, including any renewed member of the
517 Florida Retirement System initially enrolled before July 1,
518 2010; ~~or~~

519 2. Participates in, or is eligible to participate in, the
520 Senior Management Service Optional Annuity Program as
521 established under s. 121.055(6), the State Community College
522 System Optional Retirement Program as established under s.

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523 121.051(2)(c), or the State University System Optional
524 Retirement Program established under s. 121.35; or

525 3. Is a retiree of a state-administered retirement system
526 employed in a regularly established position on or after July 1,
527 2016, enrolled as a renewed member as provided under s. 121.122.

528
529 The term does not include any member participating in the
530 Deferred Retirement Option Program established under s.
531 121.091(13), a retiree of a state-administered retirement system
532 initially reemployed in a regularly established position on or
533 after July 1, 2010, through June 30, 2016, or a mandatory
534 participant of the State University System Optional Retirement
535 Program established under s. 121.35.

536 (4) PARTICIPATION; ENROLLMENT.—

537 (f) 1. A member of the investment plan who takes a
538 distribution of any contributions from his or her investment
539 plan account is considered a retiree. A retiree who is initially
540 reemployed in a regularly established position on or after July
541 1, 2010, and before June 30, 2016, is not eligible for to be
542 enrolled in renewed membership, except as provided in s.
543 121.122.

544 2. A retiree who is initially reemployed on or after July
545 1, 2016, shall be a renewed member as provided in s. 121.122.

546 Section 8. (1) In order to fund the benefit changes
547 provided for in this act, the required employer contribution
548 rates of the Florida Retirement System established in s.
549 121.71(4), Florida Statutes, shall be adjusted effective July 1,
550 2016, as follows:

551 (a) The Regular Class is increased by 0.05 percentage

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552 points.

553 (b) The Special Risk Class is increased by 0.09 percentage
554 points.

555 (c) The Special Risk Administrative Support Class is
556 increased by 0.00 percentage points.

557 (d) The Elected Officers' Class—Legislators, Governor, Lt.
558 Governor, Cabinet Officers, State Attorneys, Public Defenders is
559 increased by 0.14 percentage points.

560 (e) The Elected Officers' Class—Justices, Judges is
561 increased by 0.56 percentage points.

562 (f) The Elected Officers' Class—County Elected Officers is
563 increased by 0.22 percentage points.

564 (g) The Senior Management Service Class is increased by
565 0.10 percentage points.

566 (h) The DROP is increased by 0.07 percentage points.

567 (2) In order to fund the benefit changes provided for in
568 this act, the required employer contribution rates of the
569 Florida Retirement System established in s. 121.71(5), Florida
570 Statutes, shall be adjusted effective July 1, 2016, as follows:

571 (a) The Regular Class is increased by 0.18 percentage
572 points.

573 (b) The Special Risk Class is increased by 0.18 percentage
574 points.

575 (c) The Special Risk Administrative Support Class is
576 increased by 0.00 percentage points.

577 (d) The Elected Officers' Class—Legislators, Governor, Lt.
578 Governor, Cabinet Officers, State Attorneys, Public Defenders is
579 increased by 0.44 percentage points.

580 (e) The Elected Officers' Class—Justices, Judges is

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581 increased by 1.01 percentage points.

582 (f) The Elected Officers' Class—County Elected Officers is
583 increased by 0.54 percentage points.

584 (g) The Senior Management Service Class is increased by
585 0.38 percentage points.

586 (h) The DROP is increased by 0.00 percentage points.

587 (3) The adjustments provided in subsections (1) and (2)
588 shall be made in addition to other changes to such contribution
589 rates which may be enacted into law to take effect on July 1,
590 2016. The Division of Law Revision and Information is requested
591 to adjust accordingly the contribution rates provided in s.
592 121.71, Florida Statutes.

593 Section 9. The Legislature finds that a proper and
594 legitimate state purpose is served when employees and retirees
595 of the state and its political subdivisions, and the dependents,
596 survivors, and beneficiaries of such employees and retirees, are
597 extended the basic protections afforded by governmental
598 retirement systems. These persons must be provided benefits that
599 are fair and adequate and that are managed, administered, and
600 funded in an actuarially sound manner, as required by s. 14,
601 Article X of the State Constitution and part VII of chapter 112,
602 Florida Statutes. Therefore, the Legislature determines and
603 declares that this act fulfills an important state interest.

604 Section 10. This act shall take effect July 1, 2016.