



783474

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/10/2019	.	
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The Committee on Governmental Oversight and Accountability
(Gruters) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (4) of section 121.101, Florida
Statutes, is amended to read:

121.101 Cost-of-living adjustment of benefits.—

(4) For members whose effective retirement date is on or
after July 1, 2011, the benefit of each retiree and annuitant
shall be adjusted annually on July 1 as follows:



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11 (a) For those retirees and annuitants who have never
12 received a cost-of-living adjustment under this subsection, the
13 amount of the monthly benefit payable for the 12-month period
14 commencing on the adjustment date shall be the amount of the
15 member's initial benefit plus an amount equal to a percentage of
16 the member's initial benefit. This percentage is derived by
17 dividing the number of months the member has received an initial
18 benefit by 12, and multiplying the result by the factor
19 calculated pursuant to paragraph (c).

20 (b) For those retirees and annuitants who have received a
21 cost-of-living adjustment under this subsection, the adjusted
22 monthly benefit shall be the amount of the monthly benefit being
23 received on June 30 immediately preceding the adjustment date
24 plus an amount determined by multiplying the benefit by the
25 factor calculated pursuant to paragraph (c).

26 (c) The department shall calculate a cost-of-living factor
27 for each retiree and beneficiary retiring on or after July 1,
28 2011. This factor shall equal the product of 3 percent
29 multiplied by the quotient of the sum of the member's service
30 credit earned for service before July 1, 2011, divided by the
31 sum of the member's total service credit earned. However,
32 beginning with cost-of-living-adjustments effective July 1,
33 2019, for a retiree who was a member of the Special Risk Class
34 on June 30, 2011, and is a member of the Special Risk Class on
35 the effective date of retirement, and his or her beneficiary,
36 retiring on or after July 1, 2011, with service credit earned
37 before July 1, 2011, the factor calculated pursuant to this
38 paragraph may not be a product of less than 2.

39 Section 2. Effective July 1, 2019, subsection (3) of



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40 section 121.73, Florida Statutes, is amended to read:

41 121.73 Allocations for member disability coverage;
42 percentage amounts.—

43 (3) Effective July 1, 2002, allocations from the Florida
44 Retirement System Contributions Clearing Trust Fund to provide
45 disability coverage for members in the investment plan, and to
46 offset the costs of administering said coverage, are as follows:

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Membership Class	Percentage of Gross Compensation
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Regular Class	0.25%
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50

51

Special Risk Class	<u>1.35%</u> 1.33%
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52

Special Risk

Administrative Support Class	0.45%
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53

Elected Officers' Class—

Legislators, Governor,

Lt. Governor, Cabinet

Officers,

State Attorneys, Public

Defenders	0.41%
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54

Elected Officers' Class—	0.73%
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Justices, Judges

55

Elected Officers' Class-

County Elected Officers 0.41%

56

Senior Management Service

Class 0.26%

57

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Section 3. Effective July 1, 2019, subsection (3) of section 121.735, Florida Statutes, is amended to read:

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121.735 Allocations for member line-of-duty death benefits; percentage amounts.-

62

63

(3) Effective July 1, 2017, allocations from the Florida Retirement System Contributions Clearing Trust Fund to provide line-of-duty death benefits for members in the investment plan and to offset the costs of administering said coverage, are as follows:

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Membership Class	Percentage of Gross Compensation
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Regular Class	0.05%
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71

Special Risk Class	<u>1.17%</u> 1.15%
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72

Special Risk Administrative	0.03%
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73	Support Class	
	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	0.15%
74		
	Elected Officers' Class— Justices, Judges	0.09%
75		
	Elected Officers' Class— County Elected Officers	0.20%
76		
	Senior Management Service Class	0.05%

77
78
79 Section 4. (1) In order to fund the benefit changes
80 provided in this act, the required employer contribution rates
81 for members of the Florida Retirement System are increased as
82 follows:

83 (a) By 0.01 percentage point for the rate established in s.
84 121.71(4), Florida Statutes, for the Special Risk Class.

85 (b) By 2.32 percentage points for the rate established in
86 s. 121.71(5), Florida Statutes, for the Special Risk Class.

87 (c) By 0.01 percentage point for the rate established in s.
88 121.71(5), Florida Statutes, for DROP.



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89 (2) The adjustments provided in subsection (1) are in
90 addition to any other changes to such contribution rates which
91 may be enacted into law to take effect on July 1, 2019. The
92 Division of Law Revision is directed to adjust accordingly the
93 contribution rates provided in s. 121.71, Florida Statutes.

94 Section 5. The Legislature finds that a proper and
95 legitimate state purpose is served when employees and retirees
96 of the state and its political subdivisions, and the dependents,
97 survivors, and beneficiaries of such employees and retirees, are
98 extended the basis protections afforded by governmental
99 retirement systems. These persons must be provided benefits that
100 are fair and adequate and that are managed, administered, and
101 funded in an actuarially sound manner, as required by s. 14,
102 Article X of the State Constitution and part VII of chapter 112,
103 Florida Statutes. Therefore, the Legislature determines and
104 declares that this act fulfills an important state interest.

105 Section 6. Except as otherwise provided, this act shall
106 take effect upon becoming a law.

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

109 And the title is amended as follows:

110 Delete everything before the enacting clause
111 and insert:

112 A bill to be entitled
113 An act relating to retirement; amending s. 121.101,
114 F.S.; specifying the minimum amount of the factor used
115 to calculate the cost-of-living adjustment for
116 benefits for certain retirees and beneficiaries of the
117 Florida Retirement System; amending s. 121.73, F.S.;



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118 adjusting the allocation of funds to provide
119 disability coverage to members of the investment plan
120 of the Florida Retirement System; amending s. 121.735,
121 F.S.; adjusting the allocation of funds to provide
122 line-of-duty death benefits for members in the
123 investment plan of the Florida Retirement System;
124 directing the Division of Law Revision to adjust the
125 employer contribution rates for the Special Risk Class
126 and DROP in the Florida Retirement System; providing a
127 declaration of important state interest; providing
128 effective dates.