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LEGISLATIVE ACTION

Senate	.	House
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Floor: AD/CR	.	Floor: AD
05/05/2023 09:31 AM	.	05/05/2023 10:38 AM
	.	

The Conference Committee on CS for SB 7024 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 (f) is added to subsection (3) of
7 section 112.363, Florida Statutes, and paragraph (j) is added to
8 subsection (8) of that section, to read:

9 112.363 Retiree health insurance subsidy.—

10 (3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.—



11 (f)1. Beginning July 1, 2023, each eligible retiree of the
12 pension plan of the Florida Retirement System, or, if the
13 retiree is deceased, his or her beneficiary who is receiving a
14 monthly benefit from such retiree's account and who is a spouse,
15 or a person who meets the definition of joint annuitant in s.
16 121.021(28), shall receive a monthly retiree health insurance
17 subsidy payment equal to the number of years of creditable
18 service, as defined in s. 121.021(17), completed at the time of
19 retirement multiplied by \$7.50; however, an eligible retiree or
20 beneficiary may not receive a subsidy payment of more than \$225
21 or less than \$45. If there are multiple beneficiaries, the total
22 payment may not be greater than the payment to which the retiree
23 was entitled. The health insurance subsidy amount payable to any
24 person receiving the retiree health insurance subsidy payment on
25 July 1, 2023, may not be reduced solely by operation of this
26 subparagraph.

27 2. Beginning July 1, 2023, each eligible member of the
28 investment plan of the Florida Retirement System who has met the
29 requirements of this section, or, if the member is deceased, his
30 or her spouse who is the member's designated beneficiary, shall
31 receive a monthly retiree health insurance subsidy payment equal
32 to the number of years of creditable service, as provided in
33 this subparagraph, completed at the time of retirement
34 multiplied by \$7.50; however, an eligible retiree or beneficiary
35 may not receive a subsidy payment of more than \$225 or less than
36 \$45. For purposes of determining a member's creditable service
37 used to calculate the health insurance subsidy, a member's years
38 of service credit or fraction thereof must be based on the
39 member's work year as defined in s. 121.021(54). Credit must be



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40 awarded for a full work year if health insurance subsidy
41 contributions have been made for each month in the member's work
42 year. In addition, all years of creditable service retained
43 under the Florida Retirement System Pension Plan must be
44 included as creditable service for purposes of this section.
45 Notwithstanding this section, the spouse at the time of death is
46 the member's beneficiary unless such member has designated a
47 different beneficiary subsequent to the member's most recent
48 marriage.

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

51 (j) Beginning July 1, 2023, the employer of each member of
52 a state-administered retirement plan shall contribute 2.00
53 percent of gross compensation each pay period.

54
55 Such contributions shall be submitted to the Department of
56 Management Services and deposited in the Retiree Health
57 Insurance Subsidy Trust Fund.

58 Section 2. Effective July 1, 2023, paragraph (b) of
59 subsection (29) of section 121.021, Florida Statutes, is amended
60 to read:

61 121.021 Definitions.—The following words and phrases as
62 used in this chapter have the respective meanings set forth
63 unless a different meaning is plainly required by the context:

64 (29) "Normal retirement date" means the date a member
65 attains normal retirement age and is vested, which is determined
66 as follows:

67 (b) For ~~if~~ a Special Risk Class member ~~initially enrolled:~~
68 ~~1. Before July 1, 2011:~~



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69 ~~1.a.~~ The first day of the month the member attains age 55
70 and completes the years of creditable service in the Special
71 Risk Class equal to or greater than the years of service
72 required for vesting;

73 ~~2.b.~~ The first day of the month following the date the
74 member completes 25 years of creditable service in the Special
75 Risk Class, regardless of age; or

76 ~~3.e.~~ The first day of the month following the date the
77 member completes 25 years of creditable service and attains age
78 52, which service may include a maximum of 4 years of military
79 service credit if such credit is not claimed under any other
80 system and the remaining years are in the Special Risk Class.

81 ~~2. On or after July 1, 2011:~~

82 ~~a. The first day of the month the member attains age 60 and~~
83 ~~completes the years of creditable service in the Special Risk~~
84 ~~Class equal to or greater than the years of service required for~~
85 ~~vesting;~~

86 ~~b. The first day of the month following the date the member~~
87 ~~completes 30 years of creditable service in the Special Risk~~
88 ~~Class, regardless of age; or~~

89 ~~e. The first day of the month following the date the member~~
90 ~~completes 30 years of creditable service and attains age 57,~~
91 ~~which service may include a maximum of 4 years of military~~
92 ~~service credit if such credit is not claimed under any other~~
93 ~~system and the remaining years are in the Special Risk Class.~~

94
95 For a pension plan member ~~members~~, normal retirement age is
96 attained on the normal retirement date. For an investment plan
97 member ~~members~~, normal retirement age is the date a member



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98 attains his or her normal retirement date as provided in this
99 section, or the date a member is vested under the investment
100 plan as provided in s. 121.4501(6), whichever is later.

101 Section 3. Paragraph (d) of subsection (7) of section
102 121.052, Florida Statutes, is amended to read:

103 121.052 Membership class of elected officers.—

104 (7) CONTRIBUTIONS.—

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

114

Dates of Contribution	Contribution
Rate Changes	Rate

115

116

October 1, 1987, through December 31, 1988	0.24%
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117

January 1, 1989, through December 31, 1993	0.48%
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118

January 1, 1994, through	0.56%
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119	December 31, 1994	
	January 1, 1995, through June 30, 1998	0.66%
120		
	July 1, 1998, through June 30, 2001	0.94%
121		
	July 1, 2001, through June 30, 2013	1.11%
122		
	July 1, 2013, through June 30, 2014	1.20%
123		
	July 1, 2014, through June 30, 2015	1.26%
124		
	<u>Effective July 1, 2015,</u> <u>through June 30, 2023</u>	1.66%
125		
	<u>Effective July 1, 2023</u>	<u>2.00%</u>
126		
127		
128	Such contributions and accompanying payroll data are due and	
129	payable no later than the 5th working day of the month	
130	immediately following the month during which the payroll period	
131	ended and shall be deposited by the administrator in the Retiree	
132	Health Insurance Subsidy Trust Fund.	
133	Section 4. Paragraph (a) of subsection (7) of section	



134 121.053, Florida Statutes, is amended, and paragraph (c) is
135 added to subsection (3) of that section, to read:

136 121.053 Participation in the Elected Officers' Class for
137 retired members.—

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

139 (c) An elected officer who has deferred termination as
140 provided in subsection (7) before July 1, 2023, is ineligible to
141 extend his or her participation in the Deferred Retirement
142 Option Program beyond the 60-month period.

143 (7) A member who is elected or appointed to an elective
144 office and who is participating in the Deferred Retirement
145 Option Program is not subject to termination as defined in s.
146 121.021, or reemployment limitations as provided in s.
147 121.091(9), until the end of his or her current term of office
148 or, if the officer is consecutively elected or reelected to an
149 elective office eligible for coverage under the Florida
150 Retirement System, until he or she no longer holds an elective
151 office, as follows:

152 (a) At the end of the member's 60-month DROP period:

153 1. The officer's DROP account may not accrue additional
154 monthly benefits, but does continue to earn interest as provided
155 in s. 121.091(13). However, an officer whose DROP participation
156 begins on or after July 1, 2010, may not continue to earn such
157 interest.

158 2. Retirement contributions, except for unfunded actuarial
159 liability and health insurance subsidy contributions required in
160 ss. 121.71(5) and 121.76, are not required of the employer of
161 the elected officer, and additional retirement credit may not be
162 earned under the Florida Retirement System.



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163 Section 5. Paragraph (d) of subsection (3) of section
164 121.055, Florida Statutes, is amended to read:

165 121.055 Senior Management Service Class.—There is hereby
166 established a separate class of membership within the Florida
167 Retirement System to be known as the “Senior Management Service
168 Class,” which shall become effective February 1, 1987.

169 (3)

170 (d) The following table states the required employer
171 contribution on behalf of each member of the Senior Management
172 Service Class in terms of a percentage of the member’s gross
173 compensation. Such contribution constitutes the entire health
174 insurance subsidy contribution with respect to each such member.
175 A change in the contribution rate is effective with the first
176 salary paid on or after the beginning date of the change. The
177 retiree health insurance subsidy contribution rate is as
178 follows:

179

Dates of Contribution	Contribution
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	0.56%

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184	31, 1994	
	January 1, 1995, through June 30, 1998	0.66%
185		
	July 1, 1998, through June 30, 2001	0.94%
186		
	July 1, 2001, through June 30, 2013	1.11%
187		
	July 1, 2013, through June 30, 2014	1.20%
188		
	July 1, 2014, through June 30, 2015	1.26%
189		
	<u>Effective July 1, 2015, through June 30, 2023</u>	1.66%
190		
	<u>Effective July 1, 2023</u>	<u>2.00%</u>
191		
192		
193	Such contributions and accompanying payroll data are due and	
194	payable no later than the 5th working day of the month	
195	immediately following the month during which the payroll period	
196	ended and shall be deposited by the administrator in the Retiree	
197	Health Insurance Subsidy Trust Fund.	
198	Section 6. Subsection (4) of section 121.071, Florida	



199 Statutes, is amended to read:
200 121.071 Contributions.—Contributions to the system shall be
201 made as follows:

202 (4) The following table states the required employer
203 contribution on behalf of each member of the Regular Class,
204 Special Risk Class, or Special Risk Administrative Support Class
205 in terms of a percentage of the member's gross compensation.
206 Such contribution constitutes the entire health insurance
207 subsidy contribution with respect to each such member. A change
208 in the contribution rate is effective with the first salary paid
209 on or after the beginning date of the change. The retiree health
210 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%



217

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

218

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

219

July 1, 2013, through June 30,
2014 1.20%

220

July 1, 2014, through June 30,
2015 1.26%

221

Effective July 1, 2015, through
June 30, 2023 1.66%

222

Effective July 1, 2023 2.00%

223

224

225

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

227

Section 7. Effective July 1, 2023, paragraph (a) of
subsection (3) of section 121.091, Florida Statutes, is amended
to read:

230

121.091 Benefits payable under the system.—Benefits may not
be paid under this section unless the member has terminated
employment as provided in s. 121.021(39) (a) or begun
participation in the Deferred Retirement Option Program as
provided in subsection (13), and a proper application has been

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235 filed in the manner prescribed by the department. The department
236 may cancel an application for retirement benefits when the
237 member or beneficiary fails to timely provide the information
238 and documents required by this chapter and the department's
239 rules. The department shall adopt rules establishing procedures
240 for application for retirement benefits and for the cancellation
241 of such application when the required information or documents
242 are not received.

243 (3) EARLY RETIREMENT BENEFIT.—Upon retirement on his or her
244 early retirement date, the member shall receive an immediate
245 monthly benefit that shall begin to accrue on the first day of
246 the month of the retirement date and be payable on the last day
247 of that month and each month thereafter during his or her
248 lifetime. Such benefit shall be calculated as follows:

249 (a) For a member initially enrolled:

250 1. Before July 1, 2011, the amount of each monthly payment
251 shall be computed in the same manner as for a normal retirement
252 benefit, in accordance with subsection (1), but shall be based
253 on the member's average monthly compensation and creditable
254 service as of the member's early retirement date. The benefit so
255 computed shall be reduced by five-twelfths of 1 percent for each
256 complete month by which the early retirement date precedes the
257 normal retirement date of age 62 for a member of the Regular
258 Class, Senior Management Service Class, or the Elected Officers'
259 Class, and age 55 for a member of the Special Risk Class, or age
260 52 if a Special Risk member has completed 25 years of creditable
261 service in accordance with s. 121.021(29)(b)3. ~~s.~~

262 ~~121.021(29)(b)1.c.~~

263 2. On or after July 1, 2011, the amount of each monthly



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264 payment shall be computed in the same manner as for a normal
265 retirement benefit, in accordance with subsection (1), but shall
266 be based on the member's average monthly compensation and
267 creditable service as of the member's early retirement date. The
268 benefit so computed shall be reduced by five-twelfths of 1
269 percent for each complete month by which the early retirement
270 date precedes the normal retirement date of age 65 for a member
271 of the Regular Class, Senior Management Service Class, or the
272 Elected Officers' Class, and age 55 ~~60~~ for a member of the
273 Special Risk Class, or age 52 ~~57~~ if a special risk member has
274 completed 25 ~~30~~ years of creditable service in accordance with
275 s. 121.091(29)(b)3. ~~s. 121.021(29)(b)2.c.~~

276 Section 8. Subsection (13) of section 121.091, Florida
277 Statutes, is amended to read:

278 121.091 Benefits payable under the system.—Benefits may not
279 be paid under this section unless the member has terminated
280 employment as provided in s. 121.021(39)(a) or begun
281 participation in the Deferred Retirement Option Program as
282 provided in subsection (13), and a proper application has been
283 filed in the manner prescribed by the department. The department
284 may cancel an application for retirement benefits when the
285 member or beneficiary fails to timely provide the information
286 and documents required by this chapter and the department's
287 rules. The department shall adopt rules establishing procedures
288 for application for retirement benefits and for the cancellation
289 of such application when the required information or documents
290 are not received.

291 (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and
292 subject to this section, the Deferred Retirement Option Program,



293 hereinafter referred to as DROP, is a program under which an
294 eligible member of the Florida Retirement System may elect to
295 participate, deferring receipt of retirement benefits while
296 continuing employment with his or her Florida Retirement System
297 employer. The deferred monthly benefits shall accrue in the
298 Florida Retirement System on behalf of the member, plus interest
299 compounded monthly, for the specified period of the DROP
300 participation, as provided in paragraph (c). Upon termination of
301 employment, the member shall receive the total DROP benefits and
302 begin to receive the previously determined normal retirement
303 benefits. Participation in the DROP does not guarantee
304 employment for the specified period of DROP. ~~Participation in~~
305 ~~DROP by an eligible member beyond the initial 60-month period as~~
306 ~~authorized in this subsection shall be on an annual contractual~~
307 ~~basis for all participants.~~

308 (a) *Eligibility of member to participate in DROP.*—All
309 active Florida Retirement System members in a regularly
310 established position, and all active members of the Teachers'
311 Retirement System established in chapter 238 or the State and
312 County Officers' and Employees' Retirement System established in
313 chapter 122, which are consolidated within the Florida
314 Retirement System under s. 121.011, are eligible to elect
315 participation in DROP if:

316 1. The member is not a renewed member under s. 121.122 or a
317 member of the State Community College System Optional Retirement
318 Program under s. 121.051, the Senior Management Service Optional
319 Annuity Program under s. 121.055, or the optional retirement
320 program for the State University System under s. 121.35.

321 2. ~~Except as provided in subparagraph 6., for members~~



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322 ~~initially enrolled before July 1, 2011,~~ Election to participate
323 ~~in DROP may be is made at any time within 12 months immediately~~
324 ~~following the date on which the member first reaches his or her~~
325 ~~normal retirement date, or, for a member who reaches normal~~
326 ~~retirement date based on service before he or she reaches age~~
327 ~~62, or age 55 for Special Risk Class members, election to~~
328 ~~participate may be deferred to the 12 months immediately~~
329 ~~following the date the member attains age 57, or age 52 for~~
330 ~~Special Risk Class members. Except as provided in subparagraph~~
331 ~~6., for members initially enrolled on or after July 1, 2011,~~
332 ~~election to participate is made within 12 months immediately~~
333 ~~following the date on which the member first reaches normal~~
334 ~~retirement date, or, for a member who reaches normal retirement~~
335 ~~date based on service before he or she reaches age 65, or age 60~~
336 ~~for Special Risk Class members, election to participate may be~~
337 ~~deferred to the 12 months immediately following the date the~~
338 ~~member attains age 60, or age 55 for Special Risk Class members.~~
339 ~~A member who delays DROP participation during the 12-month~~
340 ~~period immediately following his or her maximum DROP deferral~~
341 ~~date, except as provided in subparagraph 6., loses a month of~~
342 ~~DROP participation for each month delayed. A member who fails to~~
343 ~~make an election within the 12-month limitation period forfeits~~
344 ~~all rights to participate in DROP. The member shall advise his~~
345 ~~or her employer and the division in writing of the date DROP~~
346 ~~begins. The beginning date may be subsequent to the 12-month~~
347 ~~election period but must be within the original 60-month~~
348 ~~participation period provided in subparagraph (b)1. When~~
349 ~~establishing eligibility to participate in DROP, the member may~~
350 ~~elect to include or exclude any optional service credit~~



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351 purchased by the member from the total service used to establish
352 the normal retirement date. A member who has dual normal
353 retirement dates is eligible to elect to participate in DROP
354 after attaining normal retirement date in either class.

355 3. The employer of a member electing to participate in
356 DROP, or employers if dually employed, shall acknowledge in
357 writing to the division the date the member's participation in
358 DROP begins and the date the member's employment and DROP
359 participation terminates.

360 4. Simultaneous employment of a member by additional
361 Florida Retirement System employers subsequent to the
362 commencement of a member's participation in DROP is permissible
363 if such employers acknowledge in writing a DROP termination date
364 no later than the member's existing termination date or the
365 maximum participation period provided in paragraph (b)
366 ~~subparagraph (b)1~~.

367 5. A member may change employers while participating in
368 DROP, subject to the following:

369 a. A change of employment takes place without a break in
370 service so that the member receives salary for each month of
371 continuous DROP participation. If a member receives no salary
372 during a month, DROP participation ceases unless the employer
373 verifies a continuation of the employment relationship for such
374 member pursuant to s. 121.021(39)(b).

375 b. The member and new employer notify the division of the
376 identity of the new employer on forms required by the division.

377 c. The new employer acknowledges, in writing, the member's
378 DROP termination date, which may be extended but not beyond the
379 maximum participation period provided in paragraph (b)



380 ~~subparagraph (b)1.~~, acknowledges liability for any additional
381 retirement contributions and interest required if the member
382 fails to timely terminate employment, and is subject to the
383 adjustment required in sub-subparagraph (c)5.d.

384 ~~6. Effective July 1, 2001, for instructional personnel as~~
385 ~~defined in s. 1012.01(2), election to participate in DROP may be~~
386 ~~made at any time following the date on which the member first~~
387 ~~reaches normal retirement date. The member shall advise his or~~
388 ~~her employer and the division in writing of the date on which~~
389 ~~DROP begins. When establishing eligibility of the member to~~
390 ~~participate in DROP for the 60-month participation period~~
391 ~~provided in subparagraph (b)1., the member may elect to include~~
392 ~~or exclude any optional service credit purchased by the member~~
393 ~~from the total service used to establish the normal retirement~~
394 ~~date. A member who has dual normal retirement dates is eligible~~
395 ~~to elect to participate in either class.~~

396 (b) *Participation in DROP.*—Except as provided in this
397 paragraph, an eligible member may elect to participate in DROP
398 for a period not to exceed a maximum of 96 ~~60~~ calendar months.

399 1.a. Members who are instructional personnel employed by
400 the Florida School for the Deaf and the Blind and authorized by
401 the Board of Trustees of the Florida School for the Deaf and the
402 Blind, who are instructional personnel as defined in s.
403 1012.01(2)(a)-(d) in grades K-12 and authorized by the district
404 school superintendent, or who are instructional personnel as
405 defined in s. 1012.01(2)(a) employed by a developmental research
406 school and authorized by the school's director, or if the school
407 has no director, by the school's principal, may:

408 (I) Extend DROP participation beyond the initial 96-



409 calendar-month period if the instructional personnel's
410 termination date is before the end of the school year. Such
411 instructional personnel may have DROP participation extended
412 until the last day of the last calendar month of the school year
413 in which their original DROP termination date occurred if a date
414 other than the last day of the last calendar month of the school
415 year is designated.

416 (II) Participate in DROP for up to ~~24~~ 36 calendar months
417 beyond the ~~96-month~~ 60-month period. ~~Effective July 1, 2018,~~
418 Instructional personnel who are authorized to extend DROP
419 participation beyond the ~~96-month~~ 60-month period must have a
420 termination date that is the last day of the last calendar month
421 of the school year within the DROP extension granted by the
422 employer. If, ~~on July 1, 2018,~~ the member's DROP participation
423 has already been extended for the maximum ~~24~~ 36 calendar months
424 and the extension period concludes before the end of the school
425 year, the member's DROP participation may be extended through
426 the last day of the last calendar month of that school year.
427 This sub-sub-subparagraph expires June 30, 2029.

428
429 The employer shall notify the division of the change in
430 termination date and the additional period of DROP participation
431 for the affected instructional personnel.

432 b. Administrative personnel in grades K-12, as defined in
433 s. 1012.01(3), ~~who have a DROP termination date on or after July~~
434 ~~1, 2018,~~ may be authorized to extend DROP participation beyond
435 the initial ~~96~~ 60 calendar month period if the administrative
436 personnel's termination date is before the end of the school
437 year. Such administrative personnel may have DROP participation



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438 extended until the last day of the last calendar month of the
439 school year in which their original DROP termination date
440 occurred if a date other than the last day of the last calendar
441 month of the school year is designated. The employer shall
442 notify the division of the change in termination date and the
443 additional period of DROP participation for the affected
444 administrative personnel.

445 ~~e. Effective July 1, 2022, a member of the Special Risk~~
446 ~~Class who is a law enforcement officer who meets the criteria in~~
447 ~~s. 121.0515(3)(a) and who is a DROP participant on or after July~~
448 ~~1, 2022, may participate in DROP for up to 36 calendar months~~
449 ~~beyond the 60-month period if he or she enters DROP on or before~~
450 ~~June 30, 2028.~~

451 2. Upon deciding to participate in DROP, the member shall
452 submit, on forms required by the division:

453 a. A written election to participate in DROP;

454 b. Selection of DROP participation and termination dates
455 that satisfy the limitations stated in paragraph (a) and this
456 paragraph ~~subparagraph 1~~. The termination date must be in a
457 binding letter of resignation to the employer establishing a
458 deferred termination date. The member may change the termination
459 date within the limitations of this paragraph ~~subparagraph 1~~,
460 but only with the written approval of the employer;

461 c. A properly completed DROP application for service
462 retirement as provided in this section; and

463 d. Any other information required by the division.

464 3. The DROP participant is a retiree under the Florida
465 Retirement System for all purposes, except for paragraph (5)(f)
466 and subsection (9) and ss. 112.3173, 112.363, 121.053, and



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467 121.122. DROP participation is final and may not be canceled by
468 the participant after the first payment is credited during the
469 DROP participation period. However, participation in DROP does
470 not alter the participant's employment status, and the member is
471 not deemed retired from employment until his or her deferred
472 resignation is effective and termination occurs as defined in s.
473 121.021.

474 4. Elected officers are eligible to participate in DROP
475 subject to the following:

476 a. An elected officer who reaches normal retirement date
477 during a term of office may defer the election to participate
478 until the next succeeding term in that office. An elected
479 officer who exercises this option may participate in DROP for up
480 to 96 ~~60~~ calendar months or no longer than the succeeding term
481 of office, whichever is less.

482 b. An elected or a nonelected participant may run for a
483 term of office while participating in DROP and, if elected,
484 extend the DROP termination date accordingly; however, if such
485 additional term of office exceeds the 96-month ~~60-month~~
486 limitation established in this paragraph ~~subparagraph 1.~~, and
487 the officer does not resign from office within such ~~60-month~~
488 limitation, the retirement and the participant's DROP is null
489 and void as provided in sub-subparagraph (c)5.d.

490 c. An elected officer who is dually employed and elects to
491 participate in DROP must terminate all employment relationships
492 as provided in s. 121.021(39) for the nonelected position within
493 the original ~~60-month~~ period or maximum participation period as
494 provided in this paragraph ~~subparagraph 1.~~ For DROP
495 participation ending:



496 (I) Before July 1, 2010, the officer may continue
497 employment as an elected officer as provided in s. 121.053. The
498 elected officer shall be enrolled as a renewed member in the
499 Elected Officers' Class or the Regular Class, as provided in ss.
500 121.053 and 121.122, on the first day of the month after
501 termination of employment in the nonelected position and
502 termination of DROP. Distribution of the DROP benefits shall be
503 made as provided in paragraph (c).

504 (II) On or after July 1, 2010, the officer may continue
505 employment as an elected officer but must defer termination as
506 provided in s. 121.053.

507 d. An elected officer who has deferred termination as
508 provided in s. 121.053 before June 30, 2023, is ineligible to
509 extend DROP participation beyond 60 months.

510 (c) *Benefits payable under DROP.*—

511 1. Effective on the date of DROP participation, the
512 member's initial normal monthly benefit, including creditable
513 service, optional form of payment, and average final
514 compensation, and the effective date of retirement are fixed.
515 The beneficiary established under the Florida Retirement System
516 is the beneficiary eligible to receive any DROP benefits payable
517 if the DROP participant dies before completing the period of
518 DROP participation. If a joint annuitant predeceases the member,
519 the member may name a beneficiary to receive accumulated DROP
520 benefits payable. The retirement benefit, the annual cost of
521 living adjustments provided in s. 121.101, and interest accrue
522 monthly in the Florida Retirement System Trust Fund. For members
523 whose DROP participation begins:

524 a. Before July 1, 2011, the interest accrues at an



525 effective annual rate of 6.5 percent compounded monthly, on the
526 prior month's accumulated ending balance, up to the month of
527 termination or death, except as provided in s. 121.053(7).

528 b. On or after July 1, 2011, the interest accrues:

529 (I) Through June 30, 2023, at an effective annual rate of
530 1.3 percent, compounded monthly, on the prior month's
531 accumulated ending balance, up to the month of termination or
532 death, except as provided in s. 121.053(7).

533 (II) Beginning July 1, 2023, at an effective annual rate of
534 4 percent, compounded monthly, on the prior month's accumulated
535 ending balance, up to the month of termination or death, except
536 as provided in s. 121.053(7).

537 2. Each employee who elects to participate in DROP may
538 elect to receive a lump-sum payment for accrued annual leave
539 earned in accordance with agency policy upon beginning
540 participation in DROP. The accumulated leave payment certified
541 to the division upon commencement of DROP shall be included in
542 the calculation of the member's average final compensation. The
543 employee electing the lump-sum payment is not eligible to
544 receive a second lump-sum payment upon termination, except to
545 the extent the employee has earned additional annual leave
546 which, combined with the original payment, does not exceed the
547 maximum lump-sum payment allowed by the employing agency's
548 policy or rules. An early lump-sum payment shall be based on the
549 hourly wage of the employee at the time he or she begins
550 participation in DROP. If the member elects to wait and receive
551 a lump-sum payment upon termination of DROP and termination of
552 employment with the employer, any accumulated leave payment made
553 at that time may not be included in the member's retirement



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554 benefit, which was determined and fixed by law when the employee
555 elected to participate in DROP.

556 3. The effective date of DROP participation and the
557 effective date of retirement of a DROP participant shall be the
558 first day of the month selected by the member to begin
559 participation in DROP, provided such date is properly
560 established, with the written confirmation of the employer, and
561 the approval of the division, on forms required by the division.

562 4. Normal retirement benefits and any interest continue to
563 accrue in DROP until the established termination date of DROP or
564 until the member terminates employment or dies before such date,
565 except as provided in s. 121.053(7). Although individual DROP
566 accounts may not be established, a separate accounting of each
567 member's accrued benefits under DROP shall be calculated and
568 provided to the member.

569 5. At the conclusion of the member's participation in DROP,
570 the division shall distribute the member's total accumulated
571 DROP benefits, subject to the following:

572 a. The division shall receive verification by the member's
573 employer or employers that the member has terminated all
574 employment relationships as provided in s. 121.021(39).

575 b. The terminated DROP participant or, if deceased, the
576 member's named beneficiary, shall elect on forms provided by the
577 division to receive payment of the DROP benefits in accordance
578 with one of the options listed below. If a member or beneficiary
579 fails to elect a method of payment within 60 days after
580 termination of DROP, the division shall pay a lump sum as
581 provided in sub-sub-subparagraph (I).

582 (I) Lump sum.—All accrued DROP benefits, plus interest,



583 less withholding taxes remitted to the Internal Revenue Service,
584 shall be paid to the DROP participant or surviving beneficiary.

585 (II) Direct rollover.—All accrued DROP benefits, plus
586 interest, shall be paid from DROP directly to the custodian of
587 an eligible retirement plan as defined in s. 402(c)(8)(B) of the
588 Internal Revenue Code. However, in the case of an eligible
589 rollover distribution to the surviving spouse of a deceased
590 member, an eligible retirement plan is an individual retirement
591 account or an individual retirement annuity as described in s.
592 402(c)(9) of the Internal Revenue Code.

593 (III) Partial lump sum.—A portion of the accrued DROP
594 benefits shall be paid to DROP participant or surviving spouse,
595 less withholding taxes remitted to the Internal Revenue Service,
596 and the remaining DROP benefits must be transferred directly to
597 the custodian of an eligible retirement plan as defined in s.
598 402(c)(8)(B) of the Internal Revenue Code. However, in the case
599 of an eligible rollover distribution to the surviving spouse of
600 a deceased member, an eligible retirement plan is an individual
601 retirement account or an individual retirement annuity as
602 described in s. 402(c)(9) of the Internal Revenue Code. The
603 proportions must be specified by the DROP participant or
604 surviving beneficiary.

605 c. The form of payment selected by the DROP participant or
606 surviving beneficiary must comply with the minimum distribution
607 requirements of the Internal Revenue Code.

608 d. A DROP participant who fails to terminate all employment
609 relationships as provided in s. 121.021(39) shall be deemed as
610 not retired, and the DROP election is null and void. Florida
611 Retirement System membership shall be reestablished



612 retroactively to the date of the commencement of DROP, and each
613 employer with whom the member continues employment must pay to
614 the Florida Retirement System Trust Fund the difference between
615 the DROP contributions paid in paragraph (i) and the
616 contributions required for the applicable Florida Retirement
617 System class of membership during the period the member
618 participated in DROP, plus 6.5 percent interest compounded
619 annually.

620 6. The retirement benefits of any DROP participant who
621 terminates all employment relationships as provided in s.
622 121.021(39) but is reemployed in violation of the reemployment
623 provisions of subsection (9) are suspended during those months
624 in which the retiree is in violation. Any retiree in violation
625 of this subparagraph and any employer that employs or appoints
626 such person without notifying the division to suspend retirement
627 benefits are jointly and severally liable for any benefits paid
628 during the reemployment limitation period. The employer must
629 have a written statement from the retiree that he or she is not
630 retired from a state-administered retirement system. Any
631 retirement benefits received by a retiree while employed in
632 violation of the reemployment limitations must be repaid to the
633 Florida Retirement System Trust Fund, and his or her retirement
634 benefits shall remain suspended until payment is made. Benefits
635 suspended beyond the end of the reemployment limitation period
636 apply toward repayment of benefits received in violation of the
637 reemployment limitation.

638 7. The accrued benefits of any DROP participant, and any
639 contributions accumulated under the program, are not subject to
640 assignment, execution, attachment, or any legal process except



641 for qualified domestic relations court orders, income deduction
642 orders as provided in s. 61.1301, and federal income tax levies.

643 8. DROP participants are not eligible for disability
644 retirement benefits as provided in subsection (4).

645 (d) *Death benefits under DROP.*—

646 1. Upon the death of a DROP participant, the named
647 beneficiary is entitled to apply for and receive the accrued
648 benefits in DROP as provided in sub-subparagraph (c)5.b.

649 2. The normal retirement benefit accrued to DROP during the
650 month of a participant's death is the final monthly benefit
651 credited for such DROP participant.

652 3. Eligibility to participate in DROP terminates upon death
653 of the participant. If the participant dies on or after the
654 effective date of enrollment in DROP, but before the first
655 monthly benefit is credited to DROP, Florida Retirement System
656 benefits are paid in accordance with subparagraph (7)(c)1. or
657 subparagraph 2.

658 4. A DROP participant's survivors are not eligible to
659 receive Florida Retirement System death benefits as provided in
660 paragraph (7)(d).

661 (e) *Cost-of-living adjustment.*—On each July 1, the
662 participant's normal retirement benefit shall be increased as
663 provided in s. 121.101.

664 (f) *Retiree health insurance subsidy.*—DROP participants are
665 not eligible to apply for the retiree health insurance subsidy
666 payments as provided in s. 112.363 until such participants have
667 terminated employment and participation in DROP.

668 (g) *Renewed membership.*—DROP participants are not eligible
669 for renewed membership in the Florida Retirement System under



670 ss. 121.053 and 121.122 until all employment relationships are
671 terminated as provided in s. 121.021(39).

672 (h) *Employment limitation after DROP participation.*—Upon
673 termination as defined in s. 121.021, DROP participants are
674 subject to the same reemployment limitations as other retirees.
675 Reemployment restrictions applicable to retirees as provided in
676 subsection (9) do not apply to DROP participants until their
677 employment and participation in DROP are terminated.

678 (i) *Contributions.*—

679 1. All employers paying the salary of a DROP participant
680 filling a regularly established position shall contribute 8.0
681 percent of such participant's gross compensation for the period
682 of July 1, 2002, through June 30, 2003, and the percentage of
683 such compensation required by s. 121.71 thereafter, which shall
684 constitute the entire employer DROP contribution with respect to
685 such participant. Such contributions, payable to the Florida
686 Retirement System Trust Fund in the same manner as required in
687 s. 121.071, must be made as appropriate for each pay period and
688 are in addition to contributions required for social security
689 and the Retiree Health Insurance Subsidy Trust Fund. Such
690 employer, social security, and health insurance subsidy
691 contributions are not included in DROP.

692 2. The employer shall, in addition to subparagraph 1., also
693 withhold one-half of the entire social security contribution
694 required for the participant. Contributions for social security
695 by each participant and each employer, in the amount required
696 for social security coverage as provided by the federal Social
697 Security Act, are in addition to contributions specified in
698 subparagraph 1.



699 3. All employers paying the salary of a DROP participant
700 filling a regularly established position shall contribute the
701 percent of such participant's gross compensation required in s.
702 121.071(4), which constitutes the employer's health insurance
703 subsidy contribution with respect to such participant. Such
704 contributions must be deposited by the administrator in the
705 Retiree Health Insurance Subsidy Trust Fund.

706 (j) *Forfeiture of retirement benefits.*—This section does
707 not remove DROP participants from the scope of s. 8(d), Art. II
708 of the State Constitution, s. 112.3173, and paragraph (5)(f).
709 DROP participants who commit a specified felony offense while
710 employed are subject to forfeiture of all retirement benefits,
711 including DROP benefits, pursuant to those provisions of law.

712 (k) *Administration of program.*—The division shall adopt
713 rules as necessary for the effective and efficient
714 administration of this subsection. The division is not required
715 to advise members of the federal tax consequences of an election
716 related to the DROP but may advise members to seek independent
717 advice.

718 Section 9. Effective July 1, 2023, subsection (3) of
719 section 121.4501, Florida Statutes, is amended to read:

720 121.4501 Florida Retirement System Investment Plan.—

721 (3) RETIREMENT SERVICE CREDIT; TRANSFER OF BENEFITS.—

722 (a) An eligible employee who is employed in a regularly
723 established position by a state employer on June 1, 2002; by a
724 district school board employer on September 1, 2002; or by a
725 local employer on December 1, 2002, and who is a member of the
726 pension plan at the time of his or her election to participate
727 in the investment plan shall retain all retirement service



728 credit earned under the pension plan as credited under the
729 system and is entitled to a deferred benefit upon termination.
730 However, election to enroll in the investment plan terminates
731 the active membership of the employee in the pension plan, and
732 the service of a member in the investment plan is not creditable
733 under the pension plan for purposes of benefit accrual but is
734 creditable for purposes of vesting.

735 (b) Notwithstanding paragraph (a), an eligible employee who
736 elects to participate in, or who defaults into, the investment
737 plan and establishes one or more individual member accounts may
738 elect to transfer to the investment plan a sum representing the
739 present value of the employee's accumulated benefit obligation
740 under the pension plan, except as provided in paragraph (4)(b).
741 Upon transfer, all service credit earned under the pension plan
742 is nullified for purposes of entitlement to a future benefit
743 under the pension plan. A member may not transfer the
744 accumulated benefit obligation balance from the pension plan
745 after the time period for enrolling in the investment plan has
746 expired.

747 1. For purposes of this subsection, the present value of
748 the member's accumulated benefit obligation is based upon the
749 member's estimated creditable service and estimated average
750 final compensation under the pension plan, subject to
751 recomputation under subparagraph 2. For state employees, initial
752 estimates shall be based upon creditable service and average
753 final compensation as of midnight on June 30, 2002; for district
754 school board employees, initial estimates shall be based upon
755 creditable service and average final compensation as of midnight
756 on September 30, 2002; and for local government employees,



757 initial estimates shall be based upon creditable service and
758 average final compensation as of midnight on December 31, 2002.
759 The dates specified are the "estimate date" for these employees.
760 The actuarial present value of the employee's accumulated
761 benefit obligation shall be based on the following:

762 a. The discount rate and other relevant actuarial
763 assumptions used to value the Florida Retirement System Trust
764 Fund at the time the amount to be transferred is determined,
765 consistent with the factors provided in sub-subparagraphs b. and
766 c.

767 b. A benefit commencement age, based on the member's
768 estimated creditable service as of the estimate date.

769 c. Except as provided under sub-subparagraph d., for a
770 member initially enrolled:

771 (I) Before July 1, 2011, the benefit commencement age is
772 the younger of the following, but may not be younger than the
773 member's age as of the estimate date:

774 (A) Age 62; or

775 (B) The age the member would attain if the member completed
776 30 years of service with an employer, assuming the member worked
777 continuously from the estimate date, and disregarding any
778 vesting requirement that would otherwise apply under the pension
779 plan.

780 (II) On or after July 1, 2011, the benefit commencement age
781 is the younger of the following, but may not be younger than the
782 member's age as of the estimate date:

783 (A) Age 65; or

784 (B) The age the member would attain if the member completed
785 33 years of service with an employer, assuming the member worked



786 continuously from the estimate date, and disregarding any
787 vesting requirement that would otherwise apply under the pension
788 plan.

789 d. For members of the Special Risk Class and for members of
790 the Special Risk Administrative Support Class entitled to retain
791 the special risk normal retirement date:

792 ~~(I) Initially enrolled before July 1, 2011, the benefit~~
793 commencement age is the younger of the following, but may not be
794 younger than the member's age as of the estimate date:

795 ~~(I)(A) Age 55; or~~

796 ~~(II)(B) The age the member would attain if the member~~
797 completed 25 years of service with an employer, assuming the
798 member worked continuously from the estimate date, and
799 disregarding any vesting requirement that would otherwise apply
800 under the pension plan.

801 ~~(II) Initially enrolled on or after July 1, 2011, the~~
802 benefit commencement age is the younger of the following, but
803 may not be younger than the member's age as of the estimate
804 date:

805 ~~(A) Age 60; or~~

806 ~~(B) The age the member would attain if the member completed~~
807 30 years of service with an employer, assuming the member worked
808 continuously from the estimate date, and disregarding any
809 vesting requirement that would otherwise apply under the pension
810 plan.

811 e. The calculation must disregard vesting requirements and
812 early retirement reduction factors that would otherwise apply
813 under the pension plan.

814 2. For each member who elects to transfer moneys from the



815 pension plan to his or her account in the investment plan, the
816 division shall recompute the amount transferred under
817 subparagraph 1. within 60 days after the actual transfer of
818 funds based upon the member's actual creditable service and
819 actual final average compensation as of the initial date of
820 participation in the investment plan. If the recomputed amount
821 differs from the amount transferred by \$10 or more, the division
822 shall:

823 a. Transfer, or cause to be transferred, from the Florida
824 Retirement System Trust Fund to the member's account the excess,
825 if any, of the recomputed amount over the previously transferred
826 amount together with interest from the initial date of transfer
827 to the date of transfer under this subparagraph, based upon the
828 effective annual interest equal to the assumed return on the
829 actuarial investment which was used in the most recent actuarial
830 valuation of the system, compounded annually.

831 b. Transfer, or cause to be transferred, from the member's
832 account to the Florida Retirement System Trust Fund the excess,
833 if any, of the previously transferred amount over the recomputed
834 amount, together with interest from the initial date of transfer
835 to the date of transfer under this subparagraph, based upon 6
836 percent effective annual interest, compounded annually, pro rata
837 based on the member's allocation plan.

838 3. If contribution adjustments are made as a result of
839 employer errors or corrections, including plan corrections,
840 following recomputation of the amount transferred under
841 subparagraph 1., the member is entitled to the additional
842 contributions or is responsible for returning any excess
843 contributions resulting from the correction. However, a return



844 of such erroneous excess pretax contribution by the plan must be
845 made within the period allowed by the Internal Revenue Service.
846 The present value of the member's accumulated benefit obligation
847 may not be recalculated.

848 4. As directed by the member, the state board shall
849 transfer or cause to be transferred the appropriate amounts to
850 the designated accounts within 30 days after the effective date
851 of the member's participation in the investment plan unless the
852 major financial markets for securities available for a transfer
853 are seriously disrupted by an unforeseen event that causes the
854 suspension of trading on a national securities exchange in the
855 country where the securities were issued. In that event, the 30-
856 day period may be extended by a resolution of the state board.
857 Transfers are not commissionable or subject to other fees and
858 may be in the form of securities or cash, as determined by the
859 state board. Such securities are valued as of the date of
860 receipt in the member's account.

861 5. If the state board or the division receives notification
862 from the United States Internal Revenue Service that this
863 paragraph or any portion of this paragraph will cause the
864 retirement system, or a portion thereof, to be disqualified for
865 tax purposes under the Internal Revenue Code, the portion that
866 will cause the disqualification does not apply. Upon such
867 notice, the state board and the division shall notify the
868 presiding officers of the Legislature.

869 Section 10. Effective July 1, 2023, subsections (4) and (5)
870 of section 121.71, Florida Statutes, are amended to read:

871 121.71 Uniform rates; process; calculations; levy.—
872 (4) Required employer retirement contribution rates for



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

875

Percentage of
Gross
Compensation,
Effective

Membership Class

July 1, 2023 ~~2022~~

876

877

Regular Class

6.73% ~~5.96%~~

878

Special Risk Class

18.66% ~~16.44%~~

879

Special Risk

Administrative

Support Class

11.54% ~~10.77%~~

880

Elected Officers' Class—

Legislators, Governor,

Lt. Governor,

Cabinet Officers,

State Attorneys,

Public Defenders

10.45% ~~9.31%~~

881

Elected Officers' Class—

Justices, Judges

14.90% ~~14.41%~~

882



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Elected Officers' Class-

County Elected Officers 12.39% ~~11.30%~~

883

Senior Management Service
 Class

8.56% ~~7.70%~~

884

DROP

8.49% ~~7.79%~~

885

886

887

888

889

890

891

(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:

Percentage of
 Gross
 Compensation,
 Effective

Membership Class

July 1, 2023 ~~2022~~

892

893

Regular Class

4.78% ~~4.23%~~

894

Special Risk Class

11.95% ~~9.67%~~

895

Special Risk
 Administrative
 Support Class

26.22% ~~26.16%~~



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896

Elected Officers' Class—
Legislators, Governor,
Lt. Governor,
Cabinet Officers,
State Attorneys,
Public Defenders 50.21% ~~56.76%~~

897

Elected Officers' Class—
Justices, Judges 27.93% ~~27.64%~~

898

Elected Officers' Class—
County Elected Officers 44.23% ~~43.98%~~

899

Senior Management Service
Class 23.90% ~~22.15%~~

900

DROP 10.64% ~~9.15%~~

901

902

903 Section 11. Effective July 1, 2023, subsection (6) of
904 section 121.72, Florida Statutes, is amended, and subsection (7)
905 is added to that section, to read:

906 121.72 Allocations to investment plan member accounts;
907 percentage amounts.—

908 (6) Effective July 1, 2022, through June 30, 2023,
909 allocations from the Florida Retirement System Contributions
910 Clearing Trust Fund to investment plan member accounts are as
911 follows:



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	Membership Class	Percentage of Gross Compensation
912		
913		
914		
915	Regular Class	9.30%
916	Special Risk Class	17.00%
917	Special Risk Administrative Support Class	10.95%
918	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	12.38%
919	Elected Officers' Class— Justices, Judges	16.23%
920	Elected Officers' Class— County Elected Officers	14.34%
921	Senior Management Service Class	10.67%



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(7) Effective July 1, 2023, allocations from the Florida Retirement System Contributions Clearing Trust Fund to investment plan member accounts are as follows:

<u>Membership Class</u>	<u>Percentage of Gross Compensation</u>
<u>Regular Class</u>	<u>11.30%</u>
<u>Special Risk Class</u>	<u>19.00%</u>
<u>Special Risk Administrative Support Class</u>	<u>12.95%</u>
<u>Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders</u>	<u>14.38%</u>
<u>Elected Officers' Class— Justices, Judges</u>	<u>18.23%</u>



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Elected Officers' Class-

County Elected Officers 16.34%

936

Senior Management Service

Class 12.67%

937

938

939 Section 12. Effective July 1, 2023, section 121.73, Florida
940 Statutes, is amended to read:

941 121.73 Allocations for member disability coverage;
942 percentage amounts.-

943 (1) The allocations established in this section ~~subsection~~
944 ~~(3)~~ shall be used to provide disability coverage for members in
945 the investment plan and shall be transferred monthly by the
946 Division of Retirement from the Florida Retirement System
947 Contributions Clearing Trust Fund to the disability account of
948 the Florida Retirement System Trust Fund.

949 (2) The allocations are stated as a percentage of each
950 investment plan member's gross compensation for the calendar
951 month. A change in a contribution percentage is effective the
952 first day of the month for which retirement contributions may be
953 made on or after the beginning date of the change. Contribution
954 percentages may be modified by general law.

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

959

960



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	Membership Class	Percentage of Gross Compensation
961		
962		
963	Regular Class	0.25%
964	Special Risk Class	<u>1.85%</u> 1.33%
965	Special Risk Administrative Support Class	0.45%
966	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	0.41%
967	Elected Officers' Class— Justices, Judges	0.73%
968	Elected Officers' Class— County Elected Officers	0.41%
969	Senior Management Service Class	0.26%
970		



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971 Section 13. Effective July 1, 2023, section 121.735,
972 Florida Statutes, is amended to read:

973 121.735 Allocations for member line-of-duty death benefits;
974 percentage amounts.—

975 (1) The allocations established in this section ~~subsection~~
976 ~~(3)~~ shall be used to provide line-of-duty death benefit coverage
977 for members in the investment plan and shall be transferred
978 monthly by the division from the Florida Retirement System
979 Contributions Clearing Trust Fund to the survivor benefit
980 account of the Florida Retirement System Trust Fund.

981 (2) Such allocations are stated as a percentage of each
982 investment plan member's gross compensation for the calendar
983 month. Any change in a contribution percentage is effective the
984 first day of the month for which retirement contributions may be
985 made on or after the beginning date of the change. Contribution
986 percentages may be modified by general law.

987 (3) Allocations from the Florida Retirement System
988 Contributions Clearing Trust Fund to provide line-of-duty death
989 benefits for members in the investment plan and to offset the
990 costs of administering said coverage, are as follows:

Membership Class	Percentage of Gross Compensation
Regular Class	0.05%
Special Risk Class	<u>1.26%</u> 1.21%



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995	Special Risk Administrative Support Class	0.03%
996	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	0.15%
997	Elected Officers' Class— Justices, Judges	0.09%
998	Elected Officers' Class— County Elected Officers	0.20%
999	Senior Management Service Class	0.05%

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Section 14. The Legislature finds that a proper and legitimate state purpose is served when employees, officers, and retirees of the state and its political subdivisions, and the dependents, survivors, and beneficiaries of such employees, officers, and retirees, are extended the basic protections afforded by governmental retirement systems. These persons must be provided benefits that are fair and adequate and that are managed, administered, and funded in an actuarially sound manner



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1010 as required by s. 14, Article X of the State Constitution and
1011 part VII of chapter 112, Florida Statutes. Therefore, the
1012 Legislature determines and declares that this act fulfills an
1013 important state interest.

1014 Section 15. Except as otherwise provided in this act, this
1015 act shall take effect upon becoming a law.

1016
1017 ===== T I T L E A M E N D M E N T =====

1018 And the title is amended as follows:

1019 Delete everything before the enacting clause
1020 and insert:

1021 A bill to be entitled
1022 An act relating to retirement; amending s. 112.363,
1023 F.S.; providing that eligible retirees of the Florida
1024 Retirement System Pension Plan shall receive a certain
1025 monthly retiree health insurance subsidy payment
1026 beginning on a specified date; specifying how such
1027 payment is to be calculated; providing construction;
1028 providing that eligible members of the Florida
1029 Retirement System Investment Plan shall receive a
1030 certain monthly retiree health insurance subsidy
1031 payment; specifying how such payment is to be
1032 calculated; specifying that the member's spouse at the
1033 time of the member's death is the member's
1034 beneficiary; providing an exception; requiring the
1035 employer of members of a state-administered retirement
1036 plan to contribute a certain percentage of gross
1037 compensation each pay period beginning on a specified
1038 date; amending s. 121.021, F.S.; revising the



1039 definition of the term "normal retirement date";
1040 decreasing the age and years of service needed to
1041 reach the normal retirement date for certain members;
1042 amending s. 121.052, F.S.; revising the employer
1043 contribution rates for the retiree health insurance
1044 subsidy; amending s. 121.053, F.S.; providing that
1045 certain elected officers are ineligible to extend
1046 participation in the Deferred Retirement Option
1047 Program (DROP) beyond a specified period; conforming
1048 provisions to changes made by the act; amending ss.
1049 121.055 and 121.071, F.S.; revising the employer
1050 contribution rates for the retiree health insurance
1051 subsidy; amending s. 121.091, F.S.; revising when
1052 members can elect to begin to participate in DROP;
1053 increasing the length of time members can participate
1054 in DROP; revising the period for which certain members
1055 may elect to extend participation in DROP beyond the
1056 initial period; providing for the expiration of such
1057 extension; providing that certain elected officers are
1058 ineligible to extend DROP participation beyond the
1059 initial period; increasing the interest accrual rate
1060 for DROP, beginning on a specified date; conforming
1061 cross-references; conforming provisions to changes
1062 made by the act; amending s. 121.4501, F.S.;
1063 conforming provisions to changes made by the act;
1064 amending s. 121.71, F.S.; revising required employer
1065 retirement contribution rates for each membership
1066 class and subclass of the Florida Retirement System;
1067 amending s. 121.72, F.S.; increasing allocations to



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1068 investment plan member accounts; amending s. 121.73,
1069 F.S.; increasing allocations to provide disability
1070 coverage for investment plan members; amending s.
1071 121.735, F.S.; revising allocations to provide line-
1072 of-duty death benefits for investment plan members;
1073 providing a declaration of important state interest;
1074 providing effective dates.