House



LEGISLATIVE ACTION

Senate . Comm: RCS . 03/28/2023 . .

The Committee on Appropriations (Avila) recommended the following:

Senate Amendment (with title amendment)

112.363 Retiree health insurance subsidy.-

(3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.-

Before line 10

insert:

Section 1. Paragraph (f) is added to subsection (3) of section 112.363, Florida Statutes, and paragraph (j) is added to subsection (8) of that section, to read:

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(f)1. Beginning July 1, 2023, each eligible retiree of the



11	pension plan of the Florida Retirement System, or, if the	
12	retiree is deceased, his or her beneficiary who is receiving a	
13	monthly benefit from such retiree's account and who is a spouse,	
14	or a person who meets the definition of joint annuitant in s.	
15	121.021, shall receive a monthly retiree health insurance	
16	subsidy payment equal to the number of years of creditable	
17	service, as defined in s. 121.021, completed at the time of	
18	retirement multiplied by \$7.50; however, an eligible retiree or	
19	beneficiary may not receive a subsidy payment of more than \$225	
20	or less than \$45. If there are multiple beneficiaries, the total	
21	payment may not be greater than the payment to which the retiree	
22	was entitled. The health insurance subsidy amount payable to any	
23	person receiving the retiree health insurance subsidy payment on	
24	July 1, 2023, may not be reduced solely by operation of this	
25	subparagraph.	
26	2. Beginning July 1, 2023, each eligible member of the	
	2. Beginning July 1, 2023, each eligible member of the	
27	<u>2. Beginning July 1, 2023, each eligible member of the</u> investment plan of the Florida Retirement System who has met the	
27	investment plan of the Florida Retirement System who has met the	
27 28	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his	
27 28 29	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall	
27 28 29 30	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal	
27 28 29 30 31	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in	
27 28 29 30 31 32	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement,	
27 28 29 30 31 32 33	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement, multiplied by \$7.50; however, an eligible retiree or beneficiary	
27 28 29 30 31 32 33 34	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement, multiplied by \$7.50; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$225 or less than	
27 28 29 30 31 32 33 34 35	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement, multiplied by \$7.50; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$225 or less than \$45. For purposes of determining a member's creditable service	
27 28 29 30 31 32 33 34 35 36	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement, multiplied by \$7.50; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$225 or less than \$45. For purposes of determining a member's creditable service used to calculate the health insurance subsidy, a member's years	
27 28 29 30 31 32 33 34 35 36 37	investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement, multiplied by \$7.50; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$225 or less than \$45. For purposes of determining a member's creditable service used to calculate the health insurance subsidy, a member's years of service credit or fraction thereof must be based on the	

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40	contributions have been made for each month in the member's work		
41	year. In addition, all years of creditable service retained		
42	under the Florida Retirement System Pension Plan must be		
43	included as creditable service for purposes of this section.		
44	Notwithstanding this section, the spouse at the time of death is		
45	the member's beneficiary unless such member has designated a		
46	different beneficiary subsequent to the member's most recent		
47	marriage.		
48	(8) CONTRIBUTIONS.—For purposes of funding the insurance		
49	subsidy provided by this section:		
50	(j) Beginning July 1, 2023, the employer of each member of		
51	a state-administered retirement plan shall contribute 2.00		
52	percent of gross compensation each pay period.		
53			
54	Such contributions shall be submitted to the Department of		
55	Management Services and deposited in the Retiree Health		
56	Insurance Subsidy Trust Fund.		
57	Section 2. Paragraph (d) of subsection (7) of section		
58	121.052, Florida Statutes, is amended to read:		
59	121.052 Membership class of elected officers		
60	(7) CONTRIBUTIONS		
61	(d) The following table states the required employer		
62	contribution on behalf of each member of the Elected Officers'		
63	Class in terms of a percentage of the member's gross		
64	compensation. Such contribution constitutes the entire health		
65	insurance subsidy contribution with respect to each such member.		
66	A change in the contribution rate is effective with the first		
67	salary paid on or after the beginning date of the change. The		
68	retiree health insurance subsidy contribution rate is as		

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69 follows: 70 Dates of Contribution Contribution Rate Changes Rate 71 72 October 1, 1987, through December 31, 1988 0.24% 73 January 1, 1989, through December 31, 1993 0.48% 74 January 1, 1994, through December 31, 1994 0.56% 75 January 1, 1995, through June 30, 1998 0.66% 76 July 1, 1998, through June 30, 2001 0.94% 77 July 1, 2001, through June 30, 2013 1.11% 78 July 1, 2013, through June 30, 2014 1.20% 79 July 1, 2014, through June 1.26%

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	30, 2015	
80		
81		
	Effective July 1, 2015 <u>,</u>	
	through June 30, 2023	1.66%
82		
	Effective July 1, 2023	2.00%
83		
84		
85	Such contributions and accompanying payroll o	lata are due and
86	payable no later than the 5th working day of the month	
87	immediately following the month during which the payroll period	
88	ended and shall be deposited by the administrator in the Retiree	
89	Health Insurance Subsidy Trust Fund.	
90	Section 3. Paragraph (d) of subsection (3) of section	
91	121.055, Florida Statutes, is amended to read:	
92	121.055 Senior Management Service Class.	There is hereby
93	established a separate class of membership wi	thin the Florida
94	Retirement System to be known as the "Senior	Management Service
95	Class," which shall become effective February	y 1, 1987.
96	(3)	
97	(d) The following table states the requi	red employer
98	contribution on behalf of each member of the	Senior Management
99	Service Class in terms of a percentage of the	e member's gross
100	compensation. Such contribution constitutes t	the entire health
101	insurance subsidy contribution with respect t	to each such member.
102	A change in the contribution rate is effective	ve with the first
103	salary paid on or after the beginning date of	the change. The

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104 105 106	retiree health insurance subsidy contributio follows:	n rate is as
100	Dates of Contribution Co Rate Changes	ontribution Rate
107		
108	October 1, 1987, through	
109	December 31, 1988	0.24%
	January 1, 1989, through December 31, 1993	0.48%
110	January 1, 1994, through	
111	December 31, 1994	0.56%
110	January 1, 1995, through June 30, 1998	0.66%
112	July 1, 1998, through June 30, 2001	0.94%
113	July 1, 2001, through June 30, 2013	1.11%
114	July 1, 2013, through June 30, 2014	1.20%
115		



July 1, 2014, through June 30, 2015 1.26% 116 117 <u>Effective</u> July 1, 2015<u>,</u> through June 30, 2023 1.66%

Effective July 1, 2023

2.00%

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

Section 4. Subsection (4) of section 121.071, Florida Statutes, is amended to read:

121.071 Contributions.-Contributions to the system shall be made as follows:

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

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139		
	Dates of Contribution	Contribution
	Rate Changes	Rate
140		
141		
	October 1, 1987, through	
	December 31, 1988	0.24%
142		
	January 1, 1989, through	
	December 31, 1993	0.48%
143		
	January 1, 1994, through	
	December 31, 1994	0.56%
144		
	January 1, 1995, through June 30, 1998	0.66%
145	50, 1990	0.00%
110	July 1, 1998, through June 30,	
	2001	0.94%
146		
	July 1, 2001, through June 30,	
	2013	1.11%
147		
	July 1, 2013, through June 30,	
	2014	1.20%
148		
	July 1, 2014, through June 30,	
	2015	1.26%

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149			
150			
	Effective July 1, 2015,		
	through June 30, 2023 1.66%		
151			
	Effective July 1, 2023 2.00%		
152			
153			
154	Such contributions shall be deposited by the administrator in		
155	the Retiree Health Insurance Subsidy Trust Fund.		
156			
157	========== T I T L E A M E N D M E N T =================================		
158	And the title is amended as follows:		
159	Delete line 2		
160	and insert:		
161	An act relating to retirement; amending s. 112.363,		
162	F.S.; providing that eligible retirees of the Florida		
163	Retirement System pension plan must receive a certain		
164	monthly retiree health insurance subsidy payment,		
165	beginning on a specified date; specifying how such		
166	payment is to be calculated; providing construction;		
167	providing that eligible members of the Florida		
168	Retirement System investment plan must receive a		
169	certain monthly retiree health insurance subsidy		
170	payment; specifying how such payment is to be		
171	calculated; specifying that the member's spouse at the		
172	time of the member's death is the member's		
173	beneficiary; providing an exception; requiring the		

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COMMITTEE AMENDMENT



employer of members of a state-administered retirement plan to contribute a certain percentage of gross compensation each pay period, beginning on a specified date; amending ss. 121.052, 121.055, and 121.071, F.S.; revising the employer contribution rates for the retiree health insurance subsidy; amending s. 121.71,