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1 A bill to be entitled
2 An act relating to retirement; amending s. 112.363,
3 F.S.; providing that eligible retirees of the Florida
4 Retirement System Pension Plan shall receive a certain
5 monthly retiree health insurance subsidy payment
6 beginning on a specified date; specifying how such
7 payment is to be calculated; providing construction;
8 providing that eligible members of the Florida
9 Retirement System Investment Plan shall receive a
10 certain monthly retiree health insurance subsidy
11 payment; specifying how such payment is to be
12 calculated; specifying that the member's spouse at the
13 time of the member's death is the member's
14 beneficiary; providing an exception; requiring the
15 employer of members of a state-administered retirement
16 plan to contribute a certain percentage of gross
17 compensation each pay period beginning on a specified
18 date; amending s. 121.021, F.S.; revising the
19 definition of the term "normal retirement date";
20 decreasing the age and years of service needed to
21 reach the normal retirement date for certain members;
22 amending s. 121.052, F.S.; revising the employer
23 contribution rates for the retiree health insurance
24 subsidy; amending s. 121.053, F.S.; providing that
25 certain elected officers are ineligible to extend
26 participation in the Deferred Retirement Option
27 Program (DROP) beyond a specified period; conforming
28 provisions to changes made by the act; amending ss.
29 121.055 and 121.071, F.S.; revising the employer

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30 contribution rates for the retiree health insurance
31 subsidy; amending s. 121.091, F.S.; revising when
32 members can elect to begin to participate in DROP;
33 increasing the length of time members can participate
34 in DROP; revising the period for which certain members
35 may elect to extend participation in DROP beyond the
36 initial period; providing for the expiration of such
37 extension; providing that certain elected officers are
38 ineligible to extend DROP participation beyond the
39 initial period; increasing the interest accrual rate
40 for DROP, beginning on a specified date; conforming
41 cross-references; conforming provisions to changes
42 made by the act; amending s. 121.4501, F.S.;
43 conforming provisions to changes made by the act;
44 amending s. 121.71, F.S.; revising required employer
45 retirement contribution rates for each membership
46 class and subclass of the Florida Retirement System;
47 amending s. 121.72, F.S.; increasing allocations to
48 investment plan member accounts; amending s. 121.73,
49 F.S.; increasing allocations to provide disability
50 coverage for investment plan members; amending s.
51 121.735, F.S.; revising allocations to provide line-
52 of-duty death benefits for investment plan members;
53 providing a declaration of important state interest;
54 providing effective dates.

55
56 Be It Enacted by the Legislature of the State of Florida:

57
58 Section 1. Paragraph (f) is added to subsection (3) of

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59 section 112.363, Florida Statutes, and paragraph (j) is added to
60 subsection (8) of that section, to read:

61 112.363 Retiree health insurance subsidy.—

62 (3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.—

63 (f)1. Beginning July 1, 2023, each eligible retiree of the
64 pension plan of the Florida Retirement System, or, if the
65 retiree is deceased, his or her beneficiary who is receiving a
66 monthly benefit from such retiree's account and who is a spouse,
67 or a person who meets the definition of joint annuitant in s.
68 121.021(28), shall receive a monthly retiree health insurance
69 subsidy payment equal to the number of years of creditable
70 service, as defined in s. 121.021(17), completed at the time of
71 retirement multiplied by \$7.50; however, an eligible retiree or
72 beneficiary may not receive a subsidy payment of more than \$225
73 or less than \$45. If there are multiple beneficiaries, the total
74 payment may not be greater than the payment to which the retiree
75 was entitled. The health insurance subsidy amount payable to any
76 person receiving the retiree health insurance subsidy payment on
77 July 1, 2023, may not be reduced solely by operation of this
78 subparagraph.

79 2. Beginning July 1, 2023, each eligible member of the
80 investment plan of the Florida Retirement System who has met the
81 requirements of this section, or, if the member is deceased, his
82 or her spouse who is the member's designated beneficiary, shall
83 receive a monthly retiree health insurance subsidy payment equal
84 to the number of years of creditable service, as provided in
85 this subparagraph, completed at the time of retirement
86 multiplied by \$7.50; however, an eligible retiree or beneficiary
87 may not receive a subsidy payment of more than \$225 or less than

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88 \$45. For purposes of determining a member's creditable service
89 used to calculate the health insurance subsidy, a member's years
90 of service credit or fraction thereof must be based on the
91 member's work year as defined in s. 121.021(54). Credit must be
92 awarded for a full work year if health insurance subsidy
93 contributions have been made for each month in the member's work
94 year. In addition, all years of creditable service retained
95 under the Florida Retirement System Pension Plan must be
96 included as creditable service for purposes of this section.
97 Notwithstanding this section, the spouse at the time of death is
98 the member's beneficiary unless such member has designated a
99 different beneficiary subsequent to the member's most recent
100 marriage.

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

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

106
107 Such contributions shall be submitted to the Department of
108 Management Services and deposited in the Retiree Health
109 Insurance Subsidy Trust Fund.

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

113 121.021 Definitions.—The following words and phrases as
114 used in this chapter have the respective meanings set forth
115 unless a different meaning is plainly required by the context:

116 (29) "Normal retirement date" means the date a member

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117 attains normal retirement age and is vested, which is determined
118 as follows:

119 (b) For ~~If~~ a Special Risk Class member ~~initially enrolled:~~

120 ~~1. Before July 1, 2011:~~

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

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

128 ~~3.e.~~ 3.e. The first day of the month following the date the
129 member completes 25 years of creditable service and attains age
130 52, which service may include a maximum of 4 years of military
131 service credit if such credit is not claimed under any other
132 system and the remaining years are in the Special Risk Class.

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

134 ~~a. The first day of the month the member attains age 60 and~~
135 ~~completes the years of creditable service in the Special Risk~~
136 ~~Class equal to or greater than the years of service required for~~
137 ~~vesting;~~

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

141 ~~c. The first day of the month following the date the member~~
142 ~~completes 30 years of creditable service and attains age 57,~~
143 ~~which service may include a maximum of 4 years of military~~
144 ~~service credit if such credit is not claimed under any other~~
145 ~~system and the remaining years are in the Special Risk Class.~~

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146
 147 For a pension plan member ~~members~~, normal retirement age is
 148 attained on the normal retirement date. For an investment plan
 149 member ~~members~~, normal retirement age is the date a member
 150 attains his or her normal retirement date as provided in this
 151 section, or the date a member is vested under the investment
 152 plan as provided in s. 121.4501(6), whichever is later.

153 Section 3. Paragraph (d) of subsection (7) of section
 154 121.052, Florida Statutes, is amended to read:

155 121.052 Membership class of elected officers.—

156 (7) CONTRIBUTIONS.—

157 (d) The following table states the required employer
 158 contribution on behalf of each member of the Elected Officers'
 159 Class in terms of a percentage of the member's gross
 160 compensation. Such contribution constitutes the entire health
 161 insurance subsidy contribution with respect to each such member.
 162 A change in the contribution rate is effective with the first
 163 salary paid on or after the beginning date of the change. The
 164 retiree health insurance subsidy contribution rate is as
 165 follows:

166

Dates of Contribution	Contribution
Rate Changes	Rate

167

168

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

169

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170	January 1, 1989, through December 31, 1993	0.48%
171	January 1, 1994, through December 31, 1994	0.56%
172	January 1, 1995, through June 30, 1998	0.66%
173	July 1, 1998, through June 30, 2001	0.94%
174	July 1, 2001, through June 30, 2013	1.11%
175	July 1, 2013, through June 30, 2014	1.20%
176	July 1, 2014, through June 30, 2015	1.26%
177	Effective <u>July 1, 2015,</u> <u>through June 30, 2023</u>	1.66%
178	<u>Effective July 1, 2023</u>	<u>2.00%</u>

180 Such contributions and accompanying payroll data are due and
181 payable no later than the 5th working day of the month

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182 immediately following the month during which the payroll period
183 ended and shall be deposited by the administrator in the Retiree
184 Health Insurance Subsidy Trust Fund.

185 Section 4. Paragraph (a) of subsection (7) of section
186 121.053, Florida Statutes, is amended, and paragraph (c) is
187 added to subsection (3) of that section, to read:

188 121.053 Participation in the Elected Officers' Class for
189 retired members.—

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

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

195 (7) A member who is elected or appointed to an elective
196 office and who is participating in the Deferred Retirement
197 Option Program is not subject to termination as defined in s.
198 121.021, or reemployment limitations as provided in s.
199 121.091(9), until the end of his or her current term of office
200 or, if the officer is consecutively elected or reelected to an
201 elective office eligible for coverage under the Florida
202 Retirement System, until he or she no longer holds an elective
203 office, as follows:

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

205 1. The officer's DROP account may not accrue additional
206 monthly benefits, but does continue to earn interest as provided
207 in s. 121.091(13). However, an officer whose DROP participation
208 begins on or after July 1, 2010, may not continue to earn such
209 interest.

210 2. Retirement contributions, except for unfunded actuarial

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211 liability and health insurance subsidy contributions required in
 212 ss. 121.71(5) and 121.76, are not required of the employer of
 213 the elected officer, and additional retirement credit may not be
 214 earned under the Florida Retirement System.

215 Section 5. Paragraph (d) of subsection (3) of section
 216 121.055, Florida Statutes, is amended to read:

217 121.055 Senior Management Service Class.—There is hereby
 218 established a separate class of membership within the Florida
 219 Retirement System to be known as the "Senior Management Service
 220 Class," which shall become effective February 1, 1987.

221 (3)

222 (d) The following table states the required employer
 223 contribution on behalf of each member of the Senior Management
 224 Service Class in terms of a percentage of the member's gross
 225 compensation. Such contribution constitutes the entire health
 226 insurance subsidy contribution with respect to each such member.
 227 A change in the contribution rate is effective with the first
 228 salary paid on or after the beginning date of the change. The
 229 retiree health insurance subsidy contribution rate is as
 230 follows:

231

Dates of Contribution Rate Changes	Contribution Rate
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232

233

October 1, 1987, through December 31, 1988	0.24%
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234

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235	January 1, 1989, through December 31, 1993	0.48%
236	January 1, 1994, through December 31, 1994	0.56%
237	January 1, 1995, through June 30, 1998	0.66%
238	July 1, 1998, through June 30, 2001	0.94%
239	July 1, 2001, through June 30, 2013	1.11%
240	July 1, 2013, through June 30, 2014	1.20%
241	July 1, 2014, through June 30, 2015	1.26%
242	Effective July 1, 2015, <u>through</u> <u>June 30, 2023</u>	1.66%
243	<u>Effective July 1, 2023</u>	<u>2.00%</u>
244		
245	Such contributions and accompanying payroll data are due and	
246	payable no later than the 5th working day of the month	

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247 immediately following the month during which the payroll period
 248 ended and shall be deposited by the administrator in the Retiree
 249 Health Insurance Subsidy Trust Fund.

250 Section 6. Subsection (4) of section 121.071, Florida
 251 Statutes, is amended to read:

252 121.071 Contributions.—Contributions to the system shall be
 253 made as follows:

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

263

Dates of Contribution	Contribution
Rate Changes	Rate

264

265

October 1, 1987, through December 31, 1988	0.24%
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266

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

267

January 1, 1994, through December	0.56%
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268	31, 1994	
269	January 1, 1995, through June 30, 1998	0.66%
270	July 1, 1998, through June 30, 2001	0.94%
271	July 1, 2001, through June 30, 2013	1.11%
272	July 1, 2013, through June 30, 2014	1.20%
273	July 1, 2014, through June 30, 2015	1.26%
274	Effective July 1, 2015, <u>through</u> <u>June 30, 2023</u>	1.66%
275	<u>Effective July 1, 2023</u>	<u>2.00%</u>

276
277 Such contributions shall be deposited by the administrator in
278 the Retiree Health Insurance Subsidy Trust Fund.

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

282 121.091 Benefits payable under the system.—Benefits may not

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

295 (3) EARLY RETIREMENT BENEFIT.—Upon retirement on his or her
296 early retirement date, the member shall receive an immediate
297 monthly benefit that shall begin to accrue on the first day of
298 the month of the retirement date and be payable on the last day
299 of that month and each month thereafter during his or her
300 lifetime. Such benefit shall be calculated as follows:

301 (a) For a member initially enrolled:

302 1. Before July 1, 2011, the amount of each monthly payment
303 shall be computed in the same manner as for a normal retirement
304 benefit, in accordance with subsection (1), but shall be based
305 on the member's average monthly compensation and creditable
306 service as of the member's early retirement date. The benefit so
307 computed shall be reduced by five-twelfths of 1 percent for each
308 complete month by which the early retirement date precedes the
309 normal retirement date of age 62 for a member of the Regular
310 Class, Senior Management Service Class, or the Elected Officers'
311 Class, and age 55 for a member of the Special Risk Class, or age

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312 52 if a Special Risk member has completed 25 years of creditable
313 service in accordance with s. 121.021(29)(b)3. ~~s.~~
314 ~~121.021(29)(b)1.c.~~

315 2. On or after July 1, 2011, the amount of each monthly
316 payment shall be computed in the same manner as for a normal
317 retirement benefit, in accordance with subsection (1), but shall
318 be based on the member's average monthly compensation and
319 creditable service as of the member's early retirement date. The
320 benefit so computed shall be reduced by five-twelfths of 1
321 percent for each complete month by which the early retirement
322 date precedes the normal retirement date of age 65 for a member
323 of the Regular Class, Senior Management Service Class, or the
324 Elected Officers' Class, and age 55 ~~60~~ for a member of the
325 Special Risk Class, or age 52 ~~57~~ if a special risk member has
326 completed 25 ~~30~~ years of creditable service in accordance with
327 s. 121.091(29)(b)3. ~~s. 121.021(29)(b)2.c.~~

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

330 121.091 Benefits payable under the system.—Benefits may not
331 be paid under this section unless the member has terminated
332 employment as provided in s. 121.021(39)(a) or begun
333 participation in the Deferred Retirement Option Program as
334 provided in subsection (13), and a proper application has been
335 filed in the manner prescribed by the department. The department
336 may cancel an application for retirement benefits when the
337 member or beneficiary fails to timely provide the information
338 and documents required by this chapter and the department's
339 rules. The department shall adopt rules establishing procedures
340 for application for retirement benefits and for the cancellation

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341 of such application when the required information or documents
342 are not received.

343 (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and
344 subject to this section, the Deferred Retirement Option Program,
345 hereinafter referred to as DROP, is a program under which an
346 eligible member of the Florida Retirement System may elect to
347 participate, deferring receipt of retirement benefits while
348 continuing employment with his or her Florida Retirement System
349 employer. The deferred monthly benefits shall accrue in the
350 Florida Retirement System on behalf of the member, plus interest
351 compounded monthly, for the specified period of the DROP
352 participation, as provided in paragraph (c). Upon termination of
353 employment, the member shall receive the total DROP benefits and
354 begin to receive the previously determined normal retirement
355 benefits. Participation in the DROP does not guarantee
356 employment for the specified period of DROP. ~~Participation in~~
357 ~~DROP by an eligible member beyond the initial 60-month period as~~
358 ~~authorized in this subsection shall be on an annual contractual~~
359 ~~basis for all participants.~~

360 (a) *Eligibility of member to participate in DROP.*—All
361 active Florida Retirement System members in a regularly
362 established position, and all active members of the Teachers'
363 Retirement System established in chapter 238 or the State and
364 County Officers' and Employees' Retirement System established in
365 chapter 122, which are consolidated within the Florida
366 Retirement System under s. 121.011, are eligible to elect
367 participation in DROP if:

368 1. The member is not a renewed member under s. 121.122 or a
369 member of the State Community College System Optional Retirement

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370 Program under s. 121.051, the Senior Management Service Optional
371 Annuity Program under s. 121.055, or the optional retirement
372 program for the State University System under s. 121.35.

373 ~~2. Except as provided in subparagraph 6., for members~~
374 ~~initially enrolled before July 1, 2011, Election to participate~~
375 ~~in DROP may be is made at any time within 12 months immediately~~
376 ~~following the date on which the member first reaches his or her~~
377 ~~normal retirement date, or, for a member who reaches normal~~
378 ~~retirement date based on service before he or she reaches age~~
379 ~~62, or age 55 for Special Risk Class members, election to~~
380 ~~participate may be deferred to the 12 months immediately~~
381 ~~following the date the member attains age 57, or age 52 for~~
382 ~~Special Risk Class members. Except as provided in subparagraph~~
383 ~~6., for members initially enrolled on or after July 1, 2011,~~
384 ~~election to participate is made within 12 months immediately~~
385 ~~following the date on which the member first reaches normal~~
386 ~~retirement date, or, for a member who reaches normal retirement~~
387 ~~date based on service before he or she reaches age 65, or age 60~~
388 ~~for Special Risk Class members, election to participate may be~~
389 ~~deferred to the 12 months immediately following the date the~~
390 ~~member attains age 60, or age 55 for Special Risk Class members.~~
391 ~~A member who delays DROP participation during the 12-month~~
392 ~~period immediately following his or her maximum DROP deferral~~
393 ~~date, except as provided in subparagraph 6., loses a month of~~
394 ~~DROP participation for each month delayed. A member who fails to~~
395 ~~make an election within the 12-month limitation period forfeits~~
396 ~~all rights to participate in DROP. The member shall advise his~~
397 ~~or her employer and the division in writing of the date DROP~~
398 ~~begins. The beginning date may be subsequent to the 12-month~~

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399 ~~election period but must be within the original 60-month~~
400 ~~participation period provided in subparagraph (b)1.~~ When
401 establishing eligibility to participate in DROP, the member may
402 elect to include or exclude any optional service credit
403 purchased by the member from the total service used to establish
404 the normal retirement date. A member who has dual normal
405 retirement dates is eligible to elect to participate in DROP
406 after attaining normal retirement date in either class.

407 3. The employer of a member electing to participate in
408 DROP, or employers if dually employed, shall acknowledge in
409 writing to the division the date the member's participation in
410 DROP begins and the date the member's employment and DROP
411 participation terminates.

412 4. Simultaneous employment of a member by additional
413 Florida Retirement System employers subsequent to the
414 commencement of a member's participation in DROP is permissible
415 if such employers acknowledge in writing a DROP termination date
416 no later than the member's existing termination date or the
417 maximum participation period provided in paragraph (b)
418 ~~subparagraph (b)1.~~

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

421 a. A change of employment takes place without a break in
422 service so that the member receives salary for each month of
423 continuous DROP participation. If a member receives no salary
424 during a month, DROP participation ceases unless the employer
425 verifies a continuation of the employment relationship for such
426 member pursuant to s. 121.021(39)(b).

427 b. The member and new employer notify the division of the

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428 identity of the new employer on forms required by the division.

429 c. The new employer acknowledges, in writing, the member's
430 DROP termination date, which may be extended but not beyond the
431 maximum participation period provided in paragraph (b)
432 ~~subparagraph (b)1.~~, acknowledges liability for any additional
433 retirement contributions and interest required if the member
434 fails to timely terminate employment, and is subject to the
435 adjustment required in sub-subparagraph (c)5.d.

436 ~~6. Effective July 1, 2001, for instructional personnel as~~
437 ~~defined in s. 1012.01(2), election to participate in DROP may be~~
438 ~~made at any time following the date on which the member first~~
439 ~~reaches normal retirement date. The member shall advise his or~~
440 ~~her employer and the division in writing of the date on which~~
441 ~~DROP begins. When establishing eligibility of the member to~~
442 ~~participate in DROP for the 60-month participation period~~
443 ~~provided in subparagraph (b)1., the member may elect to include~~
444 ~~or exclude any optional service credit purchased by the member~~
445 ~~from the total service used to establish the normal retirement~~
446 ~~date. A member who has dual normal retirement dates is eligible~~
447 ~~to elect to participate in either class.~~

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

451 1.a. Members who are instructional personnel employed by
452 the Florida School for the Deaf and the Blind and authorized by
453 the Board of Trustees of the Florida School for the Deaf and the
454 Blind, who are instructional personnel as defined in s.
455 1012.01(2)(a)-(d) in grades K-12 and authorized by the district
456 school superintendent, or who are instructional personnel as

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457 defined in s. 1012.01(2) (a) employed by a developmental research
458 school and authorized by the school's director, or if the school
459 has no director, by the school's principal, may:

460 (I) Extend DROP participation beyond the initial 96-
461 calendar-month period if the instructional personnel's
462 termination date is before the end of the school year. Such
463 instructional personnel may have DROP participation extended
464 until the last day of the last calendar month of the school year
465 in which their original DROP termination date occurred if a date
466 other than the last day of the last calendar month of the school
467 year is designated.

468 (II) Participate in DROP for up to 24 36 calendar months
469 beyond the 96-month 60-month period. Effective July 1, 2018,
470 Instructional personnel who are authorized to extend DROP
471 participation beyond the 96-month 60-month period must have a
472 termination date that is the last day of the last calendar month
473 of the school year within the DROP extension granted by the
474 employer. If, on July 1, 2018, the member's DROP participation
475 has already been extended for the maximum 24 36 calendar months
476 and the extension period concludes before the end of the school
477 year, the member's DROP participation may be extended through
478 the last day of the last calendar month of that school year.
479 This sub-sub-subparagraph expires June 30, 2029.

480
481 The employer shall notify the division of the change in
482 termination date and the additional period of DROP participation
483 for the affected instructional personnel.

484 b. Administrative personnel in grades K-12, as defined in
485 s. 1012.01(3), ~~who have a DROP termination date on or after July~~

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486 ~~1, 2018,~~ may be authorized to extend DROP participation beyond
487 the initial 96 ~~60~~ calendar month period if the administrative
488 personnel's termination date is before the end of the school
489 year. Such administrative personnel may have DROP participation
490 extended until the last day of the last calendar month of the
491 school year in which their original DROP termination date
492 occurred if a date other than the last day of the last calendar
493 month of the school year is designated. The employer shall
494 notify the division of the change in termination date and the
495 additional period of DROP participation for the affected
496 administrative personnel.

497 ~~e. Effective July 1, 2022, a member of the Special Risk~~
498 ~~Class who is a law enforcement officer who meets the criteria in~~
499 ~~s. 121.0515(3)(a) and who is a DROP participant on or after July~~
500 ~~1, 2022, may participate in DROP for up to 36 calendar months~~
501 ~~beyond the 60-month period if he or she enters DROP on or before~~
502 ~~June 30, 2028.~~

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

505 a. A written election to participate in DROP;

506 b. Selection of DROP participation and termination dates
507 that satisfy the limitations stated in paragraph (a) and this
508 paragraph subparagraph 1. The termination date must be in a
509 binding letter of resignation to the employer establishing a
510 deferred termination date. The member may change the termination
511 date within the limitations of this paragraph subparagraph 1.,
512 but only with the written approval of the employer;

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

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515 d. Any other information required by the division.

516 3. The DROP participant is a retiree under the Florida
517 Retirement System for all purposes, except for paragraph (5)(f)
518 and subsection (9) and ss. 112.3173, 112.363, 121.053, and
519 121.122. DROP participation is final and may not be canceled by
520 the participant after the first payment is credited during the
521 DROP participation period. However, participation in DROP does
522 not alter the participant's employment status, and the member is
523 not deemed retired from employment until his or her deferred
524 resignation is effective and termination occurs as defined in s.
525 121.021.

526 4. Elected officers are eligible to participate in DROP
527 subject to the following:

528 a. An elected officer who reaches normal retirement date
529 during a term of office may defer the election to participate
530 until the next succeeding term in that office. An elected
531 officer who exercises this option may participate in DROP for up
532 to 96 ~~60~~ calendar months or no longer than the succeeding term
533 of office, whichever is less.

534 b. An elected or a nonelected participant may run for a
535 term of office while participating in DROP and, if elected,
536 extend the DROP termination date accordingly; however, if such
537 additional term of office exceeds the 96-month ~~60-month~~
538 limitation established in this paragraph ~~subparagraph 1.~~, and
539 the officer does not resign from office within such ~~60-month~~
540 limitation, the retirement and the participant's DROP is null
541 and void as provided in sub-subparagraph (c)5.d.

542 c. An elected officer who is dually employed and elects to
543 participate in DROP must terminate all employment relationships

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544 as provided in s. 121.021(39) for the nonelected position within
545 the original ~~60-month~~ period or maximum participation period as
546 provided in this paragraph ~~subparagraph 1~~. For DROP
547 participation ending:

548 (I) Before July 1, 2010, the officer may continue
549 employment as an elected officer as provided in s. 121.053. The
550 elected officer shall be enrolled as a renewed member in the
551 Elected Officers' Class or the Regular Class, as provided in ss.
552 121.053 and 121.122, on the first day of the month after
553 termination of employment in the nonelected position and
554 termination of DROP. Distribution of the DROP benefits shall be
555 made as provided in paragraph (c).

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

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

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

563 1. Effective on the date of DROP participation, the
564 member's initial normal monthly benefit, including creditable
565 service, optional form of payment, and average final
566 compensation, and the effective date of retirement are fixed.
567 The beneficiary established under the Florida Retirement System
568 is the beneficiary eligible to receive any DROP benefits payable
569 if the DROP participant dies before completing the period of
570 DROP participation. If a joint annuitant predeceases the member,
571 the member may name a beneficiary to receive accumulated DROP
572 benefits payable. The retirement benefit, the annual cost of

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573 living adjustments provided in s. 121.101, and interest accrue
574 monthly in the Florida Retirement System Trust Fund. For members
575 whose DROP participation begins:

576 a. Before July 1, 2011, the interest accrues at an
577 effective annual rate of 6.5 percent compounded monthly, on the
578 prior month's accumulated ending balance, up to the month of
579 termination or death, except as provided in s. 121.053(7).

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

581 (I) Through June 30, 2023, at an effective annual rate of
582 1.3 percent, compounded monthly, on the prior month's
583 accumulated ending balance, up to the month of termination or
584 death, except as provided in s. 121.053(7).

585 (II) Beginning July 1, 2023, at an effective annual rate of
586 4 percent, compounded monthly, on the prior month's accumulated
587 ending balance, up to the month of termination or death, except
588 as provided in s. 121.053(7).

589 2. Each employee who elects to participate in DROP may
590 elect to receive a lump-sum payment for accrued annual leave
591 earned in accordance with agency policy upon beginning
592 participation in DROP. The accumulated leave payment certified
593 to the division upon commencement of DROP shall be included in
594 the calculation of the member's average final compensation. The
595 employee electing the lump-sum payment is not eligible to
596 receive a second lump-sum payment upon termination, except to
597 the extent the employee has earned additional annual leave
598 which, combined with the original payment, does not exceed the
599 maximum lump-sum payment allowed by the employing agency's
600 policy or rules. An early lump-sum payment shall be based on the
601 hourly wage of the employee at the time he or she begins

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602 participation in DROP. If the member elects to wait and receive
603 a lump-sum payment upon termination of DROP and termination of
604 employment with the employer, any accumulated leave payment made
605 at that time may not be included in the member's retirement
606 benefit, which was determined and fixed by law when the employee
607 elected to participate in DROP.

608 3. The effective date of DROP participation and the
609 effective date of retirement of a DROP participant shall be the
610 first day of the month selected by the member to begin
611 participation in DROP, provided such date is properly
612 established, with the written confirmation of the employer, and
613 the approval of the division, on forms required by the division.

614 4. Normal retirement benefits and any interest continue to
615 accrue in DROP until the established termination date of DROP or
616 until the member terminates employment or dies before such date,
617 except as provided in s. 121.053(7). Although individual DROP
618 accounts may not be established, a separate accounting of each
619 member's accrued benefits under DROP shall be calculated and
620 provided to the member.

621 5. At the conclusion of the member's participation in DROP,
622 the division shall distribute the member's total accumulated
623 DROP benefits, subject to the following:

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

627 b. The terminated DROP participant or, if deceased, the
628 member's named beneficiary, shall elect on forms provided by the
629 division to receive payment of the DROP benefits in accordance
630 with one of the options listed below. If a member or beneficiary

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631 fails to elect a method of payment within 60 days after
632 termination of DROP, the division shall pay a lump sum as
633 provided in sub-sub-subparagraph (I).

634 (I) Lump sum.—All accrued DROP benefits, plus interest,
635 less withholding taxes remitted to the Internal Revenue Service,
636 shall be paid to the DROP participant or surviving beneficiary.

637 (II) Direct rollover.—All accrued DROP benefits, plus
638 interest, shall be paid from DROP directly to the custodian of
639 an eligible retirement plan as defined in s. 402(c)(8)(B) of the
640 Internal Revenue Code. However, in the case of an eligible
641 rollover distribution to the surviving spouse of a deceased
642 member, an eligible retirement plan is an individual retirement
643 account or an individual retirement annuity as described in s.
644 402(c)(9) of the Internal Revenue Code.

645 (III) Partial lump sum.—A portion of the accrued DROP
646 benefits shall be paid to DROP participant or surviving spouse,
647 less withholding taxes remitted to the Internal Revenue Service,
648 and the remaining DROP benefits must be transferred directly to
649 the custodian of an eligible retirement plan as defined in s.
650 402(c)(8)(B) of the Internal Revenue Code. However, in the case
651 of an eligible rollover distribution to the surviving spouse of
652 a deceased member, an eligible retirement plan is an individual
653 retirement account or an individual retirement annuity as
654 described in s. 402(c)(9) of the Internal Revenue Code. The
655 proportions must be specified by the DROP participant or
656 surviving beneficiary.

657 c. The form of payment selected by the DROP participant or
658 surviving beneficiary must comply with the minimum distribution
659 requirements of the Internal Revenue Code.

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660 d. A DROP participant who fails to terminate all employment
661 relationships as provided in s. 121.021(39) shall be deemed as
662 not retired, and the DROP election is null and void. Florida
663 Retirement System membership shall be reestablished
664 retroactively to the date of the commencement of DROP, and each
665 employer with whom the member continues employment must pay to
666 the Florida Retirement System Trust Fund the difference between
667 the DROP contributions paid in paragraph (i) and the
668 contributions required for the applicable Florida Retirement
669 System class of membership during the period the member
670 participated in DROP, plus 6.5 percent interest compounded
671 annually.

672 6. The retirement benefits of any DROP participant who
673 terminates all employment relationships as provided in s.
674 121.021(39) but is reemployed in violation of the reemployment
675 provisions of subsection (9) are suspended during those months
676 in which the retiree is in violation. Any retiree in violation
677 of this subparagraph and any employer that employs or appoints
678 such person without notifying the division to suspend retirement
679 benefits are jointly and severally liable for any benefits paid
680 during the reemployment limitation period. The employer must
681 have a written statement from the retiree that he or she is not
682 retired from a state-administered retirement system. Any
683 retirement benefits received by a retiree while employed in
684 violation of the reemployment limitations must be repaid to the
685 Florida Retirement System Trust Fund, and his or her retirement
686 benefits shall remain suspended until payment is made. Benefits
687 suspended beyond the end of the reemployment limitation period
688 apply toward repayment of benefits received in violation of the

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689 reemployment limitation.

690 7. The accrued benefits of any DROP participant, and any
691 contributions accumulated under the program, are not subject to
692 assignment, execution, attachment, or any legal process except
693 for qualified domestic relations court orders, income deduction
694 orders as provided in s. 61.1301, and federal income tax levies.

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

697 (d) *Death benefits under DROP.*—

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

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

704 3. Eligibility to participate in DROP terminates upon death
705 of the participant. If the participant dies on or after the
706 effective date of enrollment in DROP, but before the first
707 monthly benefit is credited to DROP, Florida Retirement System
708 benefits are paid in accordance with subparagraph (7)(c)1. or
709 subparagraph 2.

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

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

716 (f) *Retiree health insurance subsidy.*—DROP participants are
717 not eligible to apply for the retiree health insurance subsidy

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718 payments as provided in s. 112.363 until such participants have
719 terminated employment and participation in DROP.

720 (g) *Renewed membership.*—DROP participants are not eligible
721 for renewed membership in the Florida Retirement System under
722 ss. 121.053 and 121.122 until all employment relationships are
723 terminated as provided in s. 121.021(39).

724 (h) *Employment limitation after DROP participation.*—Upon
725 termination as defined in s. 121.021, DROP participants are
726 subject to the same reemployment limitations as other retirees.
727 Reemployment restrictions applicable to retirees as provided in
728 subsection (9) do not apply to DROP participants until their
729 employment and participation in DROP are terminated.

730 (i) *Contributions.*—

731 1. All employers paying the salary of a DROP participant
732 filling a regularly established position shall contribute 8.0
733 percent of such participant's gross compensation for the period
734 of July 1, 2002, through June 30, 2003, and the percentage of
735 such compensation required by s. 121.71 thereafter, which shall
736 constitute the entire employer DROP contribution with respect to
737 such participant. Such contributions, payable to the Florida
738 Retirement System Trust Fund in the same manner as required in
739 s. 121.071, must be made as appropriate for each pay period and
740 are in addition to contributions required for social security
741 and the Retiree Health Insurance Subsidy Trust Fund. Such
742 employer, social security, and health insurance subsidy
743 contributions are not included in DROP.

744 2. The employer shall, in addition to subparagraph 1., also
745 withhold one-half of the entire social security contribution
746 required for the participant. Contributions for social security

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747 by each participant and each employer, in the amount required
748 for social security coverage as provided by the federal Social
749 Security Act, are in addition to contributions specified in
750 subparagraph 1.

751 3. All employers paying the salary of a DROP participant
752 filling a regularly established position shall contribute the
753 percent of such participant's gross compensation required in s.
754 121.071(4), which constitutes the employer's health insurance
755 subsidy contribution with respect to such participant. Such
756 contributions must be deposited by the administrator in the
757 Retiree Health Insurance Subsidy Trust Fund.

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

764 (k) *Administration of program.*—The division shall adopt
765 rules as necessary for the effective and efficient
766 administration of this subsection. The division is not required
767 to advise members of the federal tax consequences of an election
768 related to the DROP but may advise members to seek independent
769 advice.

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

772 121.4501 Florida Retirement System Investment Plan.—

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

774 (a) An eligible employee who is employed in a regularly
775 established position by a state employer on June 1, 2002; by a

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776 district school board employer on September 1, 2002; or by a
777 local employer on December 1, 2002, and who is a member of the
778 pension plan at the time of his or her election to participate
779 in the investment plan shall retain all retirement service
780 credit earned under the pension plan as credited under the
781 system and is entitled to a deferred benefit upon termination.
782 However, election to enroll in the investment plan terminates
783 the active membership of the employee in the pension plan, and
784 the service of a member in the investment plan is not creditable
785 under the pension plan for purposes of benefit accrual but is
786 creditable for purposes of vesting.

787 (b) Notwithstanding paragraph (a), an eligible employee who
788 elects to participate in, or who defaults into, the investment
789 plan and establishes one or more individual member accounts may
790 elect to transfer to the investment plan a sum representing the
791 present value of the employee's accumulated benefit obligation
792 under the pension plan, except as provided in paragraph (4) (b).
793 Upon transfer, all service credit earned under the pension plan
794 is nullified for purposes of entitlement to a future benefit
795 under the pension plan. A member may not transfer the
796 accumulated benefit obligation balance from the pension plan
797 after the time period for enrolling in the investment plan has
798 expired.

799 1. For purposes of this subsection, the present value of
800 the member's accumulated benefit obligation is based upon the
801 member's estimated creditable service and estimated average
802 final compensation under the pension plan, subject to
803 recomputation under subparagraph 2. For state employees, initial
804 estimates shall be based upon creditable service and average

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805 final compensation as of midnight on June 30, 2002; for district
806 school board employees, initial estimates shall be based upon
807 creditable service and average final compensation as of midnight
808 on September 30, 2002; and for local government employees,
809 initial estimates shall be based upon creditable service and
810 average final compensation as of midnight on December 31, 2002.
811 The dates specified are the "estimate date" for these employees.
812 The actuarial present value of the employee's accumulated
813 benefit obligation shall be based on the following:

814 a. The discount rate and other relevant actuarial
815 assumptions used to value the Florida Retirement System Trust
816 Fund at the time the amount to be transferred is determined,
817 consistent with the factors provided in sub-subparagraphs b. and
818 c.

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

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

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

826 (A) Age 62; or

827 (B) The age the member would attain if the member completed
828 30 years of service with an employer, assuming the member worked
829 continuously from the estimate date, and disregarding any
830 vesting requirement that would otherwise apply under the pension
831 plan.

832 (II) On or after July 1, 2011, the benefit commencement age
833 is the younger of the following, but may not be younger than the

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834 member's age as of the estimate date:

835 (A) Age 65; or

836 (B) The age the member would attain if the member completed
837 33 years of service with an employer, assuming the member worked
838 continuously from the estimate date, and disregarding any
839 vesting requirement that would otherwise apply under the pension
840 plan.

841 d. For members of the Special Risk Class and for members of
842 the Special Risk Administrative Support Class entitled to retain
843 the special risk normal retirement date:

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

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

848 (II) ~~(B)~~ The age the member would attain if the member
849 completed 25 years of service with an employer, assuming the
850 member worked continuously from the estimate date, and
851 disregarding any vesting requirement that would otherwise apply
852 under the pension plan.

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

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

858 ~~(B) The age the member would attain if the member completed~~
859 ~~30 years of service with an employer, assuming the member worked~~
860 ~~continuously from the estimate date, and disregarding any~~
861 ~~vesting requirement that would otherwise apply under the pension~~
862 ~~plan.~~

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863 e. The calculation must disregard vesting requirements and
864 early retirement reduction factors that would otherwise apply
865 under the pension plan.

866 2. For each member who elects to transfer moneys from the
867 pension plan to his or her account in the investment plan, the
868 division shall recompute the amount transferred under
869 subparagraph 1. within 60 days after the actual transfer of
870 funds based upon the member's actual creditable service and
871 actual final average compensation as of the initial date of
872 participation in the investment plan. If the recomputed amount
873 differs from the amount transferred by \$10 or more, the division
874 shall:

875 a. Transfer, or cause to be transferred, from the Florida
876 Retirement System Trust Fund to the member's account the excess,
877 if any, of the recomputed amount over the previously transferred
878 amount together with interest from the initial date of transfer
879 to the date of transfer under this subparagraph, based upon the
880 effective annual interest equal to the assumed return on the
881 actuarial investment which was used in the most recent actuarial
882 valuation of the system, compounded annually.

883 b. Transfer, or cause to be transferred, from the member's
884 account to the Florida Retirement System Trust Fund the excess,
885 if any, of the previously transferred amount over the recomputed
886 amount, together with interest from the initial date of transfer
887 to the date of transfer under this subparagraph, based upon 6
888 percent effective annual interest, compounded annually, pro rata
889 based on the member's allocation plan.

890 3. If contribution adjustments are made as a result of
891 employer errors or corrections, including plan corrections,

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892 following recomputation of the amount transferred under
893 subparagraph 1., the member is entitled to the additional
894 contributions or is responsible for returning any excess
895 contributions resulting from the correction. However, a return
896 of such erroneous excess pretax contribution by the plan must be
897 made within the period allowed by the Internal Revenue Service.
898 The present value of the member's accumulated benefit obligation
899 may not be recalculated.

900 4. As directed by the member, the state board shall
901 transfer or cause to be transferred the appropriate amounts to
902 the designated accounts within 30 days after the effective date
903 of the member's participation in the investment plan unless the
904 major financial markets for securities available for a transfer
905 are seriously disrupted by an unforeseen event that causes the
906 suspension of trading on a national securities exchange in the
907 country where the securities were issued. In that event, the 30-
908 day period may be extended by a resolution of the state board.
909 Transfers are not commissionable or subject to other fees and
910 may be in the form of securities or cash, as determined by the
911 state board. Such securities are valued as of the date of
912 receipt in the member's account.

913 5. If the state board or the division receives notification
914 from the United States Internal Revenue Service that this
915 paragraph or any portion of this paragraph will cause the
916 retirement system, or a portion thereof, to be disqualified for
917 tax purposes under the Internal Revenue Code, the portion that
918 will cause the disqualification does not apply. Upon such
919 notice, the state board and the division shall notify the
920 presiding officers of the Legislature.

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

923 121.71 Uniform rates; process; calculations; levy.—

924 (4) Required employer retirement contribution rates for
 925 each membership class and subclass of the Florida Retirement
 926 System for both retirement plans are as follows:
 927

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2023</u> 2022
928 Regular Class	<u>6.73%</u> 5.96%
929 Special Risk Class	<u>18.66%</u> 16.44%
930 Special Risk Administrative Support Class	<u>11.54%</u> 10.77%
931 Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>10.45%</u> 9.31%

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933	Elected Officers' Class— Justices, Judges	<u>14.90%</u> 14.41%
934	Elected Officers' Class— County Elected Officers	<u>12.39%</u> 11.30%
935	Senior Management Service Class	<u>8.56%</u> 7.70%
936	DROP	<u>8.49%</u> 7.79%

937
938
939 (5) In order to address unfunded actuarial liabilities of
940 the system, the required employer retirement contribution rates
941 for each membership class and subclass of the Florida Retirement
942 System for both retirement plans are as follows:

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2023</u> 2022	
944 945	Regular Class	<u>4.78%</u> 4.23%
946	Special Risk Class	<u>11.95%</u> 9.67%

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947	Special Risk Administrative Support Class	<u>26.22%</u> 26.16%
948	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>50.21%</u> 56.76%
949	Elected Officers' Class— Justices, Judges	<u>27.93%</u> 27.64%
950	Elected Officers' Class— County Elected Officers	<u>44.23%</u> 43.98%
951	Senior Management Service Class	<u>23.90%</u> 22.15%
952	DROP	<u>10.64%</u> 9.15%

953
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955 Section 11. Effective July 1, 2023, subsection (6) of
956 section 121.72, Florida Statutes, is amended, and subsection (7)
957 is added to that section, to read:

958 121.72 Allocations to investment plan member accounts;
959 percentage amounts.—

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960 (6) Effective July 1, 2022, through June 30, 2023,
 961 allocations from the Florida Retirement System Contributions
 962 Clearing Trust Fund to investment plan member accounts are as
 963 follows:

964
 965

Membership Class	Percentage of Gross Compensation
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966

967

Regular Class	9.30%
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968

Special Risk Class	17.00%
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969

Special Risk Administrative Support Class	10.95%
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Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	12.38%
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971

Elected Officers' Class— Justices, Judges	16.23%
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972

Elected Officers' Class—	14.34%
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County Elected Officers
Senior Management Service
Class 10.67%

(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>

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<u>Elected Officers' Class-</u>	
<u>Justices, Judges</u>	<u>18.23%</u>
<u>Elected Officers' Class-</u>	
<u>County Elected Officers</u>	<u>16.34%</u>
<u>Senior Management Service</u>	
<u>Class</u>	<u>12.67%</u>

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

121.73 Allocations for member disability coverage; percentage amounts.—

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

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

(3) Effective July 1, 2002, allocations from the Florida Retirement System Contributions Clearing Trust Fund to provide

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1009 disability coverage for members in the investment plan, and to
 1010 offset the costs of administering said coverage, are as follows:

1011
 1012

Membership Class	Percentage of Gross Compensation
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1013

Regular Class	0.25%
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Special Risk Class	<u>1.85%</u> 1.33%
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1016

Special Risk Administrative Support Class	0.45%
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1017

Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	0.41%
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1018

Elected Officers' Class— Justices, Judges	0.73%
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1019

Elected Officers' Class— County Elected Officers	0.41%
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Senior Management Service
Class

0.26%

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

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

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

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

(3) 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:

Membership Class	Percentage of Gross Compensation
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1045	Regular Class	0.05%
1046	Special Risk Class	<u>1.26%</u> 1.21%
1047	Special Risk Administrative Support Class	0.03%
1048	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	0.15%
1049	Elected Officers' Class— Justices, Judges	0.09%
1050	Elected Officers' Class— County Elected Officers	0.20%
1051	Senior Management Service Class	0.05%

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1054 Section 14. The Legislature finds that a proper and
1055 legitimate state purpose is served when employees, officers, and
1056 retirees of the state and its political subdivisions, and the
1057 dependents, survivors, and beneficiaries of such employees,

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1058 officers, and retirees, are extended the basic protections
1059 afforded by governmental retirement systems. These persons must
1060 be provided benefits that are fair and adequate and that are
1061 managed, administered, and funded in an actuarially sound manner
1062 as required by s. 14, Article X of the State Constitution and
1063 part VII of chapter 112, Florida Statutes. Therefore, the
1064 Legislature determines and declares that this act fulfills an
1065 important state interest.

1066 Section 15. Except as otherwise provided in this act, this
1067 act shall take effect upon becoming a law.