

Joe Negron President of the Senate

THE FLORIDA LEGISLATURE



Richard Corcoran Speaker of the House of Representatives

May 05, 2017

The Honorable Joe Negron President of the Senate

The Honorable Richard Corcoran Speaker, House of Representatives

Dear Mr. President and Mr. Speaker:

Your Conference Committee on the disagreeing votes of the two houses on SB 7022, same being:

An act relating to State-administered Retirement Systems.

having met, and after full and free conference, do recommend to their respective houses as follows:

- 1 That the House of Representatives recede from its Amendment 777087.
- 2 That the Senate and House of Representatives adopt the Conference Committee Amendment attached hereto, and by reference made a part of this report.

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Senator Jack Latvala, Chair	Senator Anitere Flores, Vice Chair
Senator Dennis Baxley, At Large	Senator Aaron Bean
Senator Lizbeth Benacquisto, At Large	Senator Lauren Book
Senator Randolph Bracy	Senator Rob Bradley, At Large
Senator Jeff Brandes	Senator Oscar Braynon II, At Large
Senator Doug Broxson	Senator Daphne Campbell
Senator Jeff Clemens, At Large	Senator Gary M. Farmer Jr.
Senator George B. Gainer	Senator Bill Galvano, At Large
Senator Rene Garcia	Senator Audrey Gibson
Senator Denise Grimsley, At Large	Senator Travis Hutson
Senator Tom Lee	Senator Debbie Mayfield
Senator Bill Montford, At Large	Senator Kathleen Passidomo
Senator Keith Perry	Senator Bobby Powell
Senator Kevin J. Rader	Senator Jose Javier Rodriguez
Senator Darryl Ervin Rouson	Senator David Simmons
Senator Wilton Simpson, At Large	Senator Kelli Stargel
Senator Linda Stewart	Senator Perry E. Thurston Jr.
Senator Victor M. Torres Jr.	Senator Dana D. Young

Conferees on the part of the Senate

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Representative Carlos Trujillo, Chair	Representative Lori Berman, At Large
Representative Michael Bileca, At Large	Representative Jim Boyd, At Large
Representative Matt Caldwell, At Large	Representative Janet Cruz, At Large
Representative W. Travis Cummings, At Large	Representative Jose Felix Diaz, At Large
Representative Bobby B. DuBose, At Large	Representative Kionne L. McGhee, At Large
Representative Larry Metz, At Large	Representative George R. Moraitis Jr., At Large
Representative Jared Evan Moskowitz, At Large	Representative Jeanette M. Nuñez, At Large
Representative Jose R. Oliva, At Large	Representative Chris Sprowls, At Large
Representative Cynthia A. Stafford, At Large	Representative Richard Stark, At Large

Managers on the part of the House of Representatives

SUMMARY OF CONFERENCE COMMITTEE ACTION

May 05, 2017

The Conference Committee Amendment for SB 7022, relating to public employees, makes the following substantial changes:

- Amends provisions of the State Group Health Insurance Program (Program).
 - For plan year 2020 and thereafter, the Department of Management Services (DMS) must offer four health insurance coverage levels of at least a certain actuarial value under the Program as follows: Platinum 90 percent, Gold 80 percent, Silver 70 percent, and Bronze 60 percent. If the state's contribution is more than the premium cost of the health plan selected by the employee, the bill specifies that the employee will be permitted to allocate unused state health insurance contributions to other benefits or as salary. The DMS must recommend contribution policies and employee education strategies regarding the coverage levels and other benefit alternatives.
 - Beginning with plan year 2018, the DMS is authorized to procure new types of health care products and services. For plan year 2018, the DMS must contract with an entity to provide enrollees with an online cost comparison for health care services and providers and at least one entity that provides comprehensive pricing and inclusive services for surgery and other medical procedures. Enrollees may access these services and share in any savings to the plan. The DMS must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on certain criteria, including cost-savings to both enrollees and the state resulting from implementation of the Internet-based platform and the comprehensive services.
 - The DMS must competitively procure an independent benefits consultant to assist the agency in developing a plan for implementation of the new benefit levels in the Program. This plan must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2019.
 - By October 1, 2017, the DMS must calculate alternative premium rates that reflect the differences in costs to the Program for each of the health maintenance organizations and the preferred provider organization plan options for the 2018 plan year.
 - For Plan Year 2019, the DMS must determine and recommend premiums for enrollees that reflect the differences in costs to the Program for each of the health maintenance organizations and the preferred provider organization plan options. The premium rate for the employers used in this report will be the premiums established in the general appropriations act for fiscal year 2018-2019.
 - The bill appropriates \$151,216 in recurring funds and \$507,546 in nonrecurring funds from the State Employees Health Insurance Trust Fund to DMS and authorizes 2 full-time equivalent positions and \$120,000 of associated salary rate for the 2017-2018 fiscal year to implement the act.
- Amends the Florida Retirement System (FRS).
 - Renewed membership is permitted in the investment plan or one of the optional annuity retirement plans for certain former participants of those plans;
 - The survivor benefit for investment plan members killed in the line of duty was expanded to include all members of the investment plan and made the provisions, including those pertaining to the Special Risk Class, retroactive to 2002;
 - The Senior Management Service Optional Annuity Program is closed to new members
 - The default for members failing to elect participation in either the pension plan or the investment plan is set to:
 - The pension plan for enrollees in positions within the Special Risk Class; and
 - The investment plan for all other members.

- \circ The period allowed to initially select a plan in which to participate is extended by 3 months.
- The employer contribution rates are increased to fund FRS's normal costs and unfunded actuarial liability and the costs of the new benefits offered under this legislation.
- Provides pay adjustments to state employees and officers for the 2017-2018 fiscal year.

	Issue	Description
1	State Employee Pay Issue	\$1,400 for under \$40k, \$1,000 for over \$40K - All other
		Senate pay issues are in lieu of this statewide issue, other
		than the DVA Nurses Issue. Effective 10/1
2	Correctional Officer Pay	Minimum salary increase for the Correctional Officer
	Issue	Series:
		Correctional Officer: \$30,926 to \$33,500
		Correctional Officer Sergeant: \$32,783 to \$36,850
		Correctional Officer Lieutenant: \$35,061 to \$40,535
		Correctional Officer Captain: \$37,576 to \$44,589
		Current officers below the new minimum salary will be
		brought up to the new minimum. All current officers will get at least a \$2,500 increase. Effective 10/1
3	State Law Enforcement	5% for sworn law enforcement officers in career service
5	Officer Pay Issue	and state attorney offices. Effective 7/1
4	Judges – 10 percent increase	10% Pay Increase, effective 10/1
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		DCA Judge: \$154,140 to \$169,554
		Circuit Judge: \$146,080 to \$160,688
		County Judge: \$138,020 to \$151,822
5	State Attorney and Public	Elected State Attorneys and Public Defenders salaries
	Defenders – 10 percent	increase from \$154,140 to \$169,554, Effective 10/1
	increase	
6	Regional Conflict Counsels	Increase salary from \$105,000 to \$115,000. Effective
	~ · · · · · · · ·	10/1
7	Guardian Ad Litem Pay Issue	\$5,000 pay increase for certain child advocacy positions.
		\$3,000 pay increase for program attorneys. Effective
0	Legal Affairs Day Lowe	10/1
8	Legal Affairs Pay Issue	Increase minimum salary for Attorney - Assistant Attorney General Class from \$39,150 to \$43,900.
		\$6,000 increase for Assistant Attorney General Class
		(with 2 or more years of experience).
		\$3,000 increase for multiple classes of senior level
		attorneys (with 2 or more years of experience).
		Effective 10/1
9	DVA Certified Nursing	Approximately \$2,000 increase for Certified Nurse
	Assistants Pay Issue	Assistants and Therapy Aides employed by the
		Department of Veteran Affairs. Effective 7/1
	Other Pay issues	
10	Correctional Officer Pay	10% special duties additive for certified correctional
	Additives	officers assigned to mental health unit posts. \$1,000

	hiring bonus for institutions with vacancy rate that
	exceeds 10% during the preceding calendar quarter.

The bill appropriates \$109.7 million from the General Revenue Fund and \$73.4 million from various state trust funds to implement the salary increases.