



553906

LEGISLATIVE ACTION

Senate	.	House
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Floor: AD/CR	.	Floor: C
06/19/2015 03:48 PM	.	06/19/2015 06:39 PM
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The Conference Committee on SB 2512-A recommended the following:

1           **Senate Conference Committee Amendment (with title**  
2 **amendment)**

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4           Delete everything after the enacting clause  
5 and insert:

6           Section 1. Paragraph (i) is added to subsection (8) of  
7 section 112.363, Florida Statutes, to read:

8           112.363 Retiree health insurance subsidy.—

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

11           (i) Beginning July 1, 2015, the employer of each member of



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12 a state-administered plan shall contribute 1.66 percent of gross  
13 compensation each pay period.

14  
15 Such contributions shall be submitted to the Department of  
16 Management Services and deposited in the Retiree Health  
17 Insurance Subsidy Trust Fund.

18 Section 2. Paragraph (d) of subsection (7) of section  
19 121.052, Florida Statutes, is amended to read:

20 121.052 Membership class of elected officers.—

21 (7) CONTRIBUTIONS.—

22 (d) The following table states the required employer  
23 contribution on behalf of each member of the Elected Officers'  
24 Class in terms of a percentage of the member's gross  
25 compensation. Such contribution constitutes the entire health  
26 insurance subsidy contribution with respect to each such member.  
27 A change in the contribution rate is effective with the first  
28 salary paid on or after the beginning date of the change. The  
29 retiree health insurance subsidy contribution rate is as  
30 follows:

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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%

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34  
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36	January 1, 1995, through June 30, 1998	0.66%
37	July 1, 1998, through June 30, 2001	0.94%
38	July 1, 2001, through June 30, 2013	1.11%
39	July 1, 2013, through June 30, 2014	1.20%
40	<u>Effective July 1, 2014, through June 30,</u>	1.26%
	<u>2015</u>	
41	<u>Effective July 1, 2015</u>	<u>1.66%</u>

42  
43 Such contributions and accompanying payroll data are due and  
44 payable no later than the 5th working day of the month  
45 immediately following the month during which the payroll period  
46 ended and shall be deposited by the administrator in the Retiree  
47 Health Insurance Subsidy Trust Fund.

48 Section 3. Paragraph (d) of subsection (3) of section  
49 121.055, Florida Statutes, is amended to read:

50 121.055 Senior Management Service Class.—There is hereby  
51 established a separate class of membership within the Florida  
52 Retirement System to be known as the "Senior Management Service  
53 Class," which shall become effective February 1, 1987.

54 (3)

55 (d) The following table states the required employer  
56 contribution on behalf of each member of the Senior Management  
57 Service Class in terms of a percentage of the member's gross



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58 compensation. Such contribution constitutes the entire health  
59 insurance subsidy contribution with respect to each such member.  
60 A change in the contribution rate is effective with the first  
61 salary paid on or after the beginning date of the change. The  
62 retiree health insurance subsidy contribution rate is as  
63 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%
July 1, 1998, through June 30, 2001	0.94%
July 1, 2001, through June 30, 2013	1.11%
July 1, 2013, through June 30, 2014	1.20%
<u>Effective July 1, 2014, through June 30,</u> <u>2015</u>	1.26%



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75

Effective July 1, 2015

1.66%

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

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

84 121.071 Contributions.—Contributions to the system shall be  
85 made as follows:

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

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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%

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99	January 1, 1994, through December 31, 1994	0.56%
100	January 1, 1995, through June 30, 1998	0.66%
101	July 1, 1998, through June 30, 2001	0.94%
102	July 1, 2001, through June 30, 2013	1.11%
103	July 1, 2013, through June 30, 2014	1.20%
104	<del>Effective</del> July 1, 2014, through June 30, 2015	1.26%
105	<u>Effective July 1, 2015</u>	<u>1.66%</u>
106		
107	Such contributions shall be deposited by the administrator in	
108	the Retiree Health Insurance Subsidy Trust Fund.	
109	Section 5. Subsections (4) and (5) of section 121.71,	
110	Florida Statutes, are amended to read:	
111	121.71 Uniform rates; process; calculations; levy.—	
112	(4) Required employer retirement contribution rates for	
113	each membership class and subclass of the Florida Retirement	
114	System for both retirement plans are as follows:	
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116	Membership Class	Percentage of Gross Compensation,



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	Effective	
	July 1, <u>2015</u>	<del>2014</del>
117		
118		
119	Regular Class	<u>2.91%</u> <del>3.53%</del>
120	Special Risk Class	<u>11.35%</u> <del>11.01%</del>
	Special Risk	<u>3.71%</u> <del>4.18%</del>
	Administrative	
	Support Class	
121	Elected Officers' Class--	<u>6.48%</u> <del>6.30%</del>
	Legislators, Governor,	
	Lt. Governor,	
	Cabinet Officers,	
	State Attorneys,	
	Public Defenders	
122	Elected Officers' Class--	<u>11.39%</u> <del>10.10%</del>
	Justices, Judges	
123	Elected Officers' Class--	<u>8.48%</u> <del>8.36%</del>
	County Elected Officers	
124	Senior Management Class	<u>4.32%</u> <del>4.80%</del>
125	DROP	<u>4.10%</u> <del>4.30%</del>



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126  
127 (5) In order to address unfunded actuarial liabilities of  
128 the system, the required employer retirement contribution rates  
129 for each membership class and subclass of the Florida Retirement  
130 System for both retirement plans are as follows:  
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Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2015</u> <del>2014</del>
Regular Class	<u>2.65%</u> <del>2.54%</del>
Special Risk Class	<u>8.99%</u> <del>7.51%</del>
Special Risk Administrative Support Class	<u>27.54%</u> <del>36.59%</del>
Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>37.62%</u> <del>38.66%</del>



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Elected Officers' Class- 22.62% ~~21.77%~~  
Justices, Judges

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Elected Officers' Class- 32.09% ~~33.58%~~  
County Elected Officers

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Senior Management Service Class 15.41% ~~15.04%~~

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DROP 7.12% ~~6.72%~~

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Section 6. 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, as required by s. 14, Article X of the State Constitution and part VII of chapter 112, Florida Statutes. Therefore, the Legislature determines and declares that this act fulfills an important state interest.

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Section 7. 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 that provide fair



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161 and adequate benefits, including health insurance subsidies, and  
162 that are managed, administered, and funded in a sustainable  
163 manner. Therefore, the Legislature determines and declares that  
164 this act fulfills an important state interest.

165 Section 8. If any law amended by this act was also amended  
166 by a law enacted during the 2015 Regular Session of the  
167 Legislature, such laws shall be construed as if enacted during  
168 the same session of the Legislature, and full effect shall be  
169 given to each if possible.

170 Section 9. Except as otherwise expressly provided in this  
171 act and except for this section, which shall take effect upon  
172 becoming a law, this act shall take effect July 1, 2015, or, if  
173 this act fails to become a law until after that date, it shall  
174 take effect upon becoming a law and operate retroactively to  
175 July 1, 2015.

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

178 And the title is amended as follows:

179 Delete everything before the enacting clause  
180 and insert:

181 A bill to be entitled  
182 An act relating to employer contributions to fund  
183 retiree benefits; amending ss. 112.363, 121.052,  
184 121.055, and 121.071, F.S.; revising the employer  
185 contribution rates for the retiree health insurance  
186 subsidy; amending s. 121.71, F.S.; revising the  
187 required employer retirement contribution rates for  
188 members of each membership class and subclass of the  
189 Florida Retirement System; providing findings of an



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190 important state interest; providing for construction  
191 of the act in pari materia with laws enacted during  
192 the 2015 Regular Session of the Legislature; providing  
193 for contingent retroactive operation; providing  
194 effective dates.