	20152512Aer
1	
2	An act relating to employer contributions to fund
3	retiree benefits; amending ss. 112.363, 121.052,
4	121.055, and 121.071, F.S.; revising the employer
5	contribution rates for the retiree health insurance
6	subsidy; amending s. 121.71, F.S.; revising the
7	required employer retirement contribution rates for
8	members of each membership class and subclass of the
9	Florida Retirement System; providing findings of an
10	important state interest; providing for construction
11	of the act in pari materia with laws enacted during
12	the 2015 Regular Session of the Legislature; providing
13	for contingent retroactive operation; providing
14	effective dates.
15	
16	Be It Enacted by the Legislature of the State of Florida:
17	
18	Section 1. Paragraph (i) is added to subsection (8) of
19	section 112.363, Florida Statutes, to read:
20	112.363 Retiree health insurance subsidy
21	(8) CONTRIBUTIONS.—For purposes of funding the insurance
22	subsidy provided by this section:
23	(i) Beginning July 1, 2015, the employer of each member of
24	a state-administered plan shall contribute 1.66 percent of gross
25	compensation each pay period.
26	
27	Such contributions shall be submitted to the Department of
28	Management Services and deposited in the Retiree Health
29	Insurance Subsidy Trust Fund.

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ENROLLED 2015 Legislature

SB 2512-A, 1st Engrossed

20152512Aer 30 Section 2. Paragraph (d) of subsection (7) of section 31 121.052, Florida Statutes, is amended to read: 32 121.052 Membership class of elected officers.-33 (7) CONTRIBUTIONS.-(d) The following table states the required employer 34 contribution on behalf of each member of the Elected Officers' 35 36 Class in terms of a percentage of the member's gross 37 compensation. Such contribution constitutes the entire health 38 insurance subsidy contribution with respect to each such member. 39 A change in the contribution rate is effective with the first salary paid on or after the beginning date of the change. The 40 41 retiree health insurance subsidy contribution rate is as 42 follows: 43 44 Dates of Contribution Contribution Rate Changes Rate 45 October 1, 1987, through December 31, 1988 0.24% 46 January 1, 1989, through December 31, 1993 0.48% 47 January 1, 1994, through December 31, 1994 0.56% 48 January 1, 1995, through June 30, 1998 0.66% 49 July 1, 1998, through June 30, 2001 0.94% 50 July 1, 2001, through June 30, 2013 1.11%

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1		20152512Aer
51		
	July 1, 2013, through June 30, 2014	1.20%
52		
	Effective July 1, 2014, through June 30,	1.26%
	2015	
53		
	Effective July 1, 2015	1.66%
54		
55	Such contributions and accompanying payroll data are due and	
56	payable no later than the 5th working day of	the month
57	immediately following the month during which	the payroll period
58	ended and shall be deposited by the administr	ator in the Retiree
59	Health Insurance Subsidy Trust Fund.	
60	Section 3. Paragraph (d) of subsection (3) of section
61	121.055, Florida Statutes, is amended to read	:
62	121.055 Senior Management Service ClassThere is hereby	
63	established a separate class of membership wi	thin the Florida
64	Retirement System to be known as the "Senior D	Management Service
65	Class," which shall become effective February	1, 1987.
66	(3)	
67	(d) The following table states the requi	red employer
68	contribution on behalf of each member of the	Senior Management
69	Service Class in terms of a percentage of the	-
70	compensation. Such contribution constitutes t	
71	insurance subsidy contribution with respect to	
72	A change in the contribution rate is effective	
73	salary paid on or after the beginning date of	-
74	retiree health insurance subsidy contribution	rate is as
75	follows:	

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I		20132312Ae
76		
77		
	Dates of Contribution	Contribution
	Rate Changes	Rate
78		
79		
	October 1, 1987, through December 31, 1988	0.24%
80		
	January 1, 1989, through December 31, 1993	0.48%
81		
	January 1, 1994, through December 31, 1994	0.56%
82		
	January 1, 1995, through June 30, 1998	0.66%
83		
	July 1, 1998, through June 30, 2001	0.94%
84		
	July 1, 2001, through June 30, 2013	1.11%
85		
	July 1, 2013, through June 30, 2014	1.20%
86		
	Effective July 1, 2014, through June 30,	1.26%
	2015	
87		
_	Effective July 1, 2015	1.66%
88		
89	Such contributions and accompanying payroll da	ata are due and
90	payable no later than the 5th working day of t	
91	immediately following the month during which t	
- ±	dating the monon dating which t	portour portou
	Dago 4 of 10	

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20152512Aer 92 ended and shall be deposited by the administrator in the Retiree 93 Health Insurance Subsidy Trust Fund. 94 Section 4. Subsection (4) of section 121.071, Florida 95 Statutes, is amended to read: 121.071 Contributions.-Contributions to the system shall be 96 97 made as follows: 98 (4) The following table states the required employer 99 contribution on behalf of each member of the Regular Class, 100 Special Risk Class, or Special Risk Administrative Support Class 101 in terms of a percentage of the member's gross compensation. Such contribution constitutes the entire health insurance 102 subsidy contribution with respect to each such member. A change 103 in the contribution rate is effective with the first salary paid 104 105 on or after the beginning date of the change. The retiree health insurance subsidy contribution rate is as follows: 106 107 108 Dates of Contribution Contribution Rate Changes Rate 109 October 1, 1987, through December 31, 1988 0.24% 110 January 1, 1989, through December 31, 1993 0.48% 111 January 1, 1994, through December 31, 1994 0.56% 112 January 1, 1995, through June 30, 1998 0.66% 113 July 1, 1998, through June 30, 2001 0.94%

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I		20152512Aer
114		
	July 1, 2001, through June 30, 2013	1.11%
115		
	July 1, 2013, through June 30, 2014	1.20%
116		
	Effective July 1, 2014, through June 3	<u>30,</u> 1.26%
	2015	
117		
	Effective July 1, 2015	<u>1.66%</u>
118		
119	Such contributions shall be deposited	
120	the Retiree Health Insurance Subsidy T	
121	Section 5. Subsections (4) and (5) of section 121./1,
122	Florida Statutes, are amended to read:	laulationat laur
123 124	121.71 Uniform rates; process; ca	
124	(4) Required employer retirement contribution rates for	
126	-	
127	System for both retrement plans are a	5 10110005.
128		
	Membership Class	Percentage of
	1	Gross
		Compensation,
		Effective
		July 1, <u>2015</u> 2014
129		
130		
	Regular Class	<u>2.91%</u> 3.53%
I		

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20152512Aer 131 Special Risk Class 11.35% 11.01% 132 Special Risk 3.71% 4.18% Administrative Support Class 133 Elected Officers' Class-6.48% 6.30% Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders 134 Elected Officers' Class-11.39% 10.10% Justices, Judges 135 Elected Officers' Class-8.48% 8.36% County Elected Officers 136 4.32% 4.80% Senior Management Class 137 DROP 4.10% 4.30% 138 139 (5) In order to address unfunded actuarial liabilities of the system, the required employer retirement contribution rates 140 141 for each membership class and subclass of the Florida Retirement System for both retirement plans are as follows: 142 143

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		20152512Aer
144		
	Membership Class	Percentage of
		Gross
		Compensation,
		Effective
		July 1, <u>2015</u> 2014
145		
146		
	Regular Class	<u>2.65%</u> 2.54%
147		
	Special Risk Class	<u>8.99%</u> 7.51%
148		
	Special Risk	27.54% 36.59%
	Administrative	
	Support Class	
149		
	Elected Officers' Class-	<u>37.62%</u> 38.66%
	Legislators, Governor,	
	Lt. Governor,	
	Cabinet Officers,	
	State Attorneys,	
	Public Defenders	
150		
	Elected Officers' Class-	<u>22.62%</u> 21.77%
	Justices, Judges	
151		
	Elected Officers' Class-	<u>32.09%</u> 33.58%
	County Elected Officers	

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20152512Aer 152 Senior Management Service Class 15.41% 15.04% 153 DROP 7.12% 6.72% 154 155 Section 6. The Legislature finds that a proper and 156 legitimate state purpose is served when employees, officers, and 157 retirees of the state and its political subdivisions, and the 158 dependents, survivors, and beneficiaries of such employees, officers, and retirees, are extended the basic protections 159 160 afforded by governmental retirement systems. These persons must be provided benefits that are fair and adequate and that are 161 162 managed, administered, and funded in an actuarially sound 163 manner, as required by s. 14, Article X of the State 164 Constitution and part VII of chapter 112, Florida Statutes. 165 Therefore, the Legislature determines and declares that this act 166 fulfills an important state interest. 167 Section 7. The Legislature finds that a proper and 168 legitimate state purpose is served when employees, officers, and retirees of the state and its political subdivisions, and the 169 dependents, survivors, and beneficiaries of such employees, 170 171 officers, and retirees, are extended the basic protections 172 afforded by governmental retirement systems that provide fair 173 and adequate benefits, including health insurance subsidies, and 174 that are managed, administered, and funded in a sustainable manner. Therefore, the Legislature determines and declares that 175 176 this act fulfills an important state interest. 177 Section 8. If any law amended by this act was also amended 178 by a law enacted during the 2015 Regular Session of the

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179	Legislature, such laws shall be construed as if enacted during
180	the same session of the Legislature, and full effect shall be
181	given to each if possible.
182	Section 9. Except as otherwise expressly provided in this
183	act and except for this section, which shall take effect upon
184	becoming a law, this act shall take effect July 1, 2015, or, if
185	this act fails to become a law until after that date, it shall
186	take effect upon becoming a law and operate retroactively to
187	July 1, 2015.

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