

1 A bill to be entitled
 2 An act relating to cost-of-living adjustment of
 3 retirement benefits; amending s. 121.101, F.S.;
 4 revising how the cost-of-living adjustment of benefits
 5 for certain retirees and beneficiaries is calculated;
 6 providing a declaration of important state interest;
 7 providing an effective date.

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9 Be It Enacted by the Legislature of the State of Florida:

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11 Section 1. Subsection (5) of section 121.101, Florida
 12 Statutes, is amended, and subsection (3) of that section is
 13 republished, to read:

14 121.101 Cost-of-living adjustment of benefits.—

15 (3) Commencing July 1, 1987, the benefit of each retiree
 16 and annuitant whose effective retirement date is before July 1,
 17 2011, shall be adjusted annually on July 1 as follows:

18 (a) For those retirees and annuitants who have never
 19 received a cost-of-living adjustment under this section, the
 20 amount of the monthly benefit payable for the 12-month period
 21 commencing on the adjustment date shall be the amount of the
 22 member's initial benefit plus an amount equal to a percentage of
 23 the member's initial benefit; this percentage is derived by
 24 dividing the number of months the member has received an initial
 25 benefit by 12, and multiplying the result by 3.

26 (b) For those retirees and annuitants who have received a
27 cost-of-living adjustment under this subsection, the adjusted
28 monthly benefit shall be the amount of the monthly benefit being
29 received on June 30 immediately preceding the adjustment date
30 plus an amount equal to 3 percent of this benefit.

31 (5) Notwithstanding subsection (4), beginning July 1,
32 2024, and each July 1 thereafter, the cost-of-living benefit of
33 each retiree and annuitant shall be adjusted subject to the
34 availability of funding and the Legislature enacting sufficient
35 employer contributions specifically for the purpose of funding
36 the expiration of the cost-of-living adjustment specified in
37 subsection (4), in accordance with s. 14, Art. X of the State
38 Constitution, the cost-of-living adjustment formula provided for
39 in subsection (4) shall expire effective June 30, 2016, and the
40 benefit of each retiree and annuitant shall be adjusted on each
41 July 1 thereafter, as provided in subsection (3).

42 Section 2. The Legislature finds that a proper and
43 legitimate state purpose is served when employees and retirees
44 of the state and its political subdivisions, and the dependents,
45 survivors, and beneficiaries of such employees and retirees, are
46 extended the basic protections afforded by governmental
47 retirement systems that provide fair and adequate benefits and
48 that are managed, administered, and funded in an actuarially
49 sound manner as required by s. 14, Art. X of the State
50 Constitution and part VII of chapter 112, Florida Statutes.

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51 Therefore, the Legislature determines and declares that this act
52 fulfills an important state interest.

53 Section 3. This act shall take effect July 1, 2024.