



## **Appropriations Conference Chairs**

### **House Offer #1**

**HB 5007/SB 7018  
State Retirement Systems**

**Wednesday, April 21, 2021  
412 Knott Building**

**Senate Appropriations Committee / House Appropriations Committee**  
**Fiscal Year 2021-22**  
**State Administered Retirement Systems - Senate Bill 7018/ House Bill 5007**

Item	Issue	SB 7018	HB 5007	Original	House Offer #1
1	Employer Contribution Rates	Revises required employer retirement contribution rates for each membership class & subclass of Florida Retirement System. The bill establishes the employer contribution rates for the normal costs and the unfunded actuarial liability (UAL) of the FRS, as determined by the July 1, 2020 Annual Valuation, necessary to adequately fund the program.	Revises required employer retirement contribution rates for each membership class & subclass of Florida Retirement System. The bill establishes the employer contribution rates for the normal costs and the unfunded actuarial liability (UAL) of the FRS, as determined by the July 1, 2020 Annual Valuation, necessary to adequately fund the program.	Identical	
2	Reduction of the Retiree Insurance Subsidy Contribution	Reduces the contributions paid by employers participating in the retiree health insurance subsidy program from 1.66% to 1.5%.			House - No Language

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A bill to be entitled  
An act relating to state-administered retirement systems; amending s. 121.71, F.S.; revising required employer retirement contribution rates for each membership class and subclass of the Florida Retirement System; providing a declaration of important state interest; providing an effective date.

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

Section 1. Subsections (4) and (5) of section 121.71, Florida Statutes, are amended to read:

121.71 Uniform rates; process; calculations; levy.—

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

	Percentage of Gross Compensation, Effective
Membership Class	July 1, <u>2021</u> <del>2020</del>

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20	Regular Class	<u>4.91%</u> <del>4.84%</del>
21	Special Risk Class	<u>15.27%</u> <del>15.13%</del>
22	Special Risk Administrative Support Class	<u>9.73%</u> <del>9.89%</del>
23	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>8.49%</u> <del>8.38%</del>
24	Elected Officers' Class— Justices, Judges	<u>13.38%</u> <del>13.31%</del>
25	Elected Officers' Class— County Elected Officers	<u>10.28%</u> <del>10.07%</del>
26	Senior Management Class	<u>6.49%</u> <del>6.39%</del>
27	DROP	<u>7.23%</u> <del>7.03%</del>

28 (5) In order to address unfunded actuarial liabilities of  
 29 the system, the required employer retirement contribution rates  
 30 for each membership class and subclass of the Florida Retirement  
 31 System for both retirement plans are as follows:  
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Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2021</u> <del>2020</del>
Regular Class	<u>4.19%</u> <del>3.44%</del>
Special Risk Class	<u>8.90%</u> <del>7.60%</del>
Special Risk Administrative Support Class	<u>26.31%</u> <del>24.23%</del>
Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers,	<u>53.52%</u> <del>48.81%</del>

38	State Attorneys, Public Defenders		
39	Elected Officers' Class— Justices, Judges	<u>25.81%</u>	<del>24.70%</del>
40	Elected Officers' Class— County Elected Officers	<u>39.42%</u>	<del>37.39%</del>
41	Senior Management Service Class	<u>20.80%</u>	<del>19.18%</del>
42	DROP	<u>9.45%</u>	<del>8.29%</del>
43	Section 2. <u>The Legislature finds that a proper and</u>		
44	<u>legitimate state purpose is served when employees, officers, and</u>		
45	<u>retirees of the state and its political subdivisions, and the</u>		
46	<u>dependents, survivors, and beneficiaries of such employees,</u>		
47	<u>officers, and retirees, are extended the basic protections</u>		
48	<u>afforded by governmental retirement systems. These persons must</u>		
49	<u>be provided benefits that are fair and adequate and that are</u>		
50	<u>managed, administered, and funded in an actuarially sound manner</u>		
51	<u>as required by s. 14, Article X of the State Constitution and</u>		
52	<u>part VII of chapter 112, Florida Statutes. Therefore, the</u>		
53	<u>Legislature determines and declares that this act fulfills an</u>		
54	<u>important state interest.</u>		

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55      Section 3. This act shall take effect July 1, 2021.