

1                                   A bill to be entitled  
 2           An act relating to the Florida Retirement System;  
 3           amending s. 121.051, F.S.; providing for compulsory  
 4           membership in the investment plan for employees in the  
 5           Elected Officers' Class initially enrolled after a  
 6           specified date; amending s. 121.052, F.S.; prohibiting  
 7           members of the Elected Officers' Class from joining  
 8           the Senior Management Service Class after a specified  
 9           date; revising the accrual rate for members of the  
 10          Elected Officers' Class; amending s. 121.053, F.S.;  
 11          authorizing renewed membership in the Florida  
 12          Retirement System for retirees who are reemployed in a  
 13          position eligible for the Elected Officers' Class  
 14          under certain circumstances; amending s. 121.055,  
 15          F.S.; prohibiting an elected official eligible for  
 16          membership in the Elected Officers' Class from  
 17          enrolling in the Senior Management Service Class or in  
 18          the Senior Management Service Optional Annuity  
 19          Program; providing for renewed membership in the  
 20          retirement system for retirees of the Senior  
 21          Management Service Optional Annuity Program who are  
 22          reemployed on or after a specified date; closing the  
 23          Senior Management Service Optional Annuity Program to  
 24          new members after a specified date; amending s.  
 25          121.091, F.S.; revising the accrual rate for members

26 | of the Elected Officers' Class; revising criteria for  
 27 | eligibility of payment of death benefits to the  
 28 | surviving children of a Special Risk Class member  
 29 | killed in the line of duty under specified  
 30 | circumstances; conforming a provision to changes made  
 31 | by the act; amending s. 121.122, F.S.; requiring that  
 32 | certain retirees who are reemployed on or after a  
 33 | specified date be renewed members in the investment  
 34 | plan; providing exceptions; specifying that creditable  
 35 | service does not accrue for employment during a  
 36 | specified period; prohibiting certain funds from being  
 37 | paid into a renewed member's investment plan account  
 38 | for a specified period of employment; requiring the  
 39 | renewed member to satisfy vesting requirements;  
 40 | prohibiting a renewed member from receiving specified  
 41 | disability benefits; specifying limitations and  
 42 | requirements; requiring the employer and the retiree  
 43 | to make applicable contributions to the renewed  
 44 | member's investment plan account; providing for the  
 45 | transfer of contributions; authorizing a renewed  
 46 | member to receive additional credit toward the health  
 47 | insurance subsidy under certain circumstances;  
 48 | prohibiting participation in the pension plan;  
 49 | providing that a retiree reemployed on or after a  
 50 | specified date in a regularly established position

51 eligible for the State University System Optional  
52 Retirement Program or State Community College System  
53 Optional Retirement Program is a renewed member of  
54 that program; specifying limitations and requirements;  
55 requiring the employer and the retiree to make  
56 applicable contributions; amending s. 121.4501, F.S.;  
57 requiring certain employees initially enrolled in the  
58 Florida Retirement System on or after a specified date  
59 to be compulsory members of the investment plan;  
60 revising definitions; revising a provision relating to  
61 acknowledgement of an employee's election to  
62 participate in the investment plan; enrolling certain  
63 employees in the pension plan from their date of hire  
64 until they are automatically enrolled in the  
65 investment plan or timely elect enrollment in the  
66 pension plan; conforming provisions to changes made by  
67 the act; revising requirements related to the  
68 education component; amending s. 121.591, F.S.;  
69 authorizing payment of death benefits to the surviving  
70 spouse or surviving children of a member in the  
71 investment plan; establishing qualifications and  
72 eligibility requirements for receipt of such benefits;  
73 prescribing the method of calculating the benefit;  
74 specifying circumstances under which benefit payments  
75 are terminated; amending s. 121.5912, F.S.; revising a

76 provision regarding program qualification under the  
 77 Internal Revenue Code and rulemaking authority, to  
 78 conform to changes made by the act; amending s.  
 79 121.71, F.S.; revising required employer retirement  
 80 contribution rates for each membership class and  
 81 subclass of the Florida Retirement System; amending  
 82 ss. 238.072 and 413.051, F.S.; conforming cross-  
 83 references to changes made by the act; declaring that  
 84 the act fulfills an important state interest;  
 85 providing an effective date.

86  
 87 Be It Enacted by the Legislature of the State of Florida:

88  
 89 Section 1. Subsections (3) through (9) of section 121.051,  
 90 Florida Statutes, are renumbered as subsections (4) through  
 91 (10), respectively, and a new subsection (3) is added to that  
 92 section, to read:

93 121.051 Participation in the system.—

94 (3) INVESTMENT PLAN MEMBERSHIP COMPULSORY.—

95 (a) An employee initially enrolled on or after July 1,  
 96 2018, in a position covered by the Elected Officers' Class is a  
 97 compulsory member of the investment plan, except an employee who  
 98 withdraws from the system under s. 121.052(3)(d). An employee  
 99 initially enrolled in the investment plan before July 1, 2018,  
 100 continues if there is subsequent employment in a position

101 covered by another membership class. Membership in the pension  
 102 plan for an employee initially enrolled on or after July 1,  
 103 2018, is not permitted except as provided in s. 121.591(2) and  
 104 (4). An employee initially enrolled in the Florida Retirement  
 105 System before July 1, 2018, may retain his or her membership in  
 106 the pension plan or investment plan and may use the election  
 107 opportunity specified in s. 121.4501(4) (f). An employee  
 108 initially enrolled on or after July 1, 2018, in a position  
 109 covered by the Elected Officers' Class may not use the election  
 110 opportunity specified in s. 121.4501(4) (f).

111 (b) An employee eligible to withdraw from the system under  
 112 s. 121.052(3) (d) may elect to withdraw from the system or  
 113 participate in the investment plan.

114 Section 2. Paragraph (c) of subsection (3) and subsection  
 115 (10) of section 121.052, Florida Statutes, are amended to read:  
 116 121.052 Membership class of elected officers.—

117 (3) PARTICIPATION AND WITHDRAWAL, GENERALLY.—Effective  
 118 July 1, 1990, participation in the Elected Officers' Class shall  
 119 be compulsory for elected officers listed in paragraphs (2) (a)-  
 120 (d) and (f) assuming office on or after said date, unless the  
 121 elected officer elects membership in another class or withdraws  
 122 from the Florida Retirement System as provided in paragraphs  
 123 (3) (a)-(d):

124 (c) Before July 1, 2018, any elected officer may, within 6  
 125 months after assuming office, or within 6 months after this act

126 becomes a law for serving elected officers, elect membership in  
 127 the Senior Management Service Class as provided in s. 121.055 in  
 128 lieu of membership in the Elected Officers' Class. Any such  
 129 election made by a county elected officer shall have no effect  
 130 upon the statutory limit on the number of nonelective full-time  
 131 positions that may be designated by a local agency employer for  
 132 inclusion in the Senior Management Service Class under s.  
 133 121.055(1)(b)1.

134 (10) ACCRUED SERVICE VALUE.—For creditable years of  
 135 service earned before July 1, 2017, a member of the Elected  
 136 Officers' Class who is a Supreme Court justice, district court  
 137 of appeal judge, circuit judge, or county court judge shall  
 138 receive judicial retirement credit of 3 1/3 percent of average  
 139 final compensation, and all other members shall receive elected  
 140 officer accrual value of 3 percent of average final  
 141 compensation, for each year of creditable service in such class.  
 142 For creditable years of service earned on or after July 1, 2017,  
 143 a member of the Elected Officers' Class shall receive elected  
 144 officer accrual value of 3 percent of the average final  
 145 compensation for each year of creditable service in such class.

146 Section 3. Paragraph (a) of subsection (3) and subsection  
 147 (5) of section 121.053, Florida Statutes, are amended to read:

148 121.053 Participation in the Elected Officers' Class for  
 149 retired members.—

150 (3) On or after July 1, 2010:

151 (a) A retiree of a state-administered retirement system  
 152 who is initially reemployed in ~~elected or appointed for the~~  
 153 ~~first time to~~ an elective office in a regularly established  
 154 position with a covered employer may not reenroll in the Florida  
 155 Retirement System, except as provided in s. 121.122.

156 (5) Any renewed member, as described in s. 121.122(1),  
 157 (3), (4), or (5) ~~subsection (1) or subsection (2)~~, who is not  
 158 receiving the maximum health insurance subsidy provided in s.  
 159 112.363 is entitled to earn additional credit toward the maximum  
 160 health insurance subsidy. Any additional subsidy due because of  
 161 such additional credit may be received only at the time of  
 162 payment of the second career retirement benefit. The total  
 163 health insurance subsidy received from initial and renewed  
 164 membership may not exceed the maximum allowed in s. 112.363.

165 Section 4. Paragraph (f) of subsection (1) and paragraph  
 166 (c) of subsection (6) of section 121.055, Florida Statutes, are  
 167 amended to read:

168 121.055 Senior Management Service Class.—There is hereby  
 169 established a separate class of membership within the Florida  
 170 Retirement System to be known as the "Senior Management Service  
 171 Class," which shall become effective February 1, 1987.

172 (1)

173 (f) Effective July 1, 1997:

174 1. Except as provided in subparagraph 3., an elected state  
 175 officer eligible for membership in the Elected Officers' Class

176 | under s. 121.052(2)(a), (b), or (c) who elects membership in the  
 177 | Senior Management Service Class under s. 121.052(3)(c) may,  
 178 | within 6 months after assuming office or within 6 months after  
 179 | this act becomes a law for serving elected state officers, elect  
 180 | to participate in the Senior Management Service Optional Annuity  
 181 | Program, as provided in subsection (6), in lieu of membership in  
 182 | the Senior Management Service Class.

183 |         2. Except as provided in subparagraph 3., an elected  
 184 | officer of a local agency employer eligible for membership in  
 185 | the Elected Officers' Class under s. 121.052(2)(d) who elects  
 186 | membership in the Senior Management Service Class under s.  
 187 | 121.052(3)(c) may, within 6 months after assuming office, or  
 188 | within 6 months after this act becomes a law for serving elected  
 189 | officers of a local agency employer, elect to withdraw from the  
 190 | Florida Retirement System, as provided in subparagraph (b)2., in  
 191 | lieu of membership in the Senior Management Service Class.

192 |         3. A retiree of a state-administered retirement system who  
 193 | is initially reemployed in a regularly established position on  
 194 | or after July 1, 2010, through June 30, 2017, as an elected  
 195 | official eligible for the Elected Officers' Class may not be  
 196 | enrolled in renewed membership in the Senior Management Service  
 197 | Class or in the Senior Management Service Optional Annuity  
 198 | Program as provided in subsection (6), and may not withdraw from  
 199 | the Florida Retirement System as a renewed member as provided in  
 200 | subparagraph (b)2., as applicable, in lieu of membership in the



201 Senior Management Service Class. Effective July 1, 2017, a  
 202 retiree of the Senior Management Service Optional Annuity  
 203 Program who is reemployed in a regularly established position  
 204 with a covered employer shall be enrolled as a renewed member as  
 205 provided in s. 121.122.

206 4. Effective July 1, 2017, an elected official eligible  
 207 for membership in the Elected Officers' Class may not enroll in  
 208 the Senior Management Service Class or in the Senior Management  
 209 Service Optional Annuity Program as provided in subsection (6).

210 (6)

211 (c) *Participation.*—

212 1. An eligible employee who is employed on or before  
 213 February 1, 1987, may elect to participate in the optional  
 214 annuity program in lieu of participating in the Senior  
 215 Management Service Class. Such election shall ~~must~~ be made in  
 216 writing and filed with the department and the personnel officer  
 217 of the employer on or before May 1, 1987. An eligible employee  
 218 who is employed on or before February 1, 1987, and who fails to  
 219 make an election to participate in the optional annuity program  
 220 by May 1, 1987, is ~~shall be~~ deemed to have elected membership in  
 221 the Senior Management Service Class.

222 2. Except as provided in subparagraph 6., an employee who  
 223 becomes eligible to participate in the optional annuity program  
 224 by reason of initial employment commencing after February 1,  
 225 1987, may, within 90 days after the date of commencing

226 employment, elect to participate in the optional annuity  
227 program. Such election shall ~~must~~ be made in writing and filed  
228 with the personnel officer of the employer. An eligible employee  
229 who does not within 90 days after commencing employment elect to  
230 participate in the optional annuity program is ~~shall be~~ deemed  
231 to have elected membership in the Senior Management Service  
232 Class.

233 3. A person who is appointed to a position in the Senior  
234 Management Service Class and who is a member of an existing  
235 retirement system or the Special Risk or Special Risk  
236 Administrative Support Classes of the Florida Retirement System  
237 may elect to remain in such system or class in lieu of  
238 participating in the Senior Management Service Class or optional  
239 annuity program. Such election shall ~~must~~ be made in writing and  
240 filed with the department and the personnel officer of the  
241 employer within 90 days after such appointment. An eligible  
242 employee who fails to make an election to participate in the  
243 existing system, the Special Risk Class of the Florida  
244 Retirement System, the Special Risk Administrative Support Class  
245 of the Florida Retirement System, or the optional annuity  
246 program is ~~shall be~~ deemed to have elected membership in the  
247 Senior Management Service Class.

248 4. Except as provided in subparagraph 5., an employee's  
249 election to participate in the optional annuity program is  
250 irrevocable if the employee continues to be employed in an

251 eligible position and continues to meet the eligibility  
252 requirements set forth in this paragraph.

253 5. Effective from July 1, 2002, through September 30,  
254 2002, an active employee in a regularly established position who  
255 has elected to participate in the Senior Management Service  
256 Optional Annuity Program has one opportunity to choose to move  
257 from the Senior Management Service Optional Annuity Program to  
258 the Florida Retirement System Pension Plan.

259 a. The election shall ~~must~~ be made in writing and ~~must be~~  
260 filed with the department and the personnel officer of the  
261 employer before October 1, 2002, or, in the case of an active  
262 employee who is on a leave of absence on July 1, 2002, within 90  
263 days after the conclusion of the leave of absence. This election  
264 is irrevocable.

265 b. The employee shall receive service credit under the  
266 pension plan equal to his or her years of service under the  
267 Senior Management Service Optional Annuity Program. The cost for  
268 such credit is the amount representing the present value of that  
269 employee's accumulated benefit obligation for the affected  
270 period of service.

271 c. The employee shall ~~must~~ transfer the total accumulated  
272 employer contributions and earnings on deposit in his or her  
273 Senior Management Service Optional Annuity Program account. If  
274 the transferred amount is not sufficient to pay the amount due,  
275 the employee shall ~~must~~ pay a sum representing the remainder of

276 the amount due. The employee may not retain any employer  
277 contributions or earnings from the Senior Management Service  
278 Optional Annuity Program account.

279 6. A retiree of a state-administered retirement system who  
280 is initially reemployed on or after July 1, 2010, through June  
281 30, 2017, may not renew membership in the Senior Management  
282 Service Optional Annuity Program. Effective July 1, 2017, a  
283 retiree of the Senior Management Service Optional Annuity  
284 Program who is reemployed in a regularly established position  
285 with a covered employer shall be enrolled as a renewed member as  
286 provided in s. 121.122.

287 7. Effective July 1, 2017, the Senior Management Service  
288 Optional Annuity Program is closed to new members. A member  
289 enrolled in the Senior Management Service Optional Annuity  
290 Program before July 1, 2017, may retain his or her membership in  
291 the annuity program.

292 Section 5. Paragraph (a) of subsection (1), paragraphs (d)  
293 and (i) of subsection (7), and paragraph (c) of subsection (9)  
294 of section 121.091, Florida Statutes, are amended to read:

295 121.091 Benefits payable under the system.—Benefits may  
296 not be paid under this section unless the member has terminated  
297 employment as provided in s. 121.021(39) (a) or begun  
298 participation in the Deferred Retirement Option Program as  
299 provided in subsection (13), and a proper application has been  
300 filed in the manner prescribed by the department. The department

301 may cancel an application for retirement benefits when the  
302 member or beneficiary fails to timely provide the information  
303 and documents required by this chapter and the department's  
304 rules. The department shall adopt rules establishing procedures  
305 for application for retirement benefits and for the cancellation  
306 of such application when the required information or documents  
307 are not received.

308 (1) NORMAL RETIREMENT BENEFIT.—Upon attaining his or her  
309 normal retirement date, the member, upon application to the  
310 administrator, shall receive a monthly benefit which shall begin  
311 to accrue on the first day of the month of retirement and be  
312 payable on the last day of that month and each month thereafter  
313 during his or her lifetime. The normal retirement benefit,  
314 including any past or additional retirement credit, may not  
315 exceed 100 percent of the average final compensation. The amount  
316 of monthly benefit shall be calculated as the product of A and  
317 B, subject to the adjustment of C, if applicable, as set forth  
318 below:

319 (a)1. For creditable years of Regular Class service, A is  
320 1.60 percent of the member's average final compensation, up to  
321 the member's normal retirement date. Upon completion of the  
322 first year after the normal retirement date, A is 1.63 percent  
323 of the member's average final compensation. Following the second  
324 year after the normal retirement date, A is 1.65 percent of the  
325 member's average final compensation. Following the third year

326 after the normal retirement date, and for subsequent years, A is  
327 1.68 percent of the member's average final compensation.

328 2. For creditable years of special risk service, A is:

329 a. Two percent of the member's average final compensation  
330 for all creditable years prior to October 1, 1974;

331 b. Three percent of the member's average final  
332 compensation for all creditable years after September 30, 1974,  
333 and before October 1, 1978;

334 c. Two percent of the member's average final compensation  
335 for all creditable years after September 30, 1978, and before  
336 January 1, 1989;

337 d. Two and two-tenths percent of the member's final  
338 monthly compensation for all creditable years after December 31,  
339 1988, and before January 1, 1990;

340 e. Two and four-tenths percent of the member's average  
341 final compensation for all creditable years after December 31,  
342 1989, and before January 1, 1991;

343 f. Two and six-tenths percent of the member's average  
344 final compensation for all creditable years after December 31,  
345 1990, and before January 1, 1992;

346 g. Two and eight-tenths percent of the member's average  
347 final compensation for all creditable years after December 31,  
348 1991, and before January 1, 1993;

349 h. Three percent of the member's average final  
350 compensation for all creditable years after December 31, 1992;

351 and

352 i. Three percent of the member's average final  
 353 compensation for all creditable years of service after September  
 354 30, 1978, and before January 1, 1993, for any special risk  
 355 member who retires after July 1, 2000, or any member of the  
 356 Special Risk Administrative Support Class entitled to retain the  
 357 special risk normal retirement date who was a member of the  
 358 Special Risk Class during the time period and who retires after  
 359 July 1, 2000.

360 3. For creditable years of Senior Management Service Class  
 361 service after January 31, 1987, A is 2 percent;

362 4.a. For creditable years of service before July 1, 2017,  
 363 A is 3 1/3 percent of the member's average final compensation  
 364 ~~for creditable years of Elected Officers' Class service as a~~  
 365 ~~Supreme Court Justice, district court of appeal judge, circuit~~  
 366 ~~judge, or county court judge, A is 3 1/3 percent of the member's~~  
 367 ~~average final compensation,~~ and for all other creditable service  
 368 in such class, A is 3 percent of average final compensation;

369 b. For creditable years of service on or after July 1,  
 370 2017, A is 3 percent of the member's average final compensation  
 371 for Elected Officers' Class service.

372 (7) DEATH BENEFITS.—

373 (d) Notwithstanding any other provision in this chapter to  
 374 the contrary, with the exception of the Deferred Retirement  
 375 Option Program, as provided in subsection (13):

376 1. The surviving spouse of any member killed in the line  
377 of duty may receive a monthly pension equal to one-half of the  
378 monthly salary being received by the member at the time of death  
379 for the rest of the surviving spouse's lifetime or, if the  
380 member was vested, such surviving spouse may elect to receive a  
381 benefit as provided in paragraph (b). Benefits provided by this  
382 paragraph shall supersede any other distribution that may have  
383 been provided by the member's designation of beneficiary.

384 2. If the surviving spouse of a member killed in the line  
385 of duty dies, the monthly payments that would have been payable  
386 to such surviving spouse had such surviving spouse lived shall  
387 be paid for the use and benefit of such member's child or  
388 children under 18 years of age and unmarried until the 18th  
389 birthday of the member's youngest child. Beginning July 1, 2016,  
390 such payments may be extended, for the surviving child of a  
391 member in the Special Risk Class at the time he or she was  
392 killed in the line of duty on or after July 1, 2013, until the  
393 25th birthday of any child of the member if the child is  
394 unmarried and enrolled as a full-time student. Beginning July 1,  
395 2017, such payments may be extended, for the surviving child of  
396 a member in the Special Risk Class at the time he or she was  
397 killed in the line of duty on or after July 1, 2002, until the  
398 25th birthday of any child of the member if the child is  
399 unmarried and enrolled as a full-time student.

400 3. If a member killed in the line of duty leaves no



401 surviving spouse but is survived by a child or children under 18  
402 years of age, the benefits provided by subparagraph 1., normally  
403 payable to a surviving spouse, shall be paid for the use and  
404 benefit of such member's child or children under 18 years of age  
405 and unmarried until the 18th birthday of the member's youngest  
406 child. Beginning July 1, 2016, such monthly payments may be  
407 extended, for the surviving child of a member in the Special  
408 Risk Class at the time he or she was killed in the line of duty  
409 on or after July 1, 2013, until the 25th birthday of any child  
410 of the member if the child is unmarried and enrolled as a full-  
411 time student. Beginning July 1, 2017, such monthly payments may  
412 be extended, for the surviving child of a member in the Special  
413 Risk Class at the time he or she was killed in the line of duty  
414 on or after July 1, 2002, until the 25th birthday of any child  
415 of the member if the child is unmarried and enrolled as a full-  
416 time student.

417 4. The surviving spouse of a member whose benefit  
418 terminated because of remarriage shall have the benefit  
419 reinstated beginning July 1, 1993, at an amount that would have  
420 been payable had the benefit not been terminated.

421 (i) ~~Effective July 1, 2016, and~~ Notwithstanding any  
422 provision in this chapter to the contrary, if a member in the  
423 Special Risk Class, other than a participant in the Deferred  
424 Retirement Option Program under subsection (13), is killed in  
425 the line of duty on or after July 1, 2002 ~~2013~~, the following

426 benefits are payable in addition to the benefits provided in  
427 paragraph (d):

428 1. The surviving spouse may receive a monthly pension  
429 equal to one-half of the monthly salary being received by the  
430 member at the time of the member's death for the rest of the  
431 surviving spouse's lifetime or, if the member was vested, such  
432 surviving spouse may elect to receive a benefit as provided in  
433 paragraph (b). Benefits provided by this paragraph supersede any  
434 other distribution that may have been provided by the member's  
435 designation of beneficiary.

436 2. If the surviving spouse dies, the monthly payments that  
437 otherwise would have been payable to such surviving spouse shall  
438 be paid for the use and benefit of the member's child or  
439 children under 18 years of age and unmarried until the 18th  
440 birthday of the member's youngest child. Such monthly payments  
441 may be extended until the 25th birthday of the member's child if  
442 the child is unmarried and enrolled as a full-time student.

443 3. If the member leaves no surviving spouse but is  
444 survived by a child or children under 18 years of age, the  
445 benefits provided by subparagraph 1., normally payable to a  
446 surviving spouse, shall be paid for the use and benefit of such  
447 member's child or children under 18 years of age and unmarried  
448 until the 18th birthday of the member's youngest child. Such  
449 monthly payments may be extended until the 25th birthday of any  
450 of the member's children if the child is unmarried and enrolled

451 as a full-time student.

452 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

453 (c) Any person whose retirement is effective on or after  
 454 July 1, 2010, or whose participation in the Deferred Retirement  
 455 Option Program terminates on or after July 1, 2010, who is  
 456 retired under this chapter, except under the disability  
 457 retirement provisions of subsection (4) or as provided in s.  
 458 121.053, may be reemployed by an employer that participates in a  
 459 state-administered retirement system and receive retirement  
 460 benefits and compensation from that employer. However, a person  
 461 may not be reemployed by an employer participating in the  
 462 Florida Retirement System before meeting the definition of  
 463 termination in s. 121.021 and may not receive both a salary from  
 464 the employer and retirement benefits for 6 calendar months after  
 465 meeting the definition of termination. However, a DROP  
 466 participant shall continue employment and receive a salary  
 467 during the period of participation in the Deferred Retirement  
 468 Option Program, as provided in subsection (13).

469 1. The reemployed retiree may not renew membership in the  
 470 Florida Retirement System, except as provided in s. 121.122.

471 2. The employer shall pay retirement contributions in an  
 472 amount equal to the unfunded actuarial liability portion of the  
 473 employer contribution that would be required for active members  
 474 of the Florida Retirement System in addition to the  
 475 contributions required by s. 121.76.

476           3. A retiree initially reemployed in violation of this  
 477 paragraph and an employer that employs or appoints such person  
 478 are jointly and severally liable for reimbursement of any  
 479 retirement benefits paid to the retirement trust fund from which  
 480 the benefits were paid, including the Florida Retirement System  
 481 Trust Fund and the Public Employee Optional Retirement Program  
 482 Trust Fund, as appropriate. The employer must have a written  
 483 statement from the employee that he or she is not retired from a  
 484 state-administered retirement system. Retirement benefits shall  
 485 remain suspended until repayment is made. Benefits suspended  
 486 beyond the end of the retiree's 6-month reemployment limitation  
 487 period shall apply toward the repayment of benefits received in  
 488 violation of this paragraph.

489           Section 6. Subsection (2) of section 121.122, Florida  
 490 Statutes, is amended, and subsections (3), (4), and (5) are  
 491 added to that section, to read:

492           121.122 Renewed membership in system.—

493           (2) Except as otherwise provided in subsections (3), (4),  
 494 and (5), a retiree of a state-administered retirement system who  
 495 is initially reemployed in a regularly established position on  
 496 or after July 1, 2010, may not be enrolled as a renewed member.

497           (3) A retiree of the investment plan, the State University  
 498 System Optional Retirement Program, the Senior Management  
 499 Service Optional Annuity Program, or the State Community College  
 500 System Optional Retirement Program who is reemployed with a

501 covered employer in a regularly established position on or after  
 502 July 1, 2017, shall be enrolled as a renewed member of the  
 503 investment plan unless employed in a position eligible for  
 504 participation in the State University System Optional Retirement  
 505 Program as provided in subsection (4) or the State Community  
 506 College System Optional Retirement Program as provided in  
 507 subsection (5). The renewed member must satisfy the vesting  
 508 requirements and other provisions of this chapter.

509 (a) A renewed member of the investment plan shall be  
 510 enrolled in one of the following membership classes:

511 1. In the Regular Class, if the position does not meet the  
 512 requirements for membership under s. 121.0515, s. 121.053, or s.  
 513 121.055.

514 2. In the Special Risk Class, if the position meets the  
 515 requirements of s. 121.0515.

516 3. In the Elected Officers' Class, if the position meets  
 517 the requirements of s. 121.053.

518 4. In the Senior Management Service Class, if the position  
 519 meets the requirements of s. 121.055.

520 (b) Creditable service, including credit toward the  
 521 retiree health insurance subsidy provided in s. 112.363, does  
 522 not accrue for a renewed member's employment in a regularly  
 523 established position with a covered employer from July 1, 2010,  
 524 through June 30, 2017.

525 (c) Employer and employee contributions, interest,

526 earnings, or any other funds may not be paid into a renewed  
527 member's investment plan account for any employment in a  
528 regularly established position with a covered employer on or  
529 after July 1, 2010, through June 30, 2017, by the renewed member  
530 or the employer on behalf of the renewed member.

531 (d) To be eligible to receive a retirement benefit, the  
532 renewed member must satisfy the vesting requirements in s.  
533 121.4501(6).

534 (e) The renewed member is ineligible to receive disability  
535 benefits as provided in s. 121.091(4) or s. 121.591(2).

536 (f) The renewed member is subject to the limitations on  
537 reemployment after retirement provided in s. 121.091(9), as  
538 applicable.

539 (g) The renewed member must satisfy the requirements for  
540 termination from employment provided in s. 121.021(39).

541 (h) Upon renewed membership or reemployment of a retiree,  
542 the employer and the renewed member shall pay the applicable  
543 employer and employee contributions required under ss. 112.363,  
544 121.71, 121.74, and 121.76. The contributions are payable only  
545 for employment and salary earned in a regularly established  
546 position with a covered employer on or after July 1, 2017. The  
547 employer and employee contributions shall be transferred to the  
548 investment plan and placed in a default fund as designated by  
549 the state board. The renewed member may move the contributions  
550 once an account is activated in the investment plan.

551        (i) A renewed member who earns creditable service under  
552 the investment plan and who is not receiving the maximum health  
553 insurance subsidy provided in s. 112.363 is entitled to earn  
554 additional credit toward the subsidy. Such credit may be earned  
555 only for employment in a regularly established position with a  
556 covered employer on or after July 1, 2017. Any additional  
557 subsidy due because of additional credit may be received only at  
558 the time of paying the second career retirement benefit. The  
559 total health insurance subsidy received by a retiree receiving  
560 benefits from initial and renewed membership may not exceed the  
561 maximum allowed under s. 112.363.

562        (j) Notwithstanding s. 121.4501(4)(f), the renewed member  
563 is not eligible to elect membership in the pension plan.

564        (4) A retiree of the investment plan, the State University  
565 System Optional Retirement Program, the Senior Management  
566 Service Optional Annuity Program, or the State Community College  
567 System Optional Retirement Program who is reemployed on or after  
568 July 1, 2017, in a regularly established position eligible for  
569 participation in the State University System Optional Retirement  
570 Program shall become a renewed member of the optional retirement  
571 program. The renewed member must satisfy the vesting  
572 requirements and other provisions of this chapter. Once  
573 enrolled, a renewed member remains enrolled in the optional  
574 retirement program while employed in an eligible position for  
575 the optional retirement program. If employment in a different

576 covered position results in the renewed member's enrollment in  
577 the investment plan, the renewed member is no longer eligible to  
578 participate in the optional retirement program unless employed  
579 in a mandatory position under s. 121.35.

580 (a) The renewed member is subject to the limitations on  
581 reemployment after retirement provided in s. 121.091(9), as  
582 applicable.

583 (b) The renewed member must satisfy the requirements for  
584 termination from employment provided in s. 121.021(39).

585 (c) Upon renewed membership or reemployment of a retiree,  
586 the employer and the renewed member shall pay the applicable  
587 employer and employee contributions required under s. 121.35.

588 (d) Employer and employee contributions, interest,  
589 earnings, or any other funds may not be paid into a renewed  
590 member's optional retirement program account for any employment  
591 in a regularly established position with a covered employer on  
592 or after July 1, 2010, through June 30, 2017, by the renewed  
593 member or the employer on behalf of the renewed member.

594 (e) Notwithstanding s. 121.4501(4)(f), the renewed member  
595 is not eligible to elect membership in the pension plan.

596 (5) A retiree of the investment plan, the State University  
597 System Optional Retirement Program, the Senior Management  
598 Service Optional Annuity Program, or the State Community College  
599 System Optional Retirement Program who is reemployed on or after  
600 July 1, 2017, in a regularly established position eligible for



601 participation in the State Community College System Optional  
602 Retirement Program shall become a renewed member of the optional  
603 retirement program. The renewed member must satisfy the  
604 eligibility requirements of this chapter and s. 1012.875 for the  
605 optional retirement program. Once enrolled, a renewed member  
606 remains enrolled in the optional retirement program while  
607 employed in an eligible position for the optional retirement  
608 program. If employment in a different covered position results  
609 in the renewed member's enrollment in the investment plan, the  
610 renewed member is no longer eligible to participate in the  
611 optional retirement program.

612 (a) The renewed member is subject to the limitations on  
613 reemployment after retirement provided in s. 121.091(9), as  
614 applicable.

615 (b) The renewed member must satisfy the requirements for  
616 termination from employment provided in s. 121.021(39).

617 (c) Upon renewed membership or reemployment of a retiree,  
618 the employer and the renewed member shall pay the applicable  
619 employer and employee contributions required under ss.  
620 121.051(2)(c) and 1012.875.

621 (d) Employer and employee contributions, interest,  
622 earnings, or any other funds may not be paid into a renewed  
623 member's optional retirement program account for any employment  
624 in a regularly established position with a covered employer on  
625 or after July 1, 2010, through June 30, 2017, by the renewed

626 member or the employer on behalf of the renewed member.

627 (e) Notwithstanding s. 121.4501(4)(f), the renewed member  
 628 is not eligible to elect membership in the pension plan.

629 Section 7. Subsection (1), paragraphs (e) and (i) of  
 630 subsection (2), paragraph (b) of subsection (3), subsection (4),  
 631 paragraph (c) of subsection (5), and paragraphs (a), (b), (c),  
 632 and (h) of subsection (10) of section 121.4501, Florida  
 633 Statutes, are amended to read:

634 121.4501 Florida Retirement System Investment Plan.—

635 (1) The Trustees of the State Board of Administration  
 636 shall establish a defined contribution program called the  
 637 "Florida Retirement System Investment Plan" or "investment plan"  
 638 for members of the Florida Retirement System under which  
 639 retirement benefits will be provided for eligible employees who  
 640 elect to participate in the program and for employees initially  
 641 enrolled on or after July 1, 2018, in positions covered by the  
 642 Elected Officers' Class who are compulsory members of the  
 643 investment plan unless the member withdraws from the system  
 644 under s. 121.052(3)(d). Investment plan membership continues if  
 645 there is subsequent employment in a position covered by another  
 646 membership class. The retirement benefits shall be provided  
 647 through member-directed investments, in accordance with s.  
 648 401(a) of the Internal Revenue Code and related regulations. The  
 649 employer and employee shall make contributions, as provided in  
 650 this section and ss. 121.571 and 121.71, to the Florida

651 Retirement System Investment Plan Trust Fund toward the funding  
 652 of benefits.

653 (2) DEFINITIONS.—As used in this part, the term:

654 (e) "Eligible employee" means an officer or employee, as  
 655 defined in s. 121.021, who:

656 1. Is a member of, or is eligible for membership in, the  
 657 Florida Retirement System, including any renewed member of the  
 658 Florida Retirement System initially enrolled before July 1,  
 659 2010; ~~or~~

660 2. Participates in, or is eligible to participate in, the  
 661 Senior Management Service Optional Annuity Program as  
 662 established under s. 121.055(6), the State Community College  
 663 System Optional Retirement Program as established under s.  
 664 121.051(2)(c), or the State University System Optional  
 665 Retirement Program established under s. 121.35; or

666 3. Is a retired member of the investment plan, the State  
 667 University System Optional Retirement Program, the Senior  
 668 Management Service Optional Annuity Program, or the State  
 669 Community College System Optional Retirement Program who is  
 670 reemployed in a regularly established position on or after July  
 671 1, 2017, and enrolled as a renewed member as provided in s.  
 672 121.122.

673  
 674 The term does not include any member participating in the  
 675 Deferred Retirement Option Program established under s.

676 | 121.091(13), a retiree of the pension plan who is reemployed in  
677 | a regularly established position on or after July 1, 2010, a  
678 | retiree of a state-administered retirement system initially  
679 | reemployed in a regularly established position on or after July  
680 | 1, 2010, through June 30, 2017, or a mandatory participant of  
681 | the State University System Optional Retirement Program  
682 | established under s. 121.35.

683 | (i) "Member" or "employee" means an eligible employee who  
684 | enrolls in, or who defaults into, the investment plan as  
685 | provided in subsection (4), a terminated Deferred Retirement  
686 | Option Program member as described in subsection (21), or a  
687 | beneficiary or alternate payee of a member or employee.

688 | (3) RETIREMENT SERVICE CREDIT; TRANSFER OF BENEFITS.—

689 | (b) Notwithstanding paragraph (a), an eligible employee  
690 | who elects to participate in, or who defaults into, the  
691 | investment plan and establishes one or more individual member  
692 | accounts may elect to transfer to the investment plan a sum  
693 | representing the present value of the employee's accumulated  
694 | benefit obligation under the pension plan, except as provided in  
695 | paragraph (4)(b). Upon transfer, all service credit earned under  
696 | the pension plan is nullified for purposes of entitlement to a  
697 | future benefit under the pension plan. A member may not transfer  
698 | the accumulated benefit obligation balance from the pension plan  
699 | after the time period for enrolling in the investment plan has  
700 | expired.

701 1. For purposes of this subsection, the present value of  
702 the member's accumulated benefit obligation is based upon the  
703 member's estimated creditable service and estimated average  
704 final compensation under the pension plan, subject to  
705 recomputation under subparagraph 2. For state employees, initial  
706 estimates shall be based upon creditable service and average  
707 final compensation as of midnight on June 30, 2002; for district  
708 school board employees, initial estimates shall be based upon  
709 creditable service and average final compensation as of midnight  
710 on September 30, 2002; and for local government employees,  
711 initial estimates shall be based upon creditable service and  
712 average final compensation as of midnight on December 31, 2002.  
713 The dates specified are the "estimate date" for these employees.  
714 The actuarial present value of the employee's accumulated  
715 benefit obligation shall be based on the following:

716 a. The discount rate and other relevant actuarial  
717 assumptions used to value the Florida Retirement System Trust  
718 Fund at the time the amount to be transferred is determined,  
719 consistent with the factors provided in sub-subparagraphs b. and  
720 c.

721 b. A benefit commencement age, based on the member's  
722 estimated creditable service as of the estimate date.

723 c. Except as provided under sub-subparagraph d., for a  
724 member initially enrolled:

725 (I) Before July 1, 2011, the benefit commencement age is

726 | the younger of the following, but may not be younger than the  
 727 | member's age as of the estimate date:

728 |       (A) Age 62; or

729 |       (B) The age the member would attain if the member  
 730 | completed 30 years of service with an employer, assuming the  
 731 | member worked continuously from the estimate date, and  
 732 | disregarding any vesting requirement that would otherwise apply  
 733 | under the pension plan.

734 |       (II) On or after July 1, 2011, the benefit commencement  
 735 | age is the younger of the following, but may not be younger than  
 736 | the member's age as of the estimate date:

737 |       (A) Age 65; or

738 |       (B) The age the member would attain if the member  
 739 | completed 33 years of service with an employer, assuming the  
 740 | member worked continuously from the estimate date, and  
 741 | disregarding any vesting requirement that would otherwise apply  
 742 | under the pension plan.

743 |       d. For members of the Special Risk Class and for members  
 744 | of the Special Risk Administrative Support Class entitled to  
 745 | retain the special risk normal retirement date:

746 |       (I) Initially enrolled before July 1, 2011, the benefit  
 747 | commencement age is the younger of the following, but may not be  
 748 | younger than the member's age as of the estimate date:

749 |       (A) Age 55; or

750 |       (B) The age the member would attain if the member

751 completed 25 years of service with an employer, assuming the  
 752 member worked continuously from the estimate date, and  
 753 disregarding any vesting requirement that would otherwise apply  
 754 under the pension plan.

755 (II) Initially enrolled on or after July 1, 2011, the  
 756 benefit commencement age is the younger of the following, but  
 757 may not be younger than the member's age as of the estimate  
 758 date:

759 (A) Age 60; or

760 (B) The age the member would attain if the member  
 761 completed 30 years of service with an employer, assuming the  
 762 member worked continuously from the estimate date, and  
 763 disregarding any vesting requirement that would otherwise apply  
 764 under the pension plan.

765 e. The calculation must disregard vesting requirements and  
 766 early retirement reduction factors that would otherwise apply  
 767 under the pension plan.

768 2. For each member who elects to transfer moneys from the  
 769 pension plan to his or her account in the investment plan, the  
 770 division shall recompute the amount transferred under  
 771 subparagraph 1. within 60 days after the actual transfer of  
 772 funds based upon the member's actual creditable service and  
 773 actual final average compensation as of the initial date of  
 774 participation in the investment plan. If the recomputed amount  
 775 differs from the amount transferred by \$10 or more, the division

776 shall:

777       a. Transfer, or cause to be transferred, from the Florida  
 778 Retirement System Trust Fund to the member's account the excess,  
 779 if any, of the recomputed amount over the previously transferred  
 780 amount together with interest from the initial date of transfer  
 781 to the date of transfer under this subparagraph, based upon the  
 782 effective annual interest equal to the assumed return on the  
 783 actuarial investment which was used in the most recent actuarial  
 784 valuation of the system, compounded annually.

785       b. Transfer, or cause to be transferred, from the member's  
 786 account to the Florida Retirement System Trust Fund the excess,  
 787 if any, of the previously transferred amount over the recomputed  
 788 amount, together with interest from the initial date of transfer  
 789 to the date of transfer under this subparagraph, based upon 6  
 790 percent effective annual interest, compounded annually, pro rata  
 791 based on the member's allocation plan.

792       3. If contribution adjustments are made as a result of  
 793 employer errors or corrections, including plan corrections,  
 794 following recomputation of the amount transferred under  
 795 subparagraph 1., the member is entitled to the additional  
 796 contributions or is responsible for returning any excess  
 797 contributions resulting from the correction. However, a ~~any~~  
 798 return of such erroneous excess pretax contribution by the plan  
 799 must be made within the period allowed by the Internal Revenue  
 800 Service. The present value of the member's accumulated benefit



801 obligation may ~~shall~~ not be recalculated.

802 4. As directed by the member, the state board shall  
 803 transfer or cause to be transferred the appropriate amounts to  
 804 the designated accounts within 30 days after the effective date  
 805 of the member's participation in the investment plan unless the  
 806 major financial markets for securities available for a transfer  
 807 are seriously disrupted by an unforeseen event that causes the  
 808 suspension of trading on a ~~any~~ national securities exchange in  
 809 the country where the securities were issued. In that event, the  
 810 30-day period may be extended by a resolution of the state  
 811 board. Transfers are not commissionable or subject to other fees  
 812 and may be in the form of securities or cash, as determined by  
 813 the state board. Such securities are valued as of the date of  
 814 receipt in the member's account.

815 5. If the state board or the division receives  
 816 notification from the United States Internal Revenue Service  
 817 that this paragraph or any portion of this paragraph will cause  
 818 the retirement system, or a portion thereof, to be disqualified  
 819 for tax purposes under the Internal Revenue Code, the portion  
 820 that will cause the disqualification does not apply. Upon such  
 821 notice, the state board and the division shall notify the  
 822 presiding officers of the Legislature.

823 (4) PARTICIPATION; ENROLLMENT.—

824 (a)1. Effective June 1, 2002, through February 28, 2003, a  
 825 90-day election period was provided to each eligible employee

826 participating in the Florida Retirement System, preceded by a  
827 90-day education period, permitting each eligible employee to  
828 elect membership in the investment plan. An employee who failed  
829 to elect the investment plan during the election period remained  
830 in the pension plan. An eligible employee who was employed in a  
831 regularly established position during the election period was  
832 granted the option to make one subsequent election, as provided  
833 in paragraph (f). With respect to an eligible employee who did  
834 not participate in the initial election period or who is  
835 initially employed in a regularly established position after the  
836 close of the initial election period but before January 1, 2018,  
837 on June 1, 2002, by a state employer:

838 ~~a. Any such employee may elect to participate in the~~  
839 ~~investment plan in lieu of retaining his or her membership in~~  
840 ~~the pension plan. The election must be made in writing or by~~  
841 ~~electronic means and must be filed with the third-party~~  
842 ~~administrator by August 31, 2002, or, in the case of an active~~  
843 ~~employee who is on a leave of absence on April 1, 2002, by the~~  
844 ~~last business day of the 5th month following the month the leave~~  
845 ~~of absence concludes. This election is irrevocable, except as~~  
846 ~~provided in paragraph (g). Upon making such election, the~~  
847 ~~employee shall be enrolled as a member of the investment plan,~~  
848 ~~the employee's membership in the Florida Retirement System is~~  
849 ~~governed by the provisions of this part, and the employee's~~  
850 ~~membership in the pension plan terminates. The employee's~~

851 ~~enrollment in the investment plan is effective the first day of~~  
852 ~~the month for which a full month's employer contribution is made~~  
853 ~~to the investment plan.~~

854 ~~b. Any such employee who fails to elect to participate in~~  
855 ~~the investment plan within the prescribed time period is deemed~~  
856 ~~to have elected to retain membership in the pension plan, and~~  
857 ~~the employee's option to elect to participate in the investment~~  
858 ~~plan is forfeited.~~

859 ~~2. With respect to employees who become eligible to~~  
860 ~~participate in the investment plan by reason of employment in a~~  
861 ~~regularly established position with a state employer commencing~~  
862 ~~after April 1, 2002:~~

863 ~~a. Any such employee shall, by default, be enrolled in the~~  
864 ~~pension plan at the commencement of employment, and may, by the~~  
865 ~~last business day of the 5th month following the employee's~~  
866 ~~month of hire, elect to participate in the investment plan. The~~  
867 ~~employee's election must be made in writing or by electronic~~  
868 ~~means and must be filed with the third-party administrator. The~~  
869 ~~election to participate in the investment plan is irrevocable,~~  
870 ~~except as provided in paragraph (f) ~~(g)~~.~~

871 ~~a.b.~~ If the employee files such election within the  
872 prescribed time period, enrollment in the investment plan is  
873 effective on the first day of employment. The retirement  
874 contributions paid through the month of the employee plan change  
875 shall be transferred to the investment program, and, effective

876 | the first day of the next month, the employer and employee must  
877 | pay the applicable contributions based on the employee  
878 | membership class in the program.

879 |     ~~b.e.~~ An employee who fails to elect to participate in the  
880 | investment plan within the prescribed time period is deemed to  
881 | have elected to retain membership in the pension plan, and the  
882 | employee's option to elect to participate in the investment plan  
883 | is forfeited.

884 |     ~~2.3.~~ With respect to employees who become eligible to  
885 | participate in the investment plan pursuant to s.  
886 | 121.051(2)(c)3. or s. 121.35(3)(i), the employee may elect to  
887 | participate in the investment plan in lieu of retaining his or  
888 | her membership in the State Community College System Optional  
889 | Retirement Program or the State University System Optional  
890 | Retirement Program. The election must be made in writing or by  
891 | electronic means and must be filed with the third-party  
892 | administrator. This election is irrevocable, except as provided  
893 | in paragraph (f) ~~(g)~~. Upon making such election, the employee  
894 | shall be enrolled as a member in the investment plan, the  
895 | employee's membership in the Florida Retirement System is  
896 | governed by the provisions of this part, and the employee's  
897 | participation in the State Community College System Optional  
898 | Retirement Program or the State University System Optional  
899 | Retirement Program terminates. The employee's enrollment in the  
900 | investment plan is effective on the first day of the month for

901 | which a full month's employer and employee contribution is made  
902 | to the investment plan.

903 |       (b)1. With respect to employees who become eligible to  
904 | participate in the investment plan by reason of employment in a  
905 | regularly established position commencing on or after January 1,  
906 | 2018, or who did not complete an election window before January  
907 | 1, 2018, any such employee shall be enrolled in the pension plan  
908 | at the commencement of employment and may, by the last business  
909 | day of the fifth month following the employee's month of hire,  
910 | elect to participate in the pension plan or the investment plan.  
911 | Eligible employees may make a plan election only if they are  
912 | earning service credit in an employer-employee relationship  
913 | consistent with s. 121.021(17) (b), excluding leaves of absence  
914 | without pay.

915 |       2. The employee's election must be made in writing or by  
916 | electronic means and must be filed with the third-party  
917 | administrator. The election to participate in the pension plan  
918 | or investment plan is irrevocable, except as provided in  
919 | paragraph (f).

920 |       3. If the employee fails to make an election of the  
921 | pension plan or investment plan within 5 months following the  
922 | month of hire, the employee is deemed to have elected the  
923 | investment plan and shall default into the investment plan  
924 | retroactively to the employee's date of employment. The  
925 | employee's option to participate in the pension plan is

926 forfeited, except as provided in paragraph (f).

927 4. The amount of the employee and employer contributions  
928 paid through the date of default to the investment plan shall be  
929 transferred to the investment plan and shall be placed in a  
930 default fund as designated by the State Board of Administration.  
931 The employee may move the contributions once an account is  
932 activated in the investment plan.

933 5. Effective the first day of the month after an eligible  
934 employee makes a plan election of the pension plan or investment  
935 plan, or the first day of the month after default to the  
936 investment plan, the employee and employer shall pay the  
937 applicable contributions based on the employee membership class  
938 in the program.

939 ~~4. For purposes of this paragraph, "state employer" means~~  
940 ~~any agency, board, branch, commission, community college,~~  
941 ~~department, institution, institution of higher education, or~~  
942 ~~water management district of the state, which participates in~~  
943 ~~the Florida Retirement System for the benefit of certain~~  
944 ~~employees.~~

945 ~~(b)1. With respect to an eligible employee who is employed~~  
946 ~~in a regularly established position on September 1, 2002, by a~~  
947 ~~district school board employer:~~

948 ~~a. Any such employee may elect to participate in the~~  
949 ~~investment plan in lieu of retaining his or her membership in~~  
950 ~~the pension plan. The election must be made in writing or by~~

951 ~~electronic means and must be filed with the third-party~~  
952 ~~administrator by November 30, or, in the case of an active~~  
953 ~~employee who is on a leave of absence on July 1, 2002, by the~~  
954 ~~last business day of the 5th month following the month the leave~~  
955 ~~of absence concludes. This election is irrevocable, except as~~  
956 ~~provided in paragraph (g). Upon making such election, the~~  
957 ~~employee shall be enrolled as a member of the investment plan,~~  
958 ~~the employee's membership in the Florida Retirement System is~~  
959 ~~governed by the provisions of this part, and the employee's~~  
960 ~~membership in the pension plan terminates. The employee's~~  
961 ~~enrollment in the investment plan is effective the first day of~~  
962 ~~the month for which a full month's employer contribution is made~~  
963 ~~to the investment program.~~

964 ~~b. Any such employee who fails to elect to participate in~~  
965 ~~the investment plan within the prescribed time period is deemed~~  
966 ~~to have elected to retain membership in the pension plan, and~~  
967 ~~the employee's option to elect to participate in the investment~~  
968 ~~plan is forfeited.~~

969 ~~2. With respect to employees who become eligible to~~  
970 ~~participate in the investment plan by reason of employment in a~~  
971 ~~regularly established position with a district school board~~  
972 ~~employer commencing after July 1, 2002:~~

973 ~~a. Any such employee shall, by default, be enrolled in the~~  
974 ~~pension plan at the commencement of employment, and may, by the~~  
975 ~~last business day of the 5th month following the employee's~~

976 ~~month of hire, elect to participate in the investment plan. The~~  
977 ~~employee's election must be made in writing or by electronic~~  
978 ~~means and must be filed with the third-party administrator. The~~  
979 ~~election to participate in the investment plan is irrevocable,~~  
980 ~~except as provided in paragraph (g).~~

981 ~~b. If the employee files such election within the~~  
982 ~~prescribed time period, enrollment in the investment plan is~~  
983 ~~effective on the first day of employment. The employer~~  
984 ~~retirement contributions paid through the month of the employee~~  
985 ~~plan change shall be transferred to the investment plan, and,~~  
986 ~~effective the first day of the next month, the employer shall~~  
987 ~~pay the applicable contributions based on the employee~~  
988 ~~membership class in the investment plan.~~

989 ~~e. Any such employee who fails to elect to participate in~~  
990 ~~the investment plan within the prescribed time period is deemed~~  
991 ~~to have elected to retain membership in the pension plan, and~~  
992 ~~the employee's option to elect to participate in the investment~~  
993 ~~plan is forfeited.~~

994 ~~3. For purposes of this paragraph, "district school board~~  
995 ~~employer" means any district school board that participates in~~  
996 ~~the Florida Retirement System for the benefit of certain~~  
997 ~~employees, or a charter school or charter technical career~~  
998 ~~center that participates in the Florida Retirement System as~~  
999 ~~provided in s. 121.051(2) (d).~~

1000 ~~(c)1. With respect to an eligible employee who is employed~~



1001 ~~in a regularly established position on December 1, 2002, by a~~  
1002 ~~local employer:~~

1003 ~~a. Any such employee may elect to participate in the~~  
1004 ~~investment plan in lieu of retaining his or her membership in~~  
1005 ~~the pension plan. The election must be made in writing or by~~  
1006 ~~electronic means and must be filed with the third-party~~  
1007 ~~administrator by February 28, 2003, or, in the case of an active~~  
1008 ~~employee who is on a leave of absence on October 1, 2002, by the~~  
1009 ~~last business day of the 5th month following the month the leave~~  
1010 ~~of absence concludes. This election is irrevocable, except as~~  
1011 ~~provided in paragraph (g). Upon making such election, the~~  
1012 ~~employee shall be enrolled as a participant of the investment~~  
1013 ~~plan, the employee's membership in the Florida Retirement System~~  
1014 ~~is governed by the provisions of this part, and the employee's~~  
1015 ~~membership in the pension plan terminates. The employee's~~  
1016 ~~enrollment in the investment plan is effective the first day of~~  
1017 ~~the month for which a full month's employer contribution is made~~  
1018 ~~to the investment plan.~~

1019 ~~b. Any such employee who fails to elect to participate in~~  
1020 ~~the investment plan within the prescribed time period is deemed~~  
1021 ~~to have elected to retain membership in the pension plan, and~~  
1022 ~~the employee's option to elect to participate in the investment~~  
1023 ~~plan is forfeited.~~

1024 ~~2. With respect to employees who become eligible to~~  
1025 ~~participate in the investment plan by reason of employment in a~~

1026 ~~regularly established position with a local employer commencing~~  
1027 ~~after October 1, 2002:~~

1028 ~~a. Any such employee shall, by default, be enrolled in the~~  
1029 ~~pension plan at the commencement of employment, and may, by the~~  
1030 ~~last business day of the 5th month following the employee's~~  
1031 ~~month of hire, elect to participate in the investment plan. The~~  
1032 ~~employee's election must be made in writing or by electronic~~  
1033 ~~means and must be filed with the third party administrator. The~~  
1034 ~~election to participate in the investment plan is irrevocable,~~  
1035 ~~except as provided in paragraph (g).~~

1036 ~~b. If the employee files such election within the~~  
1037 ~~prescribed time period, enrollment in the investment plan is~~  
1038 ~~effective on the first day of employment. The employer~~  
1039 ~~retirement contributions paid through the month of the employee~~  
1040 ~~plan change shall be transferred to the investment plan, and,~~  
1041 ~~effective the first day of the next month, the employer shall~~  
1042 ~~pay the applicable contributions based on the employee~~  
1043 ~~membership class in the investment plan.~~

1044 ~~e. Any such employee who fails to elect to participate in~~  
1045 ~~the investment plan within the prescribed time period is deemed~~  
1046 ~~to have elected to retain membership in the pension plan, and~~  
1047 ~~the employee's option to elect to participate in the investment~~  
1048 ~~plan is forfeited.~~

1049 ~~3. For purposes of this paragraph, "local employer" means~~  
1050 ~~any employer not included in paragraph (a) or paragraph (b).~~

1051        (c)~~(d)~~ Contributions available for self-direction by a  
 1052 member who has not selected one or more specific investment  
 1053 products shall be allocated as prescribed by the state board.  
 1054 The third-party administrator shall notify the member at least  
 1055 quarterly that the member should take an affirmative action to  
 1056 make an asset allocation among the investment products.

1057        (d)~~(e)~~ On or after July 1, 2011, a member of the pension  
 1058 plan who obtains a refund of employee contributions retains his  
 1059 or her prior plan choice upon return to employment in a  
 1060 regularly established position with a participating employer.

1061        (e)1.~~(f)~~ A member of the investment plan who takes a  
 1062 distribution of any contributions from his or her investment  
 1063 plan account is considered a retiree. A retiree who is initially  
 1064 reemployed in a regularly established position on or after July  
 1065 1, 2010, through June 30, 2017, is not eligible for ~~to be~~  
 1066 ~~enrolled in~~ renewed membership, except as provided in s.  
 1067 121.122.

1068        2. A retiree who is reemployed on or after July 1, 2017,  
 1069 shall be enrolled as a renewed member as provided in s. 121.122.

1070        (f)~~(g)~~ After the period during which an eligible employee  
 1071 had the choice to elect the pension plan or the investment plan,  
 1072 or the month following the receipt of the eligible employee's  
 1073 plan election, if sooner, the employee shall have one  
 1074 opportunity, at the employee's discretion, to choose to move  
 1075 from the pension plan to the investment plan or from the

1076 investment plan to the pension plan. Eligible employees may  
 1077 elect to move between plans only if they are earning service  
 1078 credit in an employer-employee relationship consistent with s.  
 1079 121.021(17)(b), excluding leaves of absence without pay.  
 1080 Effective July 1, 2005, such elections are effective on the  
 1081 first day of the month following the receipt of the election by  
 1082 the third-party administrator and are not subject to the  
 1083 requirements regarding an employer-employee relationship or  
 1084 receipt of contributions for the eligible employee in the  
 1085 effective month, except when the election is received by the  
 1086 third-party administrator. This paragraph is contingent upon  
 1087 approval by the Internal Revenue Service. This paragraph does  
 1088 not apply to compulsory investment plan members under paragraph  
 1089 (g).

1090 1. If the employee chooses to move to the investment plan,  
 1091 the provisions of subsection (3) govern the transfer.

1092 2. If the employee chooses to move to the pension plan,  
 1093 the employee must transfer from his or her investment plan  
 1094 account, and from other employee moneys as necessary, a sum  
 1095 representing the present value of that employee's accumulated  
 1096 benefit obligation immediately following the time of such  
 1097 movement, determined assuming that attained service equals the  
 1098 sum of service in the pension plan and service in the investment  
 1099 plan. Benefit commencement occurs on the first date the employee  
 1100 is eligible for unreduced benefits, using the discount rate and

1101 other relevant actuarial assumptions that were used to value the  
 1102 pension plan liabilities in the most recent actuarial valuation.  
 1103 For any employee who, at the time of the second election,  
 1104 already maintains an accrued benefit amount in the pension plan,  
 1105 the then-present value of the accrued benefit is deemed part of  
 1106 the required transfer amount. The division must ensure that the  
 1107 transfer sum is prepared using a formula and methodology  
 1108 certified by an enrolled actuary. A refund of any employee  
 1109 contributions or additional member payments made which exceed  
 1110 the employee contributions that would have accrued had the  
 1111 member remained in the pension plan and not transferred to the  
 1112 investment plan is not permitted.

1113 3. Notwithstanding subparagraph 2., an employee who  
 1114 chooses to move to the pension plan and who became eligible to  
 1115 participate in the investment plan by reason of employment in a  
 1116 regularly established position with a state employer after June  
 1117 1, 2002; a district school board employer after September 1,  
 1118 2002; or a local employer after December 1, 2002, must transfer  
 1119 from his or her investment plan account, and from other employee  
 1120 moneys as necessary, a sum representing the employee's actuarial  
 1121 accrued liability. A refund of any employee contributions or  
 1122 additional member ~~participant~~ payments made which exceed the  
 1123 employee contributions that would have accrued had the member  
 1124 remained in the pension plan and not transferred to the  
 1125 investment plan is not permitted.

1126           4. An employee's ability to transfer from the pension plan  
1127 to the investment plan pursuant to paragraphs (a) and (b) ~~(a)~~  
1128 ~~(d)~~, and the ability of a current employee to have an option to  
1129 later transfer back into the pension plan under subparagraph 2.,  
1130 shall be deemed a significant system amendment. Pursuant to s.  
1131 121.031(4), any resulting unfunded liability arising from actual  
1132 original transfers from the pension plan to the investment plan  
1133 must be amortized within 30 plan years as a separate unfunded  
1134 actuarial base independent of the reserve stabilization  
1135 mechanism defined in s. 121.031(3)(f). For the first 25 years, a  
1136 direct amortization payment may not be calculated for this base.  
1137 During this 25-year period, the separate base shall be used to  
1138 offset the impact of employees exercising their second program  
1139 election under this paragraph. The actuarial funded status of  
1140 the pension plan will not be affected by such second program  
1141 elections in any significant manner, after due recognition of  
1142 the separate unfunded actuarial base. Following the initial 25-  
1143 year period, any remaining balance of the original separate base  
1144 shall be amortized over the remaining 5 years of the required  
1145 30-year amortization period.

1146           5. If the employee chooses to transfer from the investment  
1147 plan to the pension plan and retains an excess account balance  
1148 in the investment plan after satisfying the buy-in requirements  
1149 under this paragraph, the excess may not be distributed until  
1150 the member retires from the pension plan. The excess account

1151 balance may be rolled over to the pension plan and used to  
1152 purchase service credit or upgrade creditable service in the  
1153 pension plan.

1154 (g)1. A member initially enrolled on or after July 1,  
1155 2018, in a position covered by the Elected Officers' Class is a  
1156 compulsory member of the investment plan, except an employee who  
1157 withdraws from the system under s. 121.052(3)(d). A member  
1158 initially enrolled in the investment plan before July 1, 2018,  
1159 who is eligible to withdraw from the system under s.  
1160 121.052(3)(d) may elect to withdraw from the system or  
1161 participate in the investment plan as provided in s. 121.052.  
1162 Investment plan membership continues if there is subsequent  
1163 employment in a position covered by another membership class.  
1164 Membership in the pension plan for an employee initially  
1165 enrolled on or after July 1, 2018, is not permitted except as  
1166 provided in s. 121.591(2) and (4). A member initially enrolled  
1167 in the Florida Retirement System before July 1, 2018, may retain  
1168 his or her membership in the pension plan or investment plan and  
1169 may use the election opportunity specified in paragraph (f).

1170 2. A member initially enrolled on or after July 1, 2018,  
1171 in a position covered by the Elected Officers' Class may use the  
1172 election opportunity specified in paragraph (f).

1173 3. The amount of retirement contributions paid by the  
1174 employee and employer, as required under s. 121.72, shall be  
1175 placed in a default fund as designated by the state board, until

1176 an account is activated in the investment plan, at which time  
 1177 the member may move the contribution from the default fund to  
 1178 other funds provided in the investment plan.

1179 (5) CONTRIBUTIONS.—

1180 (c) The state board, acting as plan fiduciary, must ensure  
 1181 that all plan assets are held in a trust, pursuant to s. 401 of  
 1182 the Internal Revenue Code. The fiduciary must ensure that such  
 1183 contributions are allocated as follows:

1184 1. The employer and employee contribution portion  
 1185 earmarked for member accounts shall be used to purchase  
 1186 interests in the appropriate investment vehicles as specified by  
 1187 the member, or in accordance with paragraph (4) (c) ~~(4) (d)~~.

1188 2. The employer contribution portion earmarked for  
 1189 administrative and educational expenses shall be transferred to  
 1190 the state board's Administrative Trust Fund.

1191 3. The employer contribution portion earmarked for  
 1192 disability benefits and line-of-duty death benefits shall be  
 1193 transferred to the Florida Retirement System Trust Fund.

1194 (10) EDUCATION COMPONENT.—

1195 (a) The state board, in coordination with the department,  
 1196 shall provide for an education component for eligible employees  
 1197 ~~system members~~ in a manner consistent with ~~the provisions of~~  
 1198 ~~this subsection~~ section. ~~The education component must be~~  
 1199 ~~available to eligible employees at least 90 days prior to the~~  
 1200 ~~beginning date of the election period for the employees of the~~



1201 ~~respective types of employers.~~

1202 (b) The education component must provide system members  
 1203 with impartial and balanced information about plan choices  
 1204 except for members initially enrolled on or after July 1, 2018,  
 1205 as provided in paragraph (4) (g). The education component must  
 1206 involve multimedia formats. Program comparisons must, to the  
 1207 greatest extent possible, be based upon the retirement income  
 1208 that different retirement programs may provide to the member.  
 1209 The state board shall monitor the performance of the contract to  
 1210 ensure that the program is conducted in accordance with the  
 1211 contract, applicable law, and the rules of the state board.

1212 (c) The state board, in coordination with the department,  
 1213 shall provide for an initial and ongoing transfer education  
 1214 component to provide system members except for members initially  
 1215 enrolled on or after July 1, 2018, as provided in paragraph  
 1216 (4) (g), with information necessary to make informed plan choice  
 1217 decisions. The transfer education component must include, but is  
 1218 not limited to, information on:

1219 1. The amount of money available to a member to transfer  
 1220 to the defined contribution program.

1221 2. The features of and differences between the pension  
 1222 plan and the defined contribution program, both generally and  
 1223 specifically, as those differences may affect the member.

1224 3. The expected benefit available if the member were to  
 1225 retire under each of the retirement programs, based on

1226 appropriate alternative sets of assumptions.

1227 4. The rate of return from investments in the defined  
 1228 contribution program and the period of time over which such rate  
 1229 of return must be achieved to equal or exceed the expected  
 1230 monthly benefit payable to the member under the pension plan.

1231 5. The historical rates of return for the investment  
 1232 alternatives available in the defined contribution programs.

1233 6. The benefits and historical rates of return on  
 1234 investments available in a typical deferred compensation plan or  
 1235 a typical plan under s. 403(b) of the Internal Revenue Code for  
 1236 which the employee may be eligible.

1237 7. The program choices available to employees of the State  
 1238 University System and the comparative benefits of each available  
 1239 program, if applicable.

1240 8. Payout options available in each of the retirement  
 1241 programs.

1242 ~~(h) Pursuant to subsection (8), all Florida Retirement~~  
 1243 ~~System employers have an obligation to regularly communicate the~~  
 1244 ~~existence of the two Florida Retirement System plans and the~~  
 1245 ~~plan choice in the natural course of administering their~~  
 1246 ~~personnel functions, using the educational materials supplied by~~  
 1247 ~~the state board and the Department of Management Services.~~

1248 Section 8. Subsection (4) of section 121.591, Florida  
 1249 Statutes, is amended to read:

1250 121.591 Payment of benefits.—Benefits may not be paid

1251 under the Florida Retirement System Investment Plan unless the  
 1252 member has terminated employment as provided in s.  
 1253 121.021(39)(a) or is deceased and a proper application has been  
 1254 filed as prescribed by the state board or the department.  
 1255 Benefits, including employee contributions, are not payable  
 1256 under the investment plan for employee hardships, unforeseeable  
 1257 emergencies, loans, medical expenses, educational expenses,  
 1258 purchase of a principal residence, payments necessary to prevent  
 1259 eviction or foreclosure on an employee's principal residence, or  
 1260 any other reason except a requested distribution for retirement,  
 1261 a mandatory de minimis distribution authorized by the  
 1262 administrator, or a required minimum distribution provided  
 1263 pursuant to the Internal Revenue Code. The state board or  
 1264 department, as appropriate, may cancel an application for  
 1265 retirement benefits if the member or beneficiary fails to timely  
 1266 provide the information and documents required by this chapter  
 1267 and the rules of the state board and department. In accordance  
 1268 with their respective responsibilities, the state board and the  
 1269 department shall adopt rules establishing procedures for  
 1270 application for retirement benefits and for the cancellation of  
 1271 such application if the required information or documents are  
 1272 not received. The state board and the department, as  
 1273 appropriate, are authorized to cash out a de minimis account of  
 1274 a member who has been terminated from Florida Retirement System  
 1275 covered employment for a minimum of 6 calendar months. A de

1276 | minimis account is an account containing employer and employee  
 1277 | contributions and accumulated earnings of not more than \$5,000  
 1278 | made under the provisions of this chapter. Such cash-out must be  
 1279 | a complete lump-sum liquidation of the account balance, subject  
 1280 | to the provisions of the Internal Revenue Code, or a lump-sum  
 1281 | direct rollover distribution paid directly to the custodian of  
 1282 | an eligible retirement plan, as defined by the Internal Revenue  
 1283 | Code, on behalf of the member. Any nonvested accumulations and  
 1284 | associated service credit, including amounts transferred to the  
 1285 | suspense account of the Florida Retirement System Investment  
 1286 | Plan Trust Fund authorized under s. 121.4501(6), shall be  
 1287 | forfeited upon payment of any vested benefit to a member or  
 1288 | beneficiary, except for de minimis distributions or minimum  
 1289 | required distributions as provided under this section. If any  
 1290 | financial instrument issued for the payment of retirement  
 1291 | benefits under this section is not presented for payment within  
 1292 | 180 days after the last day of the month in which it was  
 1293 | originally issued, the third-party administrator or other duly  
 1294 | authorized agent of the state board shall cancel the instrument  
 1295 | and credit the amount of the instrument to the suspense account  
 1296 | of the Florida Retirement System Investment Plan Trust Fund  
 1297 | authorized under s. 121.4501(6). Any amounts transferred to the  
 1298 | suspense account are payable upon a proper application, not to  
 1299 | include earnings thereon, as provided in this section, within 10  
 1300 | years after the last day of the month in which the instrument

1301 was originally issued, after which time such amounts and any  
 1302 earnings attributable to employer contributions shall be  
 1303 forfeited. Any forfeited amounts are assets of the trust fund  
 1304 and are not subject to chapter 717.

1305 (4) LINE-OF-DUTY DEATH BENEFITS FOR INVESTMENT PLAN  
 1306 ~~SPECIAL RISK CLASS~~ MEMBERS.—Benefits are provided under this  
 1307 subsection to the spouse and child or children of members in the  
 1308 investment plan ~~Special Risk Class~~ when such members are killed  
 1309 in the line of duty and are payable in lieu of the benefits that  
 1310 would otherwise be payable under subsection (1) or subsection  
 1311 (3). Benefits provided by this subsection supersede any other  
 1312 distribution that may have been provided by the member's  
 1313 designation of beneficiary. Such benefits must be funded from  
 1314 employer contributions made under s. 121.571, transferred  
 1315 employee contributions and funds accumulated pursuant to  
 1316 paragraph (a), and interest and earnings thereon.

1317 (a) *Transfer of funds.*—To qualify to receive monthly  
 1318 benefits under this subsection:

1319 1. All moneys accumulated in the member's account,  
 1320 including vested and nonvested accumulations as described in s.  
 1321 121.4501(6), must be transferred from such individual accounts  
 1322 to the division for deposit in the survivor benefit account of  
 1323 the Florida Retirement System Trust Fund. Moneys in the survivor  
 1324 benefit account must be accounted for separately. Earnings must  
 1325 be credited on an annual basis for amounts held in the survivor

1326 benefit account of the Florida Retirement System Trust Fund  
 1327 based on actual earnings of the trust fund.

1328 2. If the member has retained retirement credit earned  
 1329 under the pension plan as provided in s. 121.4501(3), a sum  
 1330 representing the actuarial present value of such credit within  
 1331 the Florida Retirement System Trust Fund shall be transferred by  
 1332 the division from the pension plan to the survivor benefit  
 1333 retirement program as implemented under this subsection and  
 1334 shall be deposited in the survivor benefit account of the trust  
 1335 fund.

1336 (b) *Survivor retirement; entitlement.*—An investment plan  
 1337 member who is ~~in the Special Risk Class at the time the member~~  
 1338 ~~is~~ killed in the line of duty on or after July 1, 2002 ~~2013~~,  
 1339 regardless of length of creditable service, may have survivor  
 1340 benefits paid as provided in s. 121.091(7)(d) and (i) to:

- 1341 1. The surviving spouse for the spouse's lifetime; or
- 1342 2. If there is no surviving spouse or the surviving spouse  
 1343 dies, the member's child or children under 18 years of age and  
 1344 unmarried until the 18th birthday of the member's youngest  
 1345 child. Such payments may be extended until the 25th birthday of  
 1346 any child of the member if the child is unmarried and enrolled  
 1347 as a full-time student as provided in s. 121.091(7)(d) and (i).

1348 (c) *Survivor benefit retirement effective date.*—

- 1349 1. The effective retirement date for the surviving spouse  
 1350 or eligible child of a Special Risk Class member who is killed

1351 in the line of duty is:

1352 ~~a.1.~~ The first day of the month following the member's  
1353 death if the member dies on or after July 1, 2016.

1354 ~~b.2.~~ July 1, 2016, for a member of the Special Risk Class  
1355 when killed in the line of duty on or after July 1, 2013, but  
1356 before July 1, 2016, if the application is received before July  
1357 1, 2016; or the first day of the month following the receipt of  
1358 such application.

1359 2. Except as provided in subparagraph 1., the effective  
1360 retirement date for the surviving spouse or eligible child of an  
1361 investment plan member who is killed in the line of duty is:

1362 a. The first day of the month following the member's death  
1363 if the member dies on or after July 1, 2017.

1364 b. July 1, 2017, if the member is killed in the line of  
1365 duty on or after July 1, 2002, but before July 1, 2017, if the  
1366 application is received before July 1, 2017; or the first day of  
1367 the month following the receipt of such application.

1368  
1369 If the investment plan account balance has already been paid out  
1370 to the surviving spouse or the eligible unmarried dependent  
1371 child or children, the benefit payable shall be actuarially  
1372 reduced by the amount of the payout.

1373 (d) *Line-of-duty death benefit.*-

1374 1. The following individuals are eligible to receive a  
1375 retirement benefit under s. 121.091(7)(d) and (i) if the

1376 member's account balance is surrendered and an application is  
 1377 received and approved:

1378 a. The surviving spouse.

1379 b. If there is no surviving spouse or the surviving spouse  
 1380 dies, the member's child or children under 18 years of age and  
 1381 unmarried until the 18th birthday of the member's youngest  
 1382 child, or until the 25th birthday of the member's child if the  
 1383 child is unmarried and enrolled as a full-time student.

1384 2. Such surviving spouse or such child or children shall  
 1385 receive a monthly survivor benefit that begins accruing on the  
 1386 first day of the month of survivor benefit retirement, as  
 1387 approved by the division, and is payable on the last day of that  
 1388 month and each month thereafter during the surviving spouse's  
 1389 lifetime or on behalf of the unmarried children of the member  
 1390 until the 18th birthday of the youngest child, or until the 25th  
 1391 birthday of any of the member's unmarried children who are  
 1392 enrolled as full-time students. Survivor benefits must be paid  
 1393 out of the survivor benefit account of the Florida Retirement  
 1394 System Trust Fund established under this subsection.

1395  
 1396 If the investment plan account balance has already been paid out  
 1397 to the surviving spouse or the eligible unmarried dependent  
 1398 child or children, the benefit payable shall be actuarially  
 1399 reduced by the amount of the payout.

1400 (e) *Computation of survivor benefit retirement benefit.*—



1401 The amount of each monthly payment must be calculated as  
 1402 provided under s. 121.091(7)(d) and (i).

1403 (f) *Death of the surviving spouse or children.*—

1404 1. Upon the death of a surviving spouse, the monthly  
 1405 benefits shall be paid through the last day of the month of  
 1406 death and shall terminate or be paid on behalf of the unmarried  
 1407 child or children until the 18th birthday of the youngest child,  
 1408 or the 25th birthday of any of the member's unmarried children  
 1409 who are enrolled as full-time students.

1410 2. If the surviving spouse dies and the benefits are being  
 1411 paid on behalf of the member's unmarried children as provided in  
 1412 subparagraph 1., benefits shall be paid through the last day of  
 1413 the month until the later of the month the youngest child  
 1414 reaches his or her 18th birthday, the month of the 25th birthday  
 1415 of any of the member's unmarried children enrolled as full-time  
 1416 students, or the month of the death of the youngest child.

1417 Section 9. Section 121.5912, Florida Statutes, is amended  
 1418 to read:

1419 121.5912 Survivor benefit retirement program; qualified  
 1420 status; rulemaking authority.—It is the intent of the  
 1421 Legislature that the survivor benefit retirement program for  
 1422 ~~Special Risk Class~~ members of the Florida Retirement System  
 1423 Investment Plan meet all applicable requirements for a qualified  
 1424 plan. If the state board or the division receives notification  
 1425 from the Internal Revenue Service that this program or any

1426 | portion of this program will cause the retirement system, or any  
 1427 | portion thereof, to be disqualified for tax purposes under the  
 1428 | Internal Revenue Code, the portion that will cause the  
 1429 | disqualification does not apply. Upon such notice, the state  
 1430 | board or the division shall notify the presiding officers of the  
 1431 | Legislature. The state board and the department may adopt any  
 1432 | rules necessary to maintain the qualified status of the survivor  
 1433 | benefit retirement program.

1434 | Section 10. Subsections (4) and (5) of section 121.71,  
 1435 | Florida Statutes, are amended to read:

1436 | 121.71 Uniform rates; process; calculations; levy.—

1437 | (4) Required employer retirement contribution rates for  
 1438 | each membership class and subclass of the Florida Retirement  
 1439 | System for both retirement plans are as follows:

1440 |

	Percentage of Gross Compensation, Effective July 1, <u>2017</u> <del>2016</del>
Membership Class	
Regular Class	<u>2.90</u> <del>2.97</del> %

1441 |

1442 |

1443 |

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1444	Special Risk Class	<u>11.86</u> <del>11.80</del> %
	Special Risk	
	Administrative	
1445	Support Class	<u>3.83</u> <del>3.87</del> %
	Elected Officers' Class—	
	Legislators, Governor,	
	Lt. Governor,	
	Cabinet Officers,	
	State Attorneys,	
1446	Public Defenders	<u>6.47</u> <del>6.63</del> %
	Elected Officers' Class—	
	Justices, Judges	<u>10.66</u> <del>11.68</del> %
1447	Elected Officers' Class—	
	County Elected Officers	<u>8.56</u> <del>8.55</del> %
1448	Senior Management Class	<u>4.29</u> <del>4.38</del> %
1449	DROP	<u>4.17</u> <del>4.23</del> %
1450		
1451	(5) In order to address unfunded actuarial liabilities of	
1452	the system, the required employer retirement contribution rates	

1453 for each membership class and subclass of the Florida Retirement  
 1454 System for both retirement plans are as follows:  
 1455

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2017</u> <del>2016</del>
1456 Regular Class	<u>3.30</u> <del>2.83</del> %
1457 Special Risk Class	<u>9.69</u> <del>9.05</del> %
1458 Special Risk Administrative Support Class	<u>29.08</u> <del>22.47</del> %
1459 Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>42.69</u> <del>33.75</del> %

1460

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1461	Elected Officers' Class— Justices, Judges	<u>25.83</u> <del>23.30%</del>
1462	Elected Officers' Class— County Elected Officers	<u>35.24</u> <del>32.20%</del>
1463	Senior Management Service Class	<u>16.70</u> <del>15.67%</del>
1464	DROP	<u>7.43</u> <del>7.10%</del>
1465	Section 11. Section 238.072, Florida Statutes, is amended	
1466	to read:	
1467	238.072 Special service provisions for extension	
1468	personnel.—All state and county cooperative extension personnel	
1469	holding appointments by the United States Department of	
1470	Agriculture for extension work in agriculture and home economics	
1471	in this state who are joint representatives of the University of	
1472	Florida and the United States Department of Agriculture, as	
1473	provided in s. <u>121.051(8)</u> <del>121.051(7)</del> , who are members of the	
1474	Teachers' Retirement System, chapter 238, and who are prohibited	
1475	from transferring to and participating in the Florida Retirement	
1476	System, chapter 121, may retire with full benefits upon	
1477	completion of 30 years of creditable service and shall be	
1478	considered to have attained normal retirement age under this	
1479	chapter, any law to the contrary notwithstanding. In order to	

1480 comply with the provisions of s. 14, Art. X of the State  
 1481 Constitution, any liability accruing to the Florida Retirement  
 1482 System Trust Fund as a result of the provisions of this section  
 1483 shall be paid on an annual basis from the General Revenue Fund.

1484 Section 12. Subsection (11) of section 413.051, Florida  
 1485 Statutes, is amended to read:

1486 413.051 Eligible blind persons; operation of vending  
 1487 stands.—

1488 (11) Effective July 1, 1996, blind licensees who remain  
 1489 members of the Florida Retirement System pursuant to s.  
 1490 121.051(7)(b)1. ~~121.051(6)(b)1.~~ shall pay any unappropriated  
 1491 retirement costs from their net profits or from program income.  
 1492 Within 30 days after the effective date of this act, each blind  
 1493 licensee who is eligible to maintain membership in the Florida  
 1494 Retirement System under s. 121.051(7)(b)1. ~~121.051(6)(b)1.~~, but  
 1495 who elects to withdraw from the system as provided in s.  
 1496 121.051(7)(b)3. ~~121.051(6)(b)3.~~, must, on or before July 31,  
 1497 1996, notify the Division of Blind Services and the Department  
 1498 of Management Services in writing of his or her election to  
 1499 withdraw. Failure to timely notify the divisions shall be deemed  
 1500 a decision to remain a compulsory member of the Florida  
 1501 Retirement System. However, if, at any time after July 1, 1996,  
 1502 sufficient funds are not paid by a blind licensee to cover the  
 1503 required contribution to the Florida Retirement System, that  
 1504 blind licensee shall become ineligible to participate in the

1505 Florida Retirement System on the last day of the first month for  
 1506 which no contribution is made or the amount contributed is  
 1507 insufficient to cover the required contribution. For any blind  
 1508 licensee who becomes ineligible to participate in the Florida  
 1509 Retirement System as described in this subsection, no creditable  
 1510 service shall be earned under the Florida Retirement System for  
 1511 any period following the month that retirement contributions  
 1512 ceased to be reported. However, any such person may participate  
 1513 in the Florida Retirement System in the future if employed by a  
 1514 participating employer in a covered position.

1515       Section 13. The Legislature finds that a proper and  
 1516 legitimate state purpose is served when employees and retirees  
 1517 of the state and its political subdivisions, and the dependents,  
 1518 survivors, and beneficiaries of such employees and retirees, are  
 1519 extended the basic protections afforded by governmental  
 1520 retirement systems. These persons must be provided benefits that  
 1521 are fair and adequate and that are managed, administered, and  
 1522 funded in an actuarially sound manner, as required by s. 14,  
 1523 Article X of the State Constitution and part VII of chapter 112,  
 1524 Florida Statutes. Therefore, the Legislature determines and  
 1525 declares that this act fulfills an important state interest.

1526       Section 14. This act shall take effect July 1, 2017.