

BILL

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to retirement; amending s. 121.71, F.S.;
 3 revising the payroll contribution rates for the membership
 4 classes of the Florida Retirement System for the state
 5 fiscal years effective July 1, 2007, and July 1, 2008;
 6 providing an effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:

9
 10 Section 1. Section 121.71, Florida Statutes, is amended to
 11 read:

12 121.71 Uniform rates; process; calculations; levy.--

13 (1) In conducting the system actuarial study required under
 14 s. 121.031, the actuary shall follow all requirements specified
 15 thereunder to determine, by Florida Retirement System employee
 16 membership class, the dollar contribution amounts necessary for
 17 the forthcoming fiscal year for the defined benefit program. In
 18 addition, the actuary shall determine, by Florida Retirement
 19 System membership class, based on an estimate for the forthcoming
 20 fiscal year of the gross compensation of employees participating
 21 in the optional retirement program, the dollar contribution
 22 amounts necessary to make the allocations required under ss.
 23 121.72 and 121.73. For each employee membership class and
 24 subclass, the actuarial study shall establish a uniform rate
 25 necessary to fund the benefit obligations under both Florida
 26 Retirement System retirement plans, by dividing the sum of total
 27 dollars required by the estimated gross compensation of members
 28 in both plans.

BILL ORIGINAL YEAR

29 (2) Based on the uniform rates set forth in subsection (3),
 30 employers shall make monthly contributions to the Division of
 31 Retirement, which shall initially deposit the funds into the
 32 Florida Retirement System Contributions Clearing Trust Fund. A
 33 change in a contribution rate is effective the first day of the
 34 month for which a full month's employer contribution may be made
 35 on or after the beginning date of the change.

36 (3) Required employer retirement contribution rates for
 37 each membership class and subclass of the Florida Retirement
 38 System for both retirement plans are as follows:
 39

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2007</u> 2006	Percentage of Gross Compensation, Effective July 1, <u>2008</u> 2007
Regular Class	8.69%	9.55%
Special Risk Class	19.76%	<u>21.92</u> 21.96 %
Special Risk Administrative Support Class	11.39%	<u>11.86</u> 12.65 %
Elected Officers' Class - Legislators, Governor, Lt. Governor,	13.32%	<u>14.66</u> 14.80 %

BILL ORIGINAL YEAR

44	Cabinet Officers, State Attorneys, Public Defenders		
	Elected Officers' Class - Justices, Judges	18.40%	<u>20.42</u> 20.44 %
45	Elected Officers' Class - County Elected Officers	15.37%	<u>17.03</u> 17.08 %
46	Senior Management Class	11.96%	<u>12.95</u> 13.29 %
47	DROP	9.80%	10.89%

48
49
50 (4) The state actuary shall recognize and use an
51 appropriate level of available excess assets of the Florida
52 Retirement System Trust Fund to offset the difference between the
53 normal costs of the Florida Retirement System and the statutorily
54 prescribed contribution rates.

55 Section 2. This act shall take effect July 1, 2007.