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2 An act relating to employer contributions to fund
3 retiree benefits; amending ss. 112.363, 121.052,
4 121.055, and 121.071, F.S.; revising the employer
5 contribution rates for the retiree health insurance
6 subsidy; amending s. 121.71, F.S.; revising the
7 required employer retirement contribution rates for
8 members of each membership class and subclass of the
9 Florida Retirement System; providing findings of an
10 important state interest; providing for construction
11 of the act in pari materia with laws enacted during
12 the 2015 Regular Session of the Legislature; providing
13 for contingent retroactive operation; providing
14 effective dates.

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

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18 Section 1. Paragraph (i) is added to subsection (8) of
19 section 112.363, Florida Statutes, to read:

20 112.363 Retiree health insurance subsidy.—

21 (8) CONTRIBUTIONS.—For purposes of funding the insurance
22 subsidy provided by this section:

23 (i) Beginning July 1, 2015, the employer of each member of
24 a state-administered plan shall contribute 1.66 percent of gross
25 compensation each pay period.

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27 Such contributions shall be submitted to the Department of
28 Management Services and deposited in the Retiree Health
29 Insurance Subsidy Trust Fund.

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30 Section 2. Paragraph (d) of subsection (7) of section
31 121.052, Florida Statutes, is amended to read:

32 121.052 Membership class of elected officers.—

33 (7) CONTRIBUTIONS.—

34 (d) The following table states the required employer
35 contribution on behalf of each member of the Elected Officers'
36 Class in terms of a percentage of the member's gross
37 compensation. Such contribution constitutes the entire health
38 insurance subsidy contribution with respect to each such member.
39 A change in the contribution rate is effective with the first
40 salary paid on or after the beginning date of the change. The
41 retiree health insurance subsidy contribution rate is as
42 follows:

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Dates of Contribution Rate Changes	Contribution Rate
October 1, 1987, through December 31, 1988	0.24%
January 1, 1989, through December 31, 1993	0.48%
January 1, 1994, through December 31, 1994	0.56%
January 1, 1995, through June 30, 1998	0.66%
July 1, 1998, through June 30, 2001	0.94%
July 1, 2001, through June 30, 2013	1.11%

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July 1, 2013, through June 30, 2014 1.20%

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~~Effective July 1, 2014, through June 30,~~ 1.26%
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Effective July 1, 2015 1.66%

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55 Such contributions and accompanying payroll data are due and
56 payable no later than the 5th working day of the month
57 immediately following the month during which the payroll period
58 ended and shall be deposited by the administrator in the Retiree
59 Health Insurance Subsidy Trust Fund.

60 Section 3. Paragraph (d) of subsection (3) of section
61 121.055, Florida Statutes, is amended to read:

62 121.055 Senior Management Service Class.—There is hereby
63 established a separate class of membership within the Florida
64 Retirement System to be known as the "Senior Management Service
65 Class," which shall become effective February 1, 1987.

66 (3)

67 (d) The following table states the required employer
68 contribution on behalf of each member of the Senior Management
69 Service Class in terms of a percentage of the member's gross
70 compensation. Such contribution constitutes the entire health
71 insurance subsidy contribution with respect to each such member.
72 A change in the contribution rate is effective with the first
73 salary paid on or after the beginning date of the change. The
74 retiree health insurance subsidy contribution rate is as
75 follows:

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Dates of Contribution Rate Changes	Contribution Rate
October 1, 1987, through December 31, 1988	0.24%
January 1, 1989, through December 31, 1993	0.48%
January 1, 1994, through December 31, 1994	0.56%
January 1, 1995, through June 30, 1998	0.66%
July 1, 1998, through June 30, 2001	0.94%
July 1, 2001, through June 30, 2013	1.11%
July 1, 2013, through June 30, 2014	1.20%
Effective <u>July 1, 2014, through June 30,</u> <u>2015</u>	1.26%
<u>Effective July 1, 2015</u>	<u>1.66%</u>

Such contributions and accompanying payroll data are due and payable no later than the 5th working day of the month immediately following the month during which the payroll period

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92 ended and shall be deposited by the administrator in the Retiree
93 Health Insurance Subsidy Trust Fund.

94 Section 4. Subsection (4) of section 121.071, Florida
95 Statutes, is amended to read:

96 121.071 Contributions.—Contributions to the system shall be
97 made as follows:

98 (4) The following table states the required employer
99 contribution on behalf of each member of the Regular Class,
100 Special Risk Class, or Special Risk Administrative Support Class
101 in terms of a percentage of the member's gross compensation.
102 Such contribution constitutes the entire health insurance
103 subsidy contribution with respect to each such member. A change
104 in the contribution rate is effective with the first salary paid
105 on or after the beginning date of the change. The retiree health
106 insurance subsidy contribution rate is as follows:

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Dates of Contribution Rate Changes	Contribution Rate
October 1, 1987, through December 31, 1988	0.24%
January 1, 1989, through December 31, 1993	0.48%
January 1, 1994, through December 31, 1994	0.56%
January 1, 1995, through June 30, 1998	0.66%
July 1, 1998, through June 30, 2001	0.94%

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July 1, 2001, through June 30, 2013 1.11%

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July 1, 2013, through June 30, 2014 1.20%

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~~Effective July 1, 2014, through June 30,~~ 1.26%
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Effective July 1, 2015 1.66%

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119 Such contributions shall be deposited by the administrator in
120 the Retiree Health Insurance Subsidy Trust Fund.

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

123 121.71 Uniform rates; process; calculations; levy.—

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

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Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2015</u> 2014
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Regular Class	<u>2.91%</u> 3.53%
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131	Special Risk Class	<u>11.35%</u> 11.01%
132	Special Risk Administrative Support Class	<u>3.71%</u> 4.18%
133	Elected Officers' Class-- Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>6.48%</u> 6.30%
134	Elected Officers' Class-- Justices, Judges	<u>11.39%</u> 10.10%
135	Elected Officers' Class-- County Elected Officers	<u>8.48%</u> 8.36%
136	Senior Management Class	<u>4.32%</u> 4.80%
137	DROP	<u>4.10%</u> 4.30%

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139 (5) In order to address unfunded actuarial liabilities of
140 the system, the required employer retirement contribution rates
141 for each membership class and subclass of the Florida Retirement
142 System for both retirement plans are as follows:
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144	Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2015</u> 2014
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146	Regular Class	<u>2.65%</u> 2.54%
147	Special Risk Class	<u>8.99%</u> 7.51%
148	Special Risk Administrative Support Class	<u>27.54%</u> 36.59%
149	Elected Officers' Class-- Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>37.62%</u> 38.66%
150	Elected Officers' Class-- Justices, Judges	<u>22.62%</u> 21.77%
151	Elected Officers' Class-- County Elected Officers	<u>32.09%</u> 33.58%

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179 Legislature, such laws shall be construed as if enacted during
180 the same session of the Legislature, and full effect shall be
181 given to each if possible.

182 Section 9. Except as otherwise expressly provided in this
183 act and except for this section, which shall take effect upon
184 becoming a law, this act shall take effect July 1, 2015, or, if
185 this act fails to become a law until after that date, it shall
186 take effect upon becoming a law and operate retroactively to
187 July 1, 2015.