



**Week Eight Session Summary April 25-29
May 2, 2011**

LEGISLATIVE CONFERENCE COMMITTEE ON FRS MAKES QUICK WORK OF IT

Although we didn't get everything we wanted, the intense pushback on the FRS reforms by the AFC, FEA, law enforcement and firefighters unions, school boards and others did result in a slight softening of the changes. DROP, which was fully expected to be on the chopping block has survived another attack, relatively unscathed, with the only change made on the interest rate paid for new participants entering July 1, 2011. Despite our best efforts to lobby in opposition, all employees in FRS participating agencies will contribute 3% of their gross salary, pre-tax, toward their retirement. The Governor had indicated he wanted a 5% co-pay and we fully expect him to go after an additional 2% going into next legislative session.

With little fanfare, and even less discussion, the Legislative Conference Committee on Florida Retirement System Reforms met late week on Thursday and Friday. On Thursday, the Senate made an offer to the House on resolving their respective differences in [SB2100](#). Then, at around 10:00pm Friday evening, the Senate accepted the House's counter-offer. The summary* of that offer is as follows:

****Subject to Change. The final version of SB2100 was not posted prior to this publication. This analysis is based on our tracking to-date plus the addition of changes from the conference committee report.***

1. Defined Benefit Plan
 - a. Continues as currently offered with a new title "Pension Plan"
 - b. Elected officials and senior management hired on or after July 1, 2011 are not eligible and must enroll in the Investment Plan
 - c. New hires still choose plan when hired. One-time plan switch still available.
2. Defined Contribution Plan:
 - a. Continues as currently offered for all employees with new title the "Investment Plan"
3. Health Insurance Subsidy (H.I.S.)
 - a. No changes, continues as currently offered
4. Cost of Living Adjustment (COLA)
 - a. No more COLA credits earned effective July 1, 2011
 - b. Current employees retain all COLA credits up to June 30, 2011
 - c. COLA tied to availability of funds after June 30, 2016 as determined by Legislature
 - d. No impact on current retirees or DROP participants

5. DROP
 - a. Continues DROP
 - b. Reduces interest paid on DROP accounts to 1.3% plus cost of living annually for new participants entering July 1, 2011
6. Community College Optional Retirement Plan (CCORP)
 - a. Continues as currently available with employee contribution of 3% required
7. Pension Plan Retirement Accrual Rates (no changes):
 - a. Regular 1.6%; Senior Mgmt 2.0%; Special Risk and Elected 3.0%; Judicial 3.3%
8. Average Final Calculation (Pension Plan participants):
 - a. High 8 years for new hires beginning July 1, 2011
9. Vesting:
 - a. Pension Plan - Eight years creditable service for new hires beginning July 1, 2011
 - b. Investment Plan – 100% after 3 months of creditable service for new hires beginning July 1, 2011
10. Investment Plan Payout:
 - a. Employer Contribution Payout after: 1yr = 20%; 2yrs = 40%; 3yrs = 60%; 4yrs = 80%; 5yrs = 100%
 - b. Employee contribution payout = 100% after 3 months employment
 - c. Earnings – No earnings (interest) paid out prior to 100% vestment (after 5yrs).
11. Pension Plan Retirement eligibility (new hires on or after July 1, 2011):
 - a. 65 years of age and 8 years of service
 - b. 33 years of service at any age

OTHER KEY BILLS UP FOR FINAL DISPOSITION THIS WEEK

Several bills your AFC Legislative team has been working on and tracking are shaping up into final form and will be heard this week.

FCS Governance

[SB1732](#) by Lynn on Special Order calendar for May 3

HB7151 by Stargel, regarding FCS Governance, role of HECC, and workforce programs on third reading in House floor.

[CS/SB1194](#) by Oelrich regarding CLAST, Articulation, and Bright Futures, now amended into [HB7151](#)

Name Changes

[CS84](#) and [HB35](#) regarding College Name Changes for St. Johns, Valencia, Gulf Coast, and Pensacola – In House messages awaiting final floor vote

Firesafety

[HB331](#) has passed the House and [SB534](#) is on third reading this week. The next stop should be the Governor’s desk

Santa Fe College Transportation Fee

After many years of effort to get passed, the student transportation fee for Santa Fe College has been included in the Higher Education conforming bill. It appears poised for passage this year.

THE FINAL WEEK OF LEGISLATIVE SESSION IS ALWAYS EXCITING (from the News Service of Florida wire)

It's the final week of the legislative session – hard to predict as always. Leaders on both ends of the Capitol say they expect to finish by this Friday evening, which would mean having a budget worked out fully by Tuesday and on lawmakers' desks sometime Tuesday evening to begin the 72 hour waiting period before a vote.

Ideally, legislators and their staffs will read the budget during that time, but both chambers will also be on the floor all week, with a host of issues still outstanding as we head into the week. Among those are the proposed Medicaid overhaul, House Speaker Dean Cannon's desire to overhaul the Supreme Court, splitting it in two, a bill to give greyhound tracks the ability to stop racing greyhounds, proposals in each chamber to get tougher on illegal immigrants, and the effort to crack down on so-called "pill mills."

ON THE SENATE THIRD READING CALENDAR: The Senate will be on the floor Monday at 9 a.m. and likely every day this week. Right now, the calendar of bills on third reading is short. It includes the pill mill bill ([SB 818](#)) to crack down on pain clinics doling out meds, and the House's Supreme Court overhaul ([HB 7111](#)). That measure, a major priority for House Speaker Dean Cannon, would split the court into two divisions, one for civil cases, one for criminal, with five justices each. Also on the third reading calendar is [HB 1329](#), which broadens the types of students who can get McKay Scholarships to go to private schools. Right now, only disabled students are eligible, and the bill would allow certain other students with diseases or other problems that may not be thought of as truly disabilities to get the vouchers. (Monday, Senate in session, 9 a.m., Senate Chamber.)

ALSO ON SENATE THIRD READING: Also on the third reading calendar in the Senate is [HB 99](#), which deregulates certain types of commercial insurance. That measure isn't particularly controversial, it passed the House unanimously. The Senate also has available for a vote [SB 396](#), which says that regulatory cost estimates don't apply to updates or changes to the Florida Building Code or Fire Prevention Code, and requires governments to adopt a "sustainable building rating system or national model green building code" for new and renovated buildings. The last bill currently on third reading is [SB 1754](#), which prohibits someone from being compelled to purchase health insurance.

MEDICAID OVERHAUL: The Senate is expected on Monday to consider a Medicaid-overhaul bill, although top senators said Saturday they are still trying to work out a deal with the House that would allow the effort to move forward. Republican leaders want to move almost all Medicaid beneficiaries into managed-care plans. The House has already approved a plan to overhaul the \$20 billion health-care system, but the Senate has proposed a vastly different bill. Among the differences: The House wants to divide the state into eight regions in which managed-care plans would compete, while the Senate has proposed 19 regions. The number of regions is important because lawmakers want "provider-service networks" --- local networks of hospitals and other types of providers --- to be able to compete with HMOs in the managed-care system. Those networks would have difficulties operating if the regions are too large.

IMMIGRATION: The Senate is expected to take up its proposal aimed at cracking down on illegal immigration, in part requiring workers who get jobs through the state's labor agency to be run through a federal immigration status check. The bill would also require officials to run applicants for state benefits through the federal system as well.

DRUG TESTING FOR TANF RECIPIENTS: The Senate could take up as early as Monday a bill ([SB 556](#)) on the special order calendar that would require drug testing for anyone wanting to get temporary assistance for needy families from the state. The bill has already passed in the House, gaining approval early this week on a 78-38 vote.

ALSON ON THE SENATE SPECIAL ORDER: Among the bills on the special order calendar this week in the Senate are a bill ([SB 204](#)) banning synthetic cannabinoids, bills related to the qualifications of expert witnesses in medical malpractice cases ([SB 1590](#)), property tax breaks for deployed military ([SB 1502](#)), replacing the current judicial nominating commissions ([SB 2170](#)), and child restraint seat requirements ([SB 238](#)).

HOUSE IN SESSION – THIRD READING: On third reading in the House is the proposed constitutional amendment ([SJR 2](#)) that would prohibit the government from compelling Florida residents from buying health insurance; a proposed constitutional amendment and a bill making changes to the homestead property tax caps ([HB 1163](#), [HJR 381](#)); a bill ([HB 493](#)) changing the presumption in how much of a hotel room bill is taxable when the room is purchased through an online booking agency, a series of school choice bills, nursing home tort reform ([HB 661](#)) and several others. (11 a.m., House chamber.)

DEMOCRATS OPPOSE PROPOSED VOTING LAW CHANGES: A group of Democratic state lawmakers, including House Minority Leader Ron Saunders and Senate Minority Leader Nan Rich, are joined by U.S. Sen. Bill Nelson at a Capitol news conference to speak against the proposal to change elections laws, including shortening early voting.

SILVER ALERT: Attorney General Pam Bondi and members of the Legislature hold a news conference to urge lawmakers to pass [SB 664](#) or [HB 513](#), the Silver Alert bill. The measure would set up a system to broadcast alerts when an elder with dementia or Alzheimer's goes missing.

BUDGETS TO DESKS: If the Legislature is going to finish by Friday night, the final agreed-on budget must be on lawmakers' desks by Tuesday night, to start the 72-hour waiting period before a vote can take place. Legislative leaders say they think they can finish "on time" but haven't said what time Tuesday they anticipate a final budget printing.

TEACHER APPRECIATION RALLY: The Florida Education Association is promoting a teacher appreciation rally to show support for public education. Speakers include Democratic lawmakers and FEA President Andy Ford on Tuesday at 6:30 p.m.