

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 616

SPONSOR: Governmental Oversight & Productivity Committee and Senator Constantine

SUBJECT: State Retirement Commission

DATE: April 15, 2004 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Rhea</u>	<u>Wilson</u>	<u>GO</u>	<u>Fav/CS</u>
2.	<u>Kynoch</u>	<u>Coburn</u>	<u>AP</u>	<u>Favorable</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The State Retirement Commission (commission) is composed of 3 members who are appointed by the Governor and confirmed by the Senate. The commission hears cases on the merits for applications for disability retirement, reexamination of retired members receiving disability benefits, applications for special risk membership, and reexamination of special risk members in the Florida Retirement System.

Prior to the enactment of ch. 2001-89, Laws of Florida, the commission had 7 members. As a result, there was a statutory requirement that 4 members be present for a quorum. Chapter 2001-89, L.O.F., reduced the size of the commission to 3 members but failed to modify the quorum requirement of 4 members, which was in another section of statute. Thus, current law sets a quorum requirement higher than the number of members on the commission.

The committee substitute addresses this conflict by increasing the size of the commission to 5 members and by setting the quorum requirement at 3 members. Further, the committee substitute continues authorization for panels of the commission to meet for hearing appeals pursuant to s. 121.23, F.S. Panel size is set at 3 members, and a quorum of 2 is established.

This bill amends ss. 121.22 and 121.24, F.S.

II. Present Situation:

The State Retirement Commission (commission) is created within the Department of Management Services (department).¹ The commission is composed of 3 members:

1. One member who is retired under a state-supported retirement system administered by the department.
2. One member who is an active member of a state-supported retirement system that is administered by the department.
3. One member who is neither a retiree, beneficiary, nor member of a state-supported retirement system administered by the department.

Each member is required to have a different occupational background from the other members.

Pursuant to s. 121.24, F.S., the commission may meet in panels of no less than 3 members for the purpose of hearing appeals under s. 121.23, F.S. For all other purposes, a quorum consists of 4 members. As the commission only consists of 3 members, a quorum of 4 is impossible to attain.

III. Effect of Proposed Changes:

The committee substitute amends s. 121.22, F.S., to establish the State Retirement Commission as a five-member entity. Two members must be retired under a state-supported retirement system administered by the department; 2 members must be active members of a state-supported retirement system; and 1 member who is neither a retiree, beneficiary, or member of a state-supported retirement system administered by the department.

The committee substitute also amends s. 121.24, F.S., to continue authorization for the commission to meet in panels for purposes of hearing appeals under s. 121.23, F.S. A quorum of 2 members is established. For all other purposes for which the commission meets, a quorum is set at 3 members.

The act takes effect July 1, 2004.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

¹ Section 121.22 (1), F.S.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The committee substitute is effective July 1, 2004. Given the current conflict in statute and the difficulties it poses for the commission to meet, it would appear that the commission would benefit if the bill were made effective upon becoming law.

VIII. Amendments:

None.