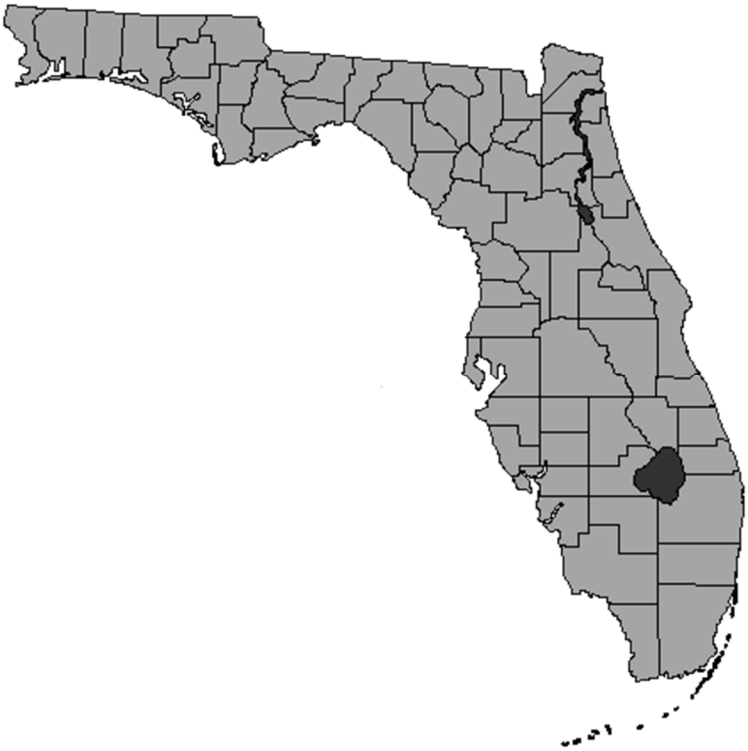
FLORIDA RETIREMENT SYSTEM PENSION PLAN



SUMMARY PLAN DESCRIPTION
as of July 1, 2019

Department of
MANAGEMENT
SERVICES
Division of Retirement

SUMMARY PLAN DESCRIPTION

The following summary is a brief description of the Florida Retirement System Pension Plan as of July 1, 2019. Questions of interpretation shall be determined from Chapter 121, Florida Statutes, and Chapter 60S of the Florida Administrative Code. Florida Retirement System membership and benefits are established and changed by the Florida Legislature.

Creation

The Florida Retirement System (FRS) was created Dec. 1, 1970, with consolidation of the Teachers' Retirement System, the State and County Officers and Employees' Retirement System, and the Highway Patrol Pension Fund. In 1972, the Judicial Retirement System was consolidated with the FRS. In 2007, the Institute of Food and Agricultural Sciences Supplemental Retirement Program was consolidated under the Regular Class of the FRS as a closed group. The system was created to provide a program offering retirement, disability, and survivor benefits for participating public employees. Social Security coverage is also required for all members.

Membership

Membership in the FRS is specified by law for full-time and part-time employees working in regularly established positions for state agencies, county governments, district school boards, state universities, and state community colleges or for cities, independent special districts, metropolitan planning districts, and public charter schools that make an irrevocable election to participate. FRS Pension Plan retirees initially reemployed on or after July 1, 2010, through June 30, 2017, may not participate in the FRS or any other state-administered retirement system. Effective July 1, 2017, retirees of specified defined contribution plans[1] employed in a regularly established position are eligible to be enrolled as renewed members of the defined contribution[2] plan covering the position held except the Senior Management Service Optional Annuity Program that is closed to new members and FRS Pension Plan retirees who remain ineligible for renewed membership. Certain members, including elected officials and local government senior managers, may elect not to participate in the FRS. Members of the Elected Officers' Class (EOC) may elect to participate in the Senior Management Service Class (SMSC) in lieu of the EOC or to withdraw from the FRS altogether. The following members may elect to participate in various optional retirement programs instead of the FRS Pension Plan:

- Most Pension Plan members (including renewed members initially enrolled prior to July 1, 2010) and State Community College System Optional Retirement Program participants[3] may elect to participate in the FRS Investment Plan. FRS Pension Plan members who retired and chose to participate in the Deferred Retirement Option Program (DROP) are not eligible to become members of the FRS Investment Plan.
- Senior Management Service Class members who are state employees (including state-level EOC members who choose to participate in the SMSC) may elect to participate in the Senior Management Service Optional Annuity Program, while locally designated members of the SMSC may elect to opt out of the system altogether[4]. Assistant state attorneys, assistant public defenders, assistant attorneys general, and assistant statewide prosecutors are SMSC members who cannot participate in the Senior Management Service Optional Annuity Program.
- State University System faculty, executive service employees, and administrative and professional employees who are not eligible for career service may elect to participate in the State University System Optional Retirement Program, except for faculty at colleges of a state university that has a faculty practice plan. These faculty members are mandatory State University System Optional Retirement Program participants.
- State Community College System faculty and certain administrators whose positions are covered by the Regular Class may elect to participate in a State Community College System Optional Retirement Program if the college offers an optional retirement program.

Classes of Membership

Regular Class — This class consists of FRS members who do not qualify for membership in the Special Risk, Special Risk Administrative Support, Elected Officers', or Senior Management Service classes.

Special Risk Class — This class consists of FRS members who meet the criteria to qualify for this class according to Florida law and rules and who are employed as one of the following:

- Law enforcement officers;

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[1] Retirees of the following defined contribution plans are eligible to be enrolled as a renewed member if employed in a regularly established position on or after July 1, 2017: Senior Management Service Optional Annuity Program (SMSOAP), State University System Optional Retirement Program (SUSORP), the State Community College System Optional Retirement Program (SCCSORP), and the FRS Investment Plan.

[2] Defined contribution Plan retirees initially enrolled on or after July 1, 2017, may be enrolled in the SUSORP, SCCSORP, or the FRS Investment Plan depending upon the retirement plan covering the position held. The SMSOAP was closed to new members effective July 1, 2017.

[3] Excludes renewed members of the SCCSORP who become initially enrolled on or after July 1, 2017.

[4] If the withdrawn local government senior manager is provided an employer-funded retirement benefit, that benefit is either in a retirement program administered by the employer or through a separate contractual arrangement with the employer.

- Firefighters, fire prevention and firefighter training positions, and aerial firefighting surveillance pilots for the Department of Agriculture and Consumer Services;
- Correctional officers and community-based correctional probation officers;
- Paramedics or emergency medical technicians whose primary duty and responsibility includes on-the-scene emergency medical care and who are employed with a licensed Advance Life Support or Basic Life Support employer;
- Professional health care workers in specified positions within the Department of Corrections or the Department of Children and Family Services who spend at least 75 percent of their time performing duties that involve contact with patients or inmates in a correctional or forensic facility or institution; or
- Forensic employees employed by a law enforcement agency or medical examiner's office.

Special Risk Administrative Support Class — This class consists of certain former Special Risk Class members who are transferred or reassigned to a non-special risk law enforcement, firefighting, correctional, or emergency services administrative support position within an FRS special risk-employing agency and meet the criteria set forth in Florida law.

Elected Officers' Class — This class consists of members who hold specified elective offices in either state or local government:

- State officers include the following: Governor, Lieutenant Governor, Cabinet Officer, Legislator, Supreme Court Justice, district court of appeal judge, circuit judge, county court judge, state attorney, and public defender.
- County officers include the following: sheriff, tax collector, property appraiser, supervisor of elections, school board member, school board superintendent[5], clerk of circuit court, county commissioner, and other elected officials with countywide authority.
- City or special district officers include the following: elected officials in cities and special districts that have chosen to place their elected officials in the EOC instead of the Regular Class during the six-month window periods offered in 1997, 2001, 2009, or at the time of joining the FRS on or after Jan. 1, 2010.

Senior Management Service Class — This class consists of the following:

- Members of the Senior Management Service of the State Personnel System;
- Community college presidents;
- Appointed school board superintendents;
- County and city managers;
- Selected managerial staff of the Legislature;
- The Auditor General and managerial staff;
- The Executive Director of the Ethics Commission;
- The State University System Executive Service and university presidents;
- Selected managerial staff of the State Board of Administration;
- Judges of compensation claims;
- Selected managerial staff with the judicial branch;
- Capital collateral regional counsels and assistant capital collateral regional counsels;
- Assistant state attorneys;
- Assistant public defenders;
- Assistant statewide prosecutors and assistant attorneys general;
- Elected officials who chose to join the SMSC in lieu of the EOC;
- Nonelective managerial positions designated for SMSC membership by local government agencies;
- Chief Deputy Court Administrator;
- Adjutant General, Assistant Adjutant General-Army, Assistant Adjutant General-Air, State Quartermaster, Director of Military Personnel, Director of Administration, and selected managerial staff of the Department of Military Affairs; and
- County health department directors and administrators of the Department of Health.

[5] The school superintendent is an appointed position by the school board in 26 of the 67 counties in Florida.

Contributions

Effective July 1, 2002, the Florida Legislature established a uniform contribution rate system for the FRS, covering both the Pension Plan and the Investment Plan. Effective July 1, 2011, FRS members are required to make employee contributions in addition to employer contributions to establish service credit for work performed in a regularly established position. The total uniform contribution rates by membership class for Fiscal Year 2019-20 are as follows:

Class	Employee Contribution Rate	Employer Contribution Rate*	Total Contribution Rate
Regular	3.00%	8.47%	11.47%
Special Risk	3.00%	25.48%	28.48%
Special Risk Administrative Support	3.00%	38.59%	41.59%
Elected Officers'			
Judges	3.00%	42.00%	45.00%
Governor, Lieutenant Governor, Cabinet, Legislators, State Attorneys, and Public Defenders	3.00%	56.03%	59.03%
Elected County, City, and Special District Officials	3.00%	48.82%	51.82%
Senior Management Service	3.00%	25.41%	28.41%
Deferred Retirement Option Program	N/A	14.60%	14.60%

*These rates include the 1.66 percent contribution for the Retiree Health Insurance Subsidy, the assessment of 0.06 percent for administration of the FRS Investment Plan and the administration of the MyFRS Financial Guidance Program for both plans, and an unfunded actuarial liability contribution determined by membership class.

Any member who terminates employment with an FRS employer may receive a refund of any retirement contributions personally made to the system (and lose the associated retirement credit for both their FRS and Health Insurance Subsidy benefits) or may leave these personal contributions in the system and keep all creditable service earned through the date of termination.

Creditable Service

Members receive one month of service credit for each month in which any salary is reported for work performed up to their work period during the plan year. Members may also purchase additional credit to increase their retirement benefits under the FRS Pension Plan. Credit may be purchased for past service, prior service (including refunded service credit), specified wartime military service (up to four years) for members enrolled prior to Jan. 1, 1987, approved military leaves of absence, approved leaves of absence (up to two years), out-of-state public service (including federal service), non-FRS public service, and non-public service in certain schools or colleges in Florida (up to five years total, including both in-state and out-of-state service) and for periods of disability retirement after recovery from the disability and return to covered employment. To purchase this service credit, members must meet certain requirements. Only the purchase of past service, approved military leaves of absence, and prior service may be included in the creditable years of service needed to vest (see Vesting). All other types of service credit purchases become creditable service only after a member is vested based on the member's other service.

Vesting

Since July 1, 2001, and through June 30, 2011, the FRS Pension Plan has provided for vesting of service retirement benefits after six years of creditable service. Members not actively working in a position covered by the FRS on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service.

Service Retirement

Members become eligible for normal retirement or unreduced retirement based on their age and/or service when they first meet one of the minimum requirements listed in the following section. Early retirement or reduced retirement may be taken after a member is vested and within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year remaining from a member's retirement age to normal retirement age.

Normal retirement requirements for members initially enrolled before July 1, 2011

Regular Class, Elected Officers' Class, and Senior Management Service Class

- Vested with six years of service and age 62;
- The age after 62 that the member becomes vested; **or**
- 30 years of service, regardless of age.

Special Risk Class

- Vested with six years of special risk service and age 55;
- The age after 55 that the member becomes vested;
- 25 years of service consisting of both special risk service and up to four years of wartime military service and age 52;
- 25 years of special risk service, regardless of age; **or**
- 30 years of any creditable service, regardless of age.

Special Risk Administrative Support Class

- Special Risk Class normal retirement requirements apply to service in this class if a member has six years actual special risk service; otherwise, Regular Class requirements apply.

Normal retirement requirements for members initially enrolled on or after July 1, 2011

Regular Class, Elected Officers' Class, and Senior Management Service Class

- Vested with eight years of service and age 65;
- The age after 65 that the member becomes vested; **or**
- 33 years of service, regardless of age.

Special Risk Class

- Vested with eight years of special risk service and age 60;
- The age after 60 that the member becomes vested;
- 30 years of special risk service, regardless of age; **or**
- 33 years of any creditable service, regardless of age.

Special Risk Administrative Support Class

- Special Risk Class normal retirement requirements apply to service in this class if a member has eight years actual special risk service; otherwise, Regular Class requirements apply.

Benefit Calculation

Service retirement benefits are computed based on age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation.

- For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings.
- For members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings.

The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned. The chart below shows the percentage value for each year of service credit earned.

RETIREMENT PLAN	% VALUE (per year of service)
Florida Retirement System	
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Special Risk Class	
Service from Dec. 1, 1970, through Sept. 30, 1974	2.00%
Service on and after Oct. 1, 1974	3.00%
Special Risk Administrative Support Class members initially enrolled before July 1, 2011	
(With six or more years of special risk service, the service in this class counts toward special risk normal retirement; otherwise, Regular Class requirements apply.)	
Retirement up to age 55; or up to 25 total years of special risk service; or at age 52 with 25 years (if total service includes wartime military service)	1.60%
Retirement at age 56; or with 26 total years of special risk service; or at age 53 with 26 years (if total service includes wartime military service)	1.63%
Retirement at age 57; or with 27 total years of special risk service; or at age 54 with 27 years (if total service includes wartime military service)	1.65%
Retirement at age 58; or with 28 total years of special risk service; or at age 55 with 28 years (if total service includes wartime military service)	1.68%
Special Risk Administrative Support Class members initially enrolled on or after July 1, 2011	
(With eight or more years of special risk service, the service in this class counts toward special risk normal retirement; otherwise, Regular Class requirements apply.)	
Retirement up to age 60; or up to 30 total years of special risk service	1.60%
Retirement at age 61; or with 31 total years of special risk service	1.63%
Retirement at age 62; or with 32 total years of special risk service	1.65%
Retirement at age 63; or with 33 total years of special risk service	1.68%
Elected Officers' Class	
Service as Supreme Court Justice, district court of appeal judge, circuit court judge, or county court judge	3.33%
Service as Governor, Lieutenant Governor, Cabinet Officer, Legislator, state attorney, public defender, elected county officer, or elected official of a city or special district that chose EOC membership for its elected officials	3.00%
Senior Management Service Class	2.00%
Teachers' Retirement System	
Plan E	2.00%

There are three steps in computing an annual retirement benefit:

Step 1 — Determine the member's retirement plan(s) and class(es) of membership, years of creditable service in each, and the total percentage value earned.

Step 2 — Calculate the member's average final compensation.

Step 3 — Multiply the figures obtained in Steps 1 and 2 to determine the member's annual normal retirement benefit. (If the member elects to retire early, the annual benefit will be reduced by 5 percent for each year remaining before the member would have reached normal retirement age. The annual benefit may also be reduced if the member chooses a benefit option that provides a continuing benefit to a beneficiary.)

Benefit Options

Members must select one of the four benefit options at retirement:

Option 1 — Provides a monthly benefit payment to you for your lifetime. Option 1 does not provide a continuing benefit to a beneficiary**.** Upon your death, the monthly benefit will stop and your beneficiary will be entitled to receive only a refund of contributions you paid, if any, which exceed the amount you received in benefits. If you wish to provide a beneficiary with a continuing benefit after your death, you should consider selecting one of the other three options.

Option 2 — Provides a reduced monthly benefit payment to you for your lifetime. If you die 10 years or more after retirement, no benefits are payable to your beneficiary. However, if you die within 10 years (120 months) of your effective retirement date, your beneficiary will receive a monthly benefit payment in the same amount you were receiving for the balance of the 120-month period (including any period of DROP participation). No further benefits are then payable.

Option 3 — Provides a reduced monthly benefit payment to you for your lifetime and a continuing benefit to your surviving joint annuitant. No further benefits are payable after both you and your joint annuitant die. Upon your death,

- The benefit payment to your surviving joint annuitant will be the same amount you were receiving if the joint annuitant is your spouse, parent, grandparent, or someone age 25 or older for whom you are the legal guardian;
- If your joint annuitant is your natural or legally adopted child (or someone for whom you are the legal guardian) who is under age 25 at the time of your death, your joint annuitant will receive a benefit payment in the amount of your Option 1 benefit until he or she reaches age 25; or
- If your joint annuitant is your natural or legally adopted child (or person for whom you are the legal guardian) who is physically or mentally disabled and incapable of self-support at the time of your death, regardless of age, your joint annuitant will receive a benefit payment in the amount of your Option 1 benefit until he or she is no longer disabled.

Option 4 — Provides an adjusted monthly benefit payment to you while both you and your joint annuitant are living and a reduced continuing benefit to the survivor upon the death of either you or your joint annuitant. No further Option 4 benefits are payable after both you and your joint annuitant die.

If your joint annuitant dies first, your benefit will be reduced to two-thirds of the monthly benefit paid when you both were living. If you die first,

- The benefit payment to your surviving joint annuitant will be equal to two-thirds of the monthly benefit paid when you both were living if the joint annuitant is your spouse, parent, grandparent, or someone age 25 or older for whom you are the legal guardian;
- If your joint annuitant is your natural or legally adopted child (or person for whom you are the legal guardian) who is under age 25 at the time of your death, your joint annuitant will receive a benefit payment in the amount of your Option 1 benefit until he or she reaches age 25; or
- If your joint annuitant is your natural or legally adopted child (or person for whom you are the legal guardian) who is physically or mentally disabled and incapable of self-support at the time of your death, regardless of age, your joint annuitant will receive a benefit payment in the amount of your Option 1 benefit until he or she is no longer disabled.

Termination

Members must end all employment relationships with all FRS employers for the first six calendar months after their DROP termination date or their non-DROP effective retirement dates to complete their retirement process, in addition to meeting all other requirements to receive monthly benefits payable under the FRS Pension Plan. FRS members employed by an agency that withdrew from the FRS effective Jan. 1, 1996, for new employees must remain unemployed by that agency and all other FRS-covered employers for the first six calendar months after retirement or DROP termination.

Deferred Retirement Option Program (DROP)

DROP is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. DROP allows a member to effectively retire by ceasing earning additional service credit while deferring termination and continuing employment for up to 60 months. While a member is in DROP, his or her retirement benefits accumulate in the FRS Trust Fund (benefit calculated as of the DROP effective date and increased by a cost-of-living adjustment each July; see Cost-of-Living Adjustments for additional information) and earn monthly interest equivalent to an annual rate of 1.30 percent[6].

The election to participate in DROP must be made within 12 months of the member's normal retirement date, unless the member is eligible to defer the election. To participate for the maximum DROP period, the member must enter DROP upon first reaching eligibility for normal retirement or upon reaching an eligible deferral date as described below:

- A Special Risk Class member initially enrolled in the FRS before July 1, 2011, who reaches the normal retirement date based upon years of service before reaching age 52 may defer DROP entry up to age 52 and still participate for 60 months. Also, a member of the Special Risk Administrative Support Class who has at least the number of years of Special Risk Class service required to be vested and reaches the normal retirement date based upon years of service before reaching age 52 may defer DROP entry up to age 52 and still participate for 60 months.
- A Special Risk Class member initially enrolled in the FRS on or after July 1, 2011, who reaches the normal retirement date based upon years of service before reaching age 55 may defer DROP entry up to age 55 and still participate for 60 months. Also, a member of the Special Risk Administrative Support Class who has at least the number of years of Special Risk Class service required to be vested and reaches the normal retirement date based upon years of service before reaching age 55 may defer DROP entry up to age 55 and still participate for 60 months.
- A member of the Regular Class, EOC, or the SMSC initially enrolled in the FRS before July 1, 2011, who reaches the normal retirement date before reaching age 57 may defer DROP entry until age 57 and still participate for 60 months. A member of the Special Risk Administrative Support Class who does not have the number of years of Special Risk Class service required to be vested would be subject to these deferral requirements.
- A member of the Regular Class, EOC, or the SMSC initially enrolled in the FRS on or after July 1, 2011, who reaches the normal retirement date before reaching age 60 may defer DROP entry until age 60 and still participate for 60 months. A member of the Special Risk Administrative Support Class who does not have the number of years of Special Risk Class service required to be vested would be subject to these deferral requirements.
- A member who reaches the normal retirement date during a term of office may defer DROP election until the next succeeding term in that office and still participate for up to 60 months or until the end of that succeeding term, whichever is less.
- A member who is employed as K-12 instructional personnel as defined in section 1012.01(2), Florida Statutes, may elect to participate in DROP at any time after reaching the normal retirement date and still participate for 60 months.

Upon a member's termination, the DROP account is paid out as a lump-sum payment, a rollover to a plan allowed under the Internal Revenue Code, or a combination of a partial lump-sum payment and rollover. Monthly benefits are paid to the member in the amount as calculated upon entry into DROP, plus cost-of-living adjustments for intervening years.

In most cases, the DROP participant must cease employment after a maximum of 60 months in DROP, must satisfy the termination requirements for retirement, and must comply with applicable reemployment restrictions thereafter. However, certain exceptions apply:

- Effective July 1, 2002, a DROP participant who holds an elective office may end DROP participation and postpone compliance with termination requirements and reemployment limitations until no longer holding the elective office (including consecutive terms in the same office). For the period between the end of DROP participation and termination, no retirement credit is earned and the member's DROP accumulation accrues no additional monthly benefits. If DROP participation began before July 1, 2010, the member's DROP accumulation continues to earn interest after participation ends and before termination. If DROP participation begins on or after July 1, 2010, the DROP accumulation does not earn interest during the period after DROP participation ends and termination.
- K-12 instructional personnel employed with a district school board, the Florida School for the Deaf and the Blind, or a developmental research school of a state university may be allowed to extend their DROP participation for up to an additional 36 months beyond their initial 60-month DROP participation period. To qualify for the extension, the DROP

[6] DROP participants with an effective DROP begin date before July 1, 2011, earn monthly interest equivalent to an annual rate of 6.50 percent.

participant must receive authorization from the employer and be approved by the division. If authorized to extend DROP participation, a participant must remain employed in an eligible position during the period of DROP extension.

- Effective July 1, 2018, K-12 instructional personnel who are authorized to extend DROP participation beyond the 60-month period must have a termination date that is the last month of the school year. If on July 1, 2018, the member's DROP participation has already been extended for the maximum 36 months and the extension period concludes before the end of the school year, the member's DROP participation may be extended through the last month of the same school year. The employer is required to notify the Division of Retirement when these eligible personnel have their termination date changed to comply with this provision.

- Effective July 1, 2018, K-12 administrative personnel as defined in section 1012.01(3), Florida Statutes, who have a DROP termination date on or after July 1, 2018, may be authorized to extend their DROP participation beyond the initial 60 calendar month period if their termination date is before the end of the school year. Such administrative personnel may have their DROP participation extended until the last month of the same school year. The employer is required to notify the Division of Retirement when these eligible personnel have their termination date changed to comply with this provision.

Disability Benefits

There are two types of disability retirement available under the FRS: in-line-of-duty disability retirement and regular disability retirement. To qualify for either type of disability retirement, members must be totally and permanently disabled to the extent that they are unable to work in any job for any employer.

In-line-of-duty disability benefits are available to members from their first day of employment. The minimum Option 1 benefit for in-line-of-duty disability retirement is 42 percent of their average final compensation for all members except those in the Special Risk Class, who receive a minimum Option 1 in-line-of-duty disability benefit of 65 percent of their average final compensation.

To be eligible for regular disability retirement, members must complete eight years of creditable service. The minimum Option 1 benefit under regular disability retirement is 25 percent of their average final compensation for all classes. If a disabled member's service benefit would be higher than the minimum disability benefit, the member may elect to receive the higher benefit.

Survivor Benefits

If an active member who is not a Special Risk Class member dies in the line of duty, the spouse will receive a lifetime monthly benefit equal to one-half of the member's base monthly salary at death. If the spouse dies or there is no spouse, the benefit will continue to be paid on behalf of the member's dependent children until the youngest child reaches age 18 or is married, if earlier.

If an active member who is a Special Risk Class member dies in the line of duty[7], the spouse will receive a lifetime monthly benefit equal to 100 percent of the member's base monthly salary at death. If the spouse dies or there is no spouse, the benefit will be paid on behalf of the member's dependent children until the youngest child reaches age 18 or is married, if earlier. Survivor benefits being paid on behalf of the member's dependent children may be extended up to age 25 if the child is unmarried and a full-time student.

If an active member dies before becoming vested and the death was not suffered in the line of duty, the designated beneficiary will receive a refund of any member-paid retirement contributions[8]. However, if the active member dies within one year of vesting, the member's joint annuitant may purchase enough service credit to vest the deceased member and receive monthly benefits by using the deceased member's accumulated leave on an hour-by-hour basis or paying for the member's eligible in-state or out-of-state service.

If the member was vested at death, the beneficiary may receive a refund of any contributions that may have been paid by the member[8] or, if the beneficiary qualifies as a joint annuitant, a lifetime monthly benefit calculated as though the member had retired on the month following the date of death and had chosen Option 3. If the joint annuitant is the member's child or other dependent for whom the member has guardianship who is under age 25, the joint annuitant will receive the member's maximum benefit until age 25 or, if disabled, until he or she is no longer disabled. A deceased member's joint annuitant may buy any service credit that could have been claimed by the member at the time of death if the member's termination of employment was due to death.

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[7] Effective July 1, 2016, the in-line-of-duty death benefits payable to survivors of Special Risk Class members increased from 50 percent of base salary to 100 percent of base salary with retroactive eligibility to July 1, 2013, for benefit payments beginning on or after July 1, 2016. Effective July 1, 2017, the in-line-of-duty death benefits payable to survivors of Special Risk Class members had retroactive eligibility extended from July 1, 2013, to July 1, 2002, for benefit payments beginning on or after July 1, 2017.

[8] The employee contributions included in the Investment Plan account balance and other employee funds, if required, that are transferred as part of the second election to establish Pension Plan membership are not refundable to the employee or the employer.

Cost-of-Living Adjustments

The benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment (COLA) each July based on their June benefit amount (excluding the Retiree Health Insurance Subsidy benefit). For retirees who have been retired for less than 12 months on July 1, the first COLA increase is prorated. The COLA applies to all continuing monthly retirement benefits paid under the FRS Pension Plan (i.e., normal and early service retirement benefits and benefits accruing in participant accounts under DROP, disability retirement benefits, and survivor benefits). The COLA for retirements or DROP participation effective before Aug. 1, 2011, is 3 percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after Aug. 1, 2011, is calculated by dividing the pre-July 2011 service credit by the total service credit at retirement and multiplying by 3 percent. Each Pension Plan member with an effective retirement date of Aug. 1, 2011, or after will have an individual COLA factor for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

Reemployment After Retirement

After retirement or the DROP termination date, retired FRS members may be employed by any private employer or any public employer not participating in the FRS without affecting their FRS benefits. However, restrictions apply to reemployment with an FRS employer, regardless of whether the employment is covered for retirement. Any retired FRS member who is reemployed by an FRS employer before meeting the definition of termination will be considered not retired. Active membership will be reinstated and all benefits received must be repaid. If a member retires from an FRS employer that withdrew for new employees effective Jan. 1, 1996, the member must remain unemployed by the withdrawn employer to meet the definition of termination to finalize retirement.

Upon meeting termination requirements, FRS retirees who are reemployed by FRS employers may not receive both salary and retirement benefits for the rest of the first 12 calendar months after retirement or the DROP termination date. The retirement benefit must be suspended for any month a member is employed in any capacity by an FRS employer.

Effective March 9, 2018, there is one exception to the restrictions on reemployment limitations after retirement. If you are a retired law enforcement officer, you may be reemployed as a school resource officer by an employer that participates in the FRS during the seventh through twelfth calendar months after your retirement date or after your DROP termination date and receive both your salary and retirement benefits.

Renewed Membership

Retirees of the FRS who are initially reemployed in regularly established positions no later than June 30, 2010, will have renewed membership in the Regular Class, the SMSC, or the EOC and will earn credit toward a second-career benefit based on requirements for their class of membership until they retire again. Having a break in service or not being employed on July 1, 2010, does not change a renewed member's status. Once retirees have established renewed membership in the system, they will have the same opportunities as similarly situated newly hired members of that membership class to elect to participate in alternative defined contribution retirement programs instead of the FRS. Renewed members are subject to the same vesting requirements and other limitations as those that apply to other active members. However, renewed members are not eligible to participate in the Special Risk Class, retire, and then participate in DROP or to retire under disability retirement provisions.

FRS Pension Plan retirees who are initially reemployed on or after July 1, 2010, are not eligible for renewed membership.

Appeals Procedure

Whenever the division makes a decision that will reduce, suspend, or terminate a member's retirement benefits, the member may petition the division for a hearing. Section 28-106.201, Florida Administrative Code, outlines the requirements for filing a petition. After the division reviews the petition, the state retirement director may ask a hearing officer from the Division of Administrative Hearings to conduct the hearing, or, in some cases, the Department of Management Services may conduct the hearing. If the outcome of the hearing is not in the member's favor, the member will be informed of the time period during which the member can appeal the decision to the District Court of Appeal.

Forfeiture of Benefits

If, before retirement, a member commits a felony specified by law and is found guilty of or enters a plea of no contest to such crime, or if his or her employment was terminated as a result of an admission of committing, aiding, or abetting a specified crime, the member's retirement rights and benefits will be forfeited (except for a refund of personal retirement contributions, if any). The forfeiture of benefits provision applies in the case of any job-related felony offense as outlined below:

- Committing, aiding, or abetting an embezzlement of public funds or any grand theft from the employer;
- Committing bribery in connection with employment;
- Committing any other felony specified in Chapter 838, Florida Statutes, (bribery and misuse of public office), except sections 838.15 and 838.16, Florida Statutes (commercial bribes);
- Committing any felony with intent to defraud the public or the employer of the right to receive the faithful performance of duty or receiving or attempting to receive profit or advantage for the member or another person using the member's position; or
- Committing an impeachable offense (applies to elected officials only); or

- Committing certain felony offenses against a minor through the use or attempted use of rights, privileges, duties, or position of public employment or office.

In addition to the crimes stated above, if a court of competent jurisdiction finds the member guilty of violating any state law against strikes by public employees, the member's benefits will be forfeited.

If the member's designated beneficiary is found guilty of intentionally killing or procuring the death of the member, the beneficiary forfeits all rights to retirement benefits. Any benefits payable would then be paid as if the beneficiary died before the member.

The Clerk of the Court, the Secretary of the Senate, or the employer, as appropriate, must notify the Commission on Ethics if the member is found guilty or if the member is impeached or terminated prior to retirement as a result of any of the above offenses. The Commission on Ethics will notify the division. The member's benefits will be suspended subject to a hearing held by a hearing officer of the Division of Administrative Hearings. The hearing officer's decision may be appealed to the District Court of Appeal. (See section 112.3173, Florida Statutes, and Article II, section 8, of the Florida Constitution for more information.)

Assignment, Execution, or Attachment

Retirement benefits and accumulated contributions accrued under the FRS Pension Plan are not subject to assignment, execution, attachment, or any other legal process, except for Qualified Domestic Relations Orders, certain income deduction orders, (see section 61.1301, Florida Statutes), and federal income tax levies.