

LEGISLATIVE UPDATE: What Really Happened this Session

A number of members have asked about what really happened this Legislative Session. Although "what happened" depends on your perspective, FASA's activists were inside the whale that is the "Legislature."

Our priority bills were all related to retirement. One bill sought to increase the health insurance subsidy for retirees by \$2 per month, per year of service. Another sought a graduated increase in the retirement rate from 1.6% to 2.1%. The last one sought the authority for a superintendent of schools to authorize three additional years in DROP for employees who have completed their five years in the program. The extensions would be granted on an annual-contract basis. In addition, retired administrators would be eligible for reemployment 30 days after retirement without penalty.

The state constitution requires an actuarial analysis of any proposed change to the Florida Retirement System (FRS) to ensure actuarial stability. The analyses took long enough to slow the bills down substantially during the legislative session. The good news is that the analyses are good for three years, so they will not have to be replicated next year. So what happened?

The health insurance subsidy flew through its substantive committees and stopped in the fiscal committee. The bill included an increased subsidy for all state and local public servants, not just school board employees. As a result, the Legislature would have had to appropriate the funds for the increase as it relates to state employees. Absent such appropriation, the bill was allowed to continue.

Rep. Joe Pickens, R-Palatka, temporarily postponed his graduated retirement bill on the condition that the Division of Retirement conducts a comprehensive actuarial review of retirement increases for school board employees. We expect the report to be completed next session, with revisions to the system coming during the 2007 legislative session.

The actuarial analysis for the DROP/re-employment bill was released very late in the session, keeping it from moving through all of the substantive committees. Interestingly though, Rep. Ralph Arza, R-Hialeah, was prepared to amend a modified version of the language (that applied only for the 2005-06 school year) to the A++ legislation. The A++ legislation was the major package that included reading vouchers, middle school reform, additional reading requirements, class size reduction revisions, and minimum teacher pay. The legislation did not pass, in large reason because of the divisiveness of the reading vouchers.

To the good - the Legislature repealed language regarding performance funding for public schools as well as the BEST Career Ladder Program. A complete legislative wrap-up is available at www.fasa.net.

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