

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 127, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be **AMENDED** as follows:

- 1 Page 5, line 40, delete the effective date "[EFFECTIVE JULY 1,
- 2 1998]" and insert the effective date "[EFFECTIVE APRIL 1, 1998]".
- 3 Page 5, line 42, after "benefits" insert "**or who is on leave under**
- 4 **the Family and Medical Leave Act**".
- 5 Page 6, line 5, delete ";" and insert "**or Family and Medical**
- 6 **Leave Act leave**";.
- 7 Page 6, line 30, delete "2(b)" and insert "**7(b)(3)**".
- 8 Page 7, between lines 8 and 9, begin a new paragraph and insert:
- 9 "SECTION 5. IC 5-10.3-3-8 IS AMENDED TO READ AS
- 10 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 8. (a) The board may:
- 11 (1) establish rules and regulations for the administration of the
- 12 fund;
- 13 (2) make contracts and sue and be sued as the board of trustees
- 14 of the public employees' retirement fund of Indiana;
- 15 (3) delegate duties to its employees;
- 16 (4) enter into agreements with one (1) or more insurance
- 17 companies to provide life, hospitalization, surgical, medical, or
- 18 supplemental Medicare insurance, utilizing individual or group

- 1 insurance policies for retired members of the fund, and, upon
 2 authorization of the respective member, deduct premium
 3 payments for such policies from the members' retirement
 4 benefits and remit the payments to the insurance companies;
- 5 (5) enter into agreements with one (1) or more insurance
 6 companies to provide annuities for retired members of the fund,
 7 and, upon a member's authorization, transfer the amount credited
 8 to the member in the annuity savings account to the insurance
 9 companies;
- 10 (6) whenever the fund's membership is sufficiently large for
 11 actuarial valuation, establish an employer's contribution rate for
 12 all employers, including employers with special benefit
 13 provisions for certain employees;
- 14 (7) amortize prior service liability over a period of forty (40)
 15 years or less; and
- 16 (8) recover payments made under false or fraudulent
 17 representation.
- 18 (b) An agreement under subsection (a)(4) may be for a duration of
 19 three (3) years.
- 20 **(c) A contract under subsection (a)(2) may be for a term of not**
 21 **more than five (5) years, with an ability to renew thereafter."**
- 22 Page 8, between lines 27 and 28, begin a new paragraph and
 23 insert:
- 24 "SECTION 7. IC 21-6.1-3-7 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 7. (a) The board may:
- 26 (1) adopt and enforce bylaws regarding the department's
 27 administration and the control and investment of the fund;
- 28 (2) employ staff, who are not trustees, to perform clerical work
 29 needed by the board;
- 30 (3) bond employees for the fund's protection;
- 31 (4) receive from the federal government the state's share of the
 32 cost of the pension contribution for a member on leave of
 33 absence to work in a federally supported educational project;
- 34 (5) sue and be sued as the board of trustees of the Indiana state
 35 teachers' retirement fund;
- 36 (6) summon and examine witnesses when adjusting claims;
- 37 (7) require, when adjusting disability claims, medical
 38 examinations by doctors approved or appointed by the board;

1 however, not more than two (2) examinations may be conducted
 2 in one (1) year;
 3 (8) conduct investigations to help determine the merit of a claim;
 4 (9) meet any emergency which may arise in the administration
 5 of its trust;
 6 (10) determine other matters regarding its trust which are not
 7 specified;
 8 (11) enter into agreements with one (1) or more insurance
 9 companies to provide life, hospitalization, surgical, medical, or
 10 supplemental Medicare insurance, utilizing individual or group
 11 insurance policies for retired teachers, and, upon authorization
 12 of the respective retired teacher, deduct premium payments for
 13 such policies from the teachers' retirement benefits and remit the
 14 payments to the insurance companies; and
 15 (12) enter into agreements with one (1) or more insurance
 16 companies to provide annuities for retired teachers and upon a
 17 member's authorization transfer the amount credited to the
 18 member in the annuity savings account to the insurance
 19 companies.

20 (b) An agreement under subsection (a)(11) may be for a duration
 21 of three (3) years.

22 (c) **This subsection does not apply to an agreement under**
 23 **subsection (a)(11). A contract that the board enters into under**
 24 **section 9(b) of this chapter or any other provision may be for a**
 25 **term of not more than five (5) years, with an ability to renew**
 26 **thereafter."**

27 Page 14, line 21, delete "audit" and insert "**review**".

28 Page 14, line 21, delete "audited" and insert "**reviewed**".

29 Page 14, line 21, before "records" insert "**pertinent**".

30 Page 18, after line 34, begin a new paragraph and insert:

31 "SECTION 17. [EFFECTIVE APRIL 1, 1998] (a) **The PERF**
 32 **board (as defined in IC 2-3.5-2-9) may consider a claim for benefits**
 33 **under IC 5-10.2-4-6(a), as amended by this act, even if the**
 34 **disability of the member making the claim arose from events**
 35 **occurring after March 31, 1994, and before April 2, 1998. A benefit**
 36 **claim approved by the PERF board under this SECTION is**
 37 **payable after the later of April 1, 1998, or the date of the member's**
 38 **claim.**

- 1 **SECTION 18. An emergency is declared for this act."**
- 2 Renumber all SECTIONS consecutively.
(Reference is to SB 127 as introduced.)

and when so amended that said Bill do pass.

Committee Vote: Yeas 8, Nays 0.

Senator Harrison, Chairperson