
HOUSE BILL No. 1012

DIGEST OF INTRODUCED BILL

Citations Affected: IC 33-13-9.1-3.5; IC 33-13-10.1-4.5; IC 33-13-10.1-5.

Synopsis: Military service credit for judges' pensions. Provides that a judge who has: (1) served at least six years as a judge; or (2) become permanently disabled may purchase service credit for active military service of the United States to be used in the computation of benefits for the 1977 or 1985 judge's retirement system if the service is not used in the computation for another public or federal retirement system other than Social Security. Provides that the contributions to either judge's retirement system are based on: (1) the judge's salary at the time of the contribution; (2) the normal cost at the time of the credit that approximates the actuarial value of the benefit; and (3) the number of years of military service credit to be purchased.

Effective: July 1, 1999.

Grubb, Villalpando, Torr

January 6, 1999, read first time and referred to Committee on Ways and Means.

C
O
P
Y



First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1012



A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 33-13-9.1-3.5 IS ADDED TO THE INDIANA
- 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 3 [EFFECTIVE JULY 1, 1999]: **Sec. 3.5. (a) A judge who has served**
- 4 **in the active military service of the United States may purchase**
- 5 **credit for the military service, subject to the following:**
- 6 (1) **The judge:**
 - 7 (A) **must have at least six (6) years of credited service**
 - 8 **as a judge before the judge may claim the service**
 - 9 **credit; or**
 - 10 (B) **must have become permanently disabled within**
 - 11 **the meaning of section 5 (b) of this chapter within**
 - 12 **one (1) year before the purchase of the credit.**
- 13 (2) **Credit for years of service combined with the military**
- 14 **service credit is limited to the percentage described in the**
- 15 **table set forth in section 4 (c) (2) of this chapter.**
- 16 (3) **The judge must make contributions to the fund in**



COPY

1 order to purchase the service credit, before the judge
 2 retires or within one (1) year after the time the judge
 3 becomes permanently disabled, that are equal to the
 4 product of the following:

5 (A) The judge's salary at the time the judge actually
 6 makes a contribution for the service credit.

7 (B) The normal cost, which is a percentage rate, as
 8 determined by the age of the judge at the time the
 9 judge actually makes a contribution for service
 10 credit and computed to result in a contribution rate
 11 that approximates the actuarial value of the benefit
 12 attributable to the service credit purchased.

13 (C) The number of years of military service credit
 14 the judge intends to purchase.

15 (4) The judge must contribute accrued interest, at a rate
 16 determined by the actuary for the fund, for the period
 17 from the judge's initial participation in the fund to the
 18 date payment is made by the judge.

19 (5) The fund must receive verification that the military
 20 service is valid as of the date the verification is received.

21 (6) Credit for years of military service that qualify a
 22 judge for retirement in an out-of-state public retirement
 23 system or in a federal retirement system other than under
 24 the federal Social Security Act may not be granted under
 25 this section.

26 (b) The following apply to the purchase of service credit under
 27 this section:

28 (1) The board may allow a judge to make periodic
 29 payments of the contributions required for the purchase
 30 of the service credit. The board shall determine the length
 31 of the period during which the payments must be made.

32 (2) The board may deny an application for the purchase
 33 of service credit if the purchase would exceed the
 34 limitations under Section 415 of the Internal Revenue
 35 Code.

36 (3) A judge may not claim the service credit for purposes
 37 of determining eligibility or computing benefits unless the
 38 member has made all payments required for the purchase
 39 of the service credit.

40 (c) A judge who has purchased military service credit who
 41 subsequently receives a retirement or disability annuity for the
 42 same service from another tax supported public employee

C
O
p
y



1 retirement or disability plan other than under the federal Social
 2 Security Act may withdraw the personal contributions made under
 3 the contributory plan plus accumulated interest after submitting
 4 to the fund a properly completed application for a refund.

5 SECTION 2. IC 33-13-10.1-4.5 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 1999]: **Sec. 4.5. (a) A judge who has served**
 8 **in the active military service of the United States may purchase**
 9 **credit for the military service, subject to the following:**

10 (1) **The judge:**

11 (A) **must have at least six (6) years of credited**
 12 **service as a judge before the judge may claim the**
 13 **service credit; or**

14 (B) **must have become permanently disabled within**
 15 **the meaning of section 8 (a) of this chapter within**
 16 **one (1) year before the purchase of the credit.**

17 (2) **Credit for years of service combined with the military**
 18 **service credit is limited to the percentage described in the**
 19 **table set forth in section 9 (b) (2) of this chapter.**

20 (3) **The judge must make contributions to the fund in**
 21 **order to purchase the service credit before the judge retires, or**
 22 **within one (1) year after the time that the judge becomes**
 23 **permanently disabled, that are equal to the product of the**
 24 **following:**

25 (A) **The judge's salary at the time the judge actually**
 26 **makes a contribution for the service credit.**

27 (B) **The normal cost, which is a percentage rate, as**
 28 **determined by the age of the judge at the time the**
 29 **judge actually makes a contribution for service**
 30 **credit and computed to result in a contribution rate**
 31 **that approximates the actuarial value of the benefit**
 32 **attributable to the service credit purchased.**

33 (C) **The number of years of military service credit**
 34 **the judge intends to purchase.**

35 (4) **The judge must contribute accrued interest, at a rate**
 36 **determined by the actuary for the fund, for the period**
 37 **from the judge's initial participation in the fund to the**
 38 **date payment is made by the judge.**

39 (5) **The fund must receive verification that the military**
 40 **service is valid as of the date the verification is received.**

41 (6) **Credit for years of military service that qualify a**
 42 **judge for retirement in an out-of-state public retirement**

C
O
P
Y



1 system or in a federal retirement system other than under
 2 the federal Social Security Act may not be granted under
 3 this section.

4 (b) The following apply to the purchase of service credit under
 5 this section:

6 (1) The board may allow a judge to make periodic
 7 payments of the contributions required for the purchase
 8 of the service credit. The board shall determine the length
 9 of the period during which the payments must be made.

10 (2) The board may deny an application for the purchase
 11 of service credit if the purchase would exceed the
 12 limitations under Section 415 of the Internal Revenue
 13 Code.

14 (3) A judge may not claim the service credit for purposes
 15 of determining eligibility or computing benefits unless the
 16 member has made all payments required for the purchase
 17 of the service credit.

18 SECTION 3. IC 33-13-10.1-5 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) Any participant
 20 who:

21 (1) ceases service as a judge, other than by death or
 22 disability; and

23 (2) is not eligible for a retirement benefit under this chapter;
 24 is entitled to withdraw from the fund, beginning on the date specified
 25 by the participant in a written application. The date upon which the
 26 withdrawal begins may not be before the date of final termination of
 27 employment or the date thirty (30) days before the receipt of the
 28 application by the board. Upon the withdrawal, the participant is
 29 entitled to receive the total sum contributed, payable within sixty (60)
 30 days from date of withdrawal application or in such monthly
 31 installments as the participant may elect.

32 (b) A judge who has purchased military service credit who
 33 subsequently receives a retirement or disability annuity for the
 34 same service from another public employee retirement or disability
 35 plan other than under the federal Social Security Act may
 36 withdraw the personal contributions made under the contributory
 37 plan plus accumulated interest after submitting to the fund a
 38 properly completed application for a refund.



C
O
P
Y