



March 18, 2005

**ENGROSSED  
SENATE BILL No. 149**

DIGEST OF SB 149 (Updated March 17, 2005 10:41 am - DI 96)

**Citations Affected:** IC 5-10.2; IC 5-10.3; IC 21-6.1.

**Synopsis:** Trustees of pension funds. Adds the director of the budget agency or the director's designee to the boards of trustees of the public employees' retirement fund (PERF) and the teachers' retirement fund (TRF). Sets limits of compensation for members of each board. Adds language concerning the qualifications for individuals appointed to the PERF board. Provides that four trustees of the PERF board constitute a quorum. Authorizes the boards of TRF and PERF to establish by rule: (1) how administrative costs of alternative investment programs may be paid; (2) certain valuation dates; (3) investment allocation increments; (4) the contribution allocations date; and (5) the annuity savings account distribution date during a month.

**Effective:** July 1, 2005.

**Lubbers**

(HOUSE SPONSOR — TORR)

January 4, 2005, read first time and referred to Committee on Pensions and Labor.  
January 20, 2005, reported favorably — Do Pass.  
January 24, 2005, read second time, amended, ordered engrossed.  
January 25, 2005, engrossed. Read third time, passed. Yeas 31, nays 16.

HOUSE ACTION

March 7, 2005, read first time and referred to Committee on Employment and Labor.  
March 17, 2005, amended, reported — Do Pass.

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March 18, 2005

First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 149

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A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

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

1 SECTION 1. IC 5-10.2-2-3 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The annuity  
3 savings account consists of:  
4 (1) the members' contributions; and  
5 (2) the interest credits on these contributions in the guaranteed  
6 fund or the gain or loss in market value on these contributions in  
7 the alternative investment program, as specified in section 4 of  
8 this chapter.  
9 Each member shall be credited individually with the amount of the  
10 member's contributions and interest credits.  
11 (b) Each board shall maintain the annuity savings account program  
12 in effect on December 31, 1995 (referred to in this chapter as the  
13 guaranteed program). In addition, the board of the Indiana state  
14 teachers' retirement fund shall establish and maintain a guaranteed  
15 program within the 1996 account. Each board may establish investment  
16 guidelines and limits on all types of investments (including, but not  
17 limited to, stocks and bonds) and take other actions necessary to fulfill

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1 its duty as a fiduciary of the annuity savings account, subject to the  
2 limitations and restrictions set forth in IC 5-10.3-5-3 and IC 21-6.1-3-9.

3 (c) Each board shall establish alternative investment programs  
4 within the annuity savings account of the public employees' retirement  
5 fund, the pre-1996 account, and the 1996 account, based on the  
6 following requirements:

7 (1) Each board shall maintain at least one (1) alternative  
8 investment program that is an indexed stock fund and one (1)  
9 alternative investment program that is a bond fund.

10 (2) The programs should represent a variety of investment  
11 objectives under IC 5-10.3-5-3.

12 (3) No program may permit a member to withdraw money from  
13 the member's account except as provided in IC 5-10.2-3 and  
14 IC 5-10.2-4.

15 (4) All administrative costs of each alternative program shall be  
16 paid from the earnings on that program **or as may be determined**  
17 **by the rules of each board.**

18 (5) A valuation of each member's account must be completed as  
19 of:

20 (A) the last day of each quarter; **or**

21 (B) **another time as each board may specify by rule.**

22 (d) The board must prepare, at least annually, an analysis of the  
23 guaranteed program and each alternative investment program. This  
24 analysis must:

25 (1) include a description of the procedure for selecting an  
26 alternative investment program;

27 (2) be understandable by the majority of members; and

28 (3) include a description of prior investment performance.

29 (e) A member may direct the allocation of the amount credited to  
30 the member among the guaranteed fund and any available alternative  
31 investment funds, subject to the following conditions:

32 (1) A member may make a selection or change an existing  
33 selection under rules established by each board. A board shall  
34 allow a member to make a selection or change any existing  
35 selection at least once each quarter.

36 (2) The board shall implement the member's selection beginning  
37 the first day of the next calendar quarter that begins at least thirty

38 (30) days after the selection is received by the board **or an**  
39 **alternate date established by the rules of each board.** This date  
40 is the effective date of the member's selection.

41 (3) A member may select any combination of the guaranteed fund  
42 or any available alternative investment funds, in ten percent

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1 (10%) increments **or smaller increments that may be**  
 2 **established by the rules of each board.**  
 3 (4) A member's selection remains in effect until a new selection  
 4 is made.  
 5 (5) On the effective date of a member's selection, the board shall  
 6 reallocate the member's existing balance or balances in  
 7 accordance with the member's direction, based on:  
 8 (A) for an alternative investment program balance, the market  
 9 value on the effective date; and  
 10 (B) for any guaranteed program balance, the account balance  
 11 on the effective date.  
 12 All contributions to the member's account shall be allocated as of  
 13 the last day of that quarter **or at an alternate time established by**  
 14 **the rules of each board** in accordance with the member's most  
 15 recent effective direction. The board shall not reallocate the  
 16 member's account at any other time.  
 17 (f) When a member who participates in an alternative investment  
 18 program transfers the amount credited to the member from one (1)  
 19 alternative investment program to another alternative investment  
 20 program or to the guaranteed program, the amount credited to the  
 21 member shall be valued at the market value of the member's  
 22 investment, as of the day before the effective date of the member's  
 23 selection **or at an alternate time established by the rules of each**  
 24 **board.** When a member who participates in an alternative investment  
 25 program retires, becomes disabled, dies, or suspends membership and  
 26 withdraws from the fund, the amount credited to the member shall be  
 27 the market value of the member's investment as of the last day of the  
 28 quarter preceding the member's distribution or annuitization at  
 29 retirement, disability, death, or suspension and withdrawal, plus  
 30 contributions received after that date **or at an alternate time**  
 31 **established by the rules of each board.**  
 32 (g) When a member who participates in the guaranteed program  
 33 transfers the amount credited to the member to an alternative  
 34 investment program, the amount credited to the member in the  
 35 guaranteed program is computed without regard to market value and is  
 36 based on the balance of the member's account in the guaranteed  
 37 program as of the last day of the quarter preceding the effective date of  
 38 the transfer. **However, each board may by rule provide for an**  
 39 **alternate valuation date.** When a member who participates in the  
 40 guaranteed program retires, becomes disabled, dies, or suspends  
 41 membership and withdraws from the fund, the amount credited to the  
 42 member shall be computed without regard to market value and is based

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1 on the balance of the member's account in the guaranteed program as  
 2 of the last day of the quarter preceding the member's distribution or  
 3 annuitization at retirement, disability, death, or suspension and  
 4 withdrawal, plus any contributions received since that date plus interest  
 5 since that date. **However, each board may by rule provide for an**  
 6 **alternate valuation date.**

7 SECTION 2. IC 5-10.2-4-2 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Unless a member  
 9 elects otherwise under this section, the retirement benefit for each  
 10 member consists of the sum of a pension provided by employer  
 11 contributions plus an annuity provided by the amount credited to the  
 12 member in the annuity savings account.

13 (b) A member may choose at retirement or upon a disability  
 14 retirement to receive a distribution of:

15 (1) the entire amount credited to the member in the annuity  
 16 savings account; or

17 (2) an amount equal to the member's federal income tax basis in  
 18 the member's annuity savings account balance as it existed on  
 19 December 31, 1986.

20 If the member chooses to receive the distribution under subdivision (1),  
 21 the member is not entitled to an annuity as part of the retirement or  
 22 disability benefit. If the member chooses to receive the distribution  
 23 under subdivision (2), the member is entitled to an annuity purchasable  
 24 by the amount remaining in the member's annuity savings account after  
 25 the payment under subdivision (2).

26 (c) Instead of choosing to receive the benefits described in  
 27 subsection (a) or (b), a member may choose upon retirement or upon  
 28 disability retirement to begin receiving a pension provided by employer  
 29 contributions and to defer receiving in any form the member's annuity  
 30 savings account. If a member chooses this option, the member:

31 (1) is not entitled to an annuity as part of the member's retirement  
 32 or disability benefit, and the member's annuity savings account  
 33 will continue to be invested according to the member's direction  
 34 under IC 5-10.2-2-3; and

35 (2) may later choose, as of the first day of a month, **or an**  
 36 **alternate date established by the rules of each board**, to  
 37 receive a distribution of:

38 (A) the entire amount credited to the member in the annuity  
 39 savings account; or

40 (B) an amount equal to the member's federal income tax basis  
 41 in the member's annuity savings account balance as it existed  
 42 on December 31, 1986.

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1 If the member chooses to receive the distribution under subdivision  
 2 (2)(A), the member is not entitled to an annuity as part of the member's  
 3 retirement or disability benefit. If the member chooses to receive the  
 4 distribution under subdivision (2)(B), the member is entitled to an  
 5 annuity purchasable by the amount remaining in the member's annuity  
 6 savings account after the payment under subdivision (2)(B). If the  
 7 member does not choose to receive a distribution under this subsection,  
 8 the member is entitled to an annuity purchasable by the entire amount  
 9 in the member's annuity savings account, and the form of the annuity  
 10 shall be as described in subsection (d) unless the member elects an  
 11 option described in section 7(b)(1), 7(b)(2), or 7(b)(4) of this chapter.  
 12 The amount to be paid under this section shall be determined in the  
 13 manner described in IC 5-10.2-2-3, except that it shall be determined  
 14 as of the last day of the quarter preceding the member's actual  
 15 distribution or annuitization date. **However, each board may by rule  
 16 provide for an alternate valuation date.**

17 (d) Retirement benefits must be distributed in a manner that  
 18 complies with Section 401(a)(9) of the Internal Revenue Code, as  
 19 specified in IC 5-10.2-2-1.5.

20 SECTION 3. IC 5-10.3-3-1 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The board is  
 22 composed of **six (6) trustees.**

23 **(b) Five (5) of the trustees shall be appointed by the governor, as  
 24 follows:**

25 (1) One (1) ~~of whom~~ must be a member of the fund with at least  
 26 ten (10) years of creditable service.

27 (2) Not more than three (3) ~~of whom~~ may be members of the same  
 28 political party. ~~and~~

29 (3) One (1) ~~of whom~~ must be:

30 (A) a member of:

31 **(i) the fund; or**

32 **(ii) a collective bargaining unit of state employees**  
 33 **represented by a labor organization; or**

34 **(B) an individual who is:**

35 **(i) an officer or a member of a local, a national, or an**  
 36 **international labor union that represents state employees; or**  
 37 **university employees; and**

38 **(ii) an Indiana resident.**

39 **(c) The director of the budget agency or the director's designee**  
 40 **is an ex officio voting member of the board. An individual**  
 41 **appointed under this subsection to serve as the director's designee:**

42 **(1) is subject to the provisions of section 3 of this chapter; and**

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1           **(2) serves as a permanent designee until replaced by the**  
2           **director.**

3           ~~(b)~~ **(d)** The governor shall fill by appointment vacancies on the  
4 board in the manner described in subsection ~~(a)~~ of this section: **(b)**.

5           ~~(c)~~ **(e)** In making the appointments under subsection ~~(a)~~, **(b)**, the  
6 governor may consider whether at least one (1) trustee is a retired  
7 member of the fund.

8           SECTION 4. IC 5-10.3-3-4 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. **(a)** Each trustee **who**  
10 **is not a state officer or employee** is entitled to **receive compensation**  
11 **of four hundred fifty dollars (\$450) on October 1, January 1, April 1,**  
12 **and June 30. In addition, the board shall reimburse each trustee**  
13 **reimbursement** for necessary expenses **actually** incurred through  
14 service on the board.

15           **(b) Each trustee who is a state officer or employee is entitled to**  
16 **reimbursement for necessary expenses actually incurred through**  
17 **service on the board.**

18           SECTION 5. IC 5-10.3-3-6 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. ~~Voting; Quorum:~~  
20 ~~Three (3)~~ **Four (4)** trustees constitute a quorum for the transaction of  
21 business. Each trustee is entitled to one (1) vote on the board. A  
22 majority vote is sufficient for adoption of a resolution or other action  
23 at regular or special meetings.

24           SECTION 6. IC 5-10.3-4-2 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. ~~The Auditor of State:~~  
26 The auditor of state shall draw warrants upon the treasurer of state in  
27 payment of properly prepared vouchers signed by:

- 28           (1) a trustee of the fund, ~~or except for the director of the budget~~  
29           **agency or the director's designee;**
  - 30           (2) the director; or
  - 31           (3) an assistant designated by the director;
- 32 as may be designated by the board.

33           SECTION 7. IC 21-6.1-3-1 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. ~~Composition;~~  
35 ~~Appointment:~~ **(a)** The board of trustees is composed of ~~five (5)~~ **six (6)**  
36 persons.

37           **(b) Five (5) of the trustees shall be** appointed by the governor. Not  
38 less than two (2) of ~~whom are the trustees appointed by the governor~~  
39 **must be** members of the fund. The governor shall make these  
40 appointments after June 30 and before July 16 each year.

41           **(c) The director of the budget agency or the director's designee**  
42 **is an ex officio voting member of the board. An individual**

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1 **appointed under this subsection to serve as the director's designee**  
2 **serves as a permanent designee until replaced by the director.**

3 SECTION 8. IC 21-6.1-3-4 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) On the board's  
5 order:

6 (1) the trustees **who are not state officers or employees** shall  
7 receive the same per diem, mileage, and travel allowances paid to  
8 members of the general assembly serving on interim study  
9 committees established by the legislative council; **and**

10 (2) **the trustees who are state officers or employees are**  
11 **entitled to reimbursement for necessary expenses actually**  
12 **incurred through service on the board.**

13 These costs shall be paid from resources at the disposal of the fund.

14 (b) Special meetings may be conducted on the call of the president  
15 or on the signed call of three (3) trustees.

16 (c) A majority of the board constitutes a quorum at any meeting for  
17 transacting business.

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COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 149, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 149 as introduced.)

HARRISON, Chairperson

Committee Vote: Yeas 7, Nays 2.

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SENATE MOTION

Madam President: I move that Senate Bill 149 be amended to read as follows:

Page 3, delete lines 7 through 10, begin a new line block indented and insert:

**"(2) the trustees who are state officers or employees are entitled to reimbursement for necessary expenses actually incurred through service on the board."**

(Reference is to SB 149 as printed January 21, 2005.)

LUBBERS

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SENATE MOTION

Madam President: I move that Senate Bill 149 be amended to read as follows:

Page 1, line 10, delete ":".

Page 1, strike lines 11 through 12.

Page 1, line 13, strike "(B)".

(Reference is to SB 149 as printed January 21, 2005.)

YOUNG R MICHAEL

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment and Labor, to which was referred Senate Bill 149, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-10.2-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The annuity savings account consists of:

- (1) the members' contributions; and
- (2) the interest credits on these contributions in the guaranteed fund or the gain or loss in market value on these contributions in the alternative investment program, as specified in section 4 of this chapter.

Each member shall be credited individually with the amount of the member's contributions and interest credits.

(b) Each board shall maintain the annuity savings account program in effect on December 31, 1995 (referred to in this chapter as the guaranteed program). In addition, the board of the Indiana state teachers' retirement fund shall establish and maintain a guaranteed program within the 1996 account. Each board may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other actions necessary to fulfill its duty as a fiduciary of the annuity savings account, subject to the limitations and restrictions set forth in IC 5-10.3-5-3 and IC 21-6.1-3-9.

(c) Each board shall establish alternative investment programs within the annuity savings account of the public employees' retirement fund, the pre-1996 account, and the 1996 account, based on the following requirements:

- (1) Each board shall maintain at least one (1) alternative investment program that is an indexed stock fund and one (1) alternative investment program that is a bond fund.
- (2) The programs should represent a variety of investment objectives under IC 5-10.3-5-3.
- (3) No program may permit a member to withdraw money from the member's account except as provided in IC 5-10.2-3 and IC 5-10.2-4.
- (4) All administrative costs of each alternative program shall be paid from the earnings on that program **or as may be determined by the rules of each board.**
- (5) A valuation of each member's account must be completed as

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of:

(A) the last day of each quarter; or

**(B) another time as each board may specify by rule.**

(d) The board must prepare, at least annually, an analysis of the guaranteed program and each alternative investment program. This analysis must:

- (1) include a description of the procedure for selecting an alternative investment program;
- (2) be understandable by the majority of members; and
- (3) include a description of prior investment performance.

(e) A member may direct the allocation of the amount credited to the member among the guaranteed fund and any available alternative investment funds, subject to the following conditions:

- (1) A member may make a selection or change an existing selection under rules established by each board. A board shall allow a member to make a selection or change any existing selection at least once each quarter.
- (2) The board shall implement the member's selection beginning the first day of the next calendar quarter that begins at least thirty (30) days after the selection is received by the board **or an alternate date established by the rules of each board.** This date is the effective date of the member's selection.
- (3) A member may select any combination of the guaranteed fund or any available alternative investment funds, in ten percent (10%) increments **or smaller increments that may be established by the rules of each board.**
- (4) A member's selection remains in effect until a new selection is made.
- (5) On the effective date of a member's selection, the board shall reallocate the member's existing balance or balances in accordance with the member's direction, based on:
  - (A) for an alternative investment program balance, the market value on the effective date; and
  - (B) for any guaranteed program balance, the account balance on the effective date.

All contributions to the member's account shall be allocated as of the last day of that quarter **or at an alternate time established by the rules of each board** in accordance with the member's most recent effective direction. The board shall not reallocate the member's account at any other time.

(f) When a member who participates in an alternative investment program transfers the amount credited to the member from one (1)

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alternative investment program to another alternative investment program or to the guaranteed program, the amount credited to the member shall be valued at the market value of the member's investment, as of the day before the effective date of the member's selection **or at an alternate time established by the rules of each board.** When a member who participates in an alternative investment program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the market value of the member's investment as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date **or at an alternate time established by the rules of each board.**

(g) When a member who participates in the guaranteed program transfers the amount credited to the member to an alternative investment program, the amount credited to the member in the guaranteed program is computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the effective date of the transfer. **However, each board may by rule provide for an alternate valuation date.** When a member who participates in the guaranteed program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus any contributions received since that date plus interest since that date. **However, each board may by rule provide for an alternate valuation date.**

SECTION 2. IC 5-10.2-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Unless a member elects otherwise under this section, the retirement benefit for each member consists of the sum of a pension provided by employer contributions plus an annuity provided by the amount credited to the member in the annuity savings account.

(b) A member may choose at retirement or upon a disability retirement to receive a distribution of:

- (1) the entire amount credited to the member in the annuity savings account; or
- (2) an amount equal to the member's federal income tax basis in the member's annuity savings account balance as it existed on

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December 31, 1986.

If the member chooses to receive the distribution under subdivision (1), the member is not entitled to an annuity as part of the retirement or disability benefit. If the member chooses to receive the distribution under subdivision (2), the member is entitled to an annuity purchasable by the amount remaining in the member's annuity savings account after the payment under subdivision (2).

(c) Instead of choosing to receive the benefits described in subsection (a) or (b), a member may choose upon retirement or upon disability retirement to begin receiving a pension provided by employer contributions and to defer receiving in any form the member's annuity savings account. If a member chooses this option, the member:

(1) is not entitled to an annuity as part of the member's retirement or disability benefit, and the member's annuity savings account will continue to be invested according to the member's direction under IC 5-10.2-2-3; and

(2) may later choose, as of the first day of a month, **or an alternate date established by the rules of each board**, to receive a distribution of:

(A) the entire amount credited to the member in the annuity savings account; or

(B) an amount equal to the member's federal income tax basis in the member's annuity savings account balance as it existed on December 31, 1986.

If the member chooses to receive the distribution under subdivision (2)(A), the member is not entitled to an annuity as part of the member's retirement or disability benefit. If the member chooses to receive the distribution under subdivision (2)(B), the member is entitled to an annuity purchasable by the amount remaining in the member's annuity savings account after the payment under subdivision (2)(B). If the member does not choose to receive a distribution under this subsection, the member is entitled to an annuity purchasable by the entire amount in the member's annuity savings account, and the form of the annuity shall be as described in subsection (d) unless the member elects an option described in section 7(b)(1), 7(b)(2), or 7(b)(4) of this chapter. The amount to be paid under this section shall be determined in the manner described in IC 5-10.2-2-3, except that it shall be determined as of the last day of the quarter preceding the member's actual distribution or annuitization date. **However, each board may by rule provide for an alternate valuation date.**

(d) Retirement benefits must be distributed in a manner that complies with Section 401(a)(9) of the Internal Revenue Code, as

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specified in IC 5-10.2-2-1.5."

Page 1, line 10, after "be" insert ":",

Page 1, line 11, reset in roman "(A) a member of a collective bargaining unit of state".

Page 1, line 11, after "member of" insert ":

**(i) the fund; or**

**(ii)".**

Page 1, line 12, reset in roman "employees represented by a labor organization; or".

Page 1, line 13, reset in roman "(B)".

Page 1, line 13, after "(B) an" insert "**individual who is:**

**(i) an".**

Page 1, line 13, after "officer" insert "**or a member".**

Page 1, line 14, strike "employees." and insert "**or university employees; and**

**(ii) an Indiana resident."**

Page 1, line 16, after "board." insert "**An individual appointed under this subsection to serve as the director's designee:**

**(1) is subject to the provisions of section 3 of this chapter; and**

**(2) serves as a permanent designee until replaced by the director."**

Page 2, line 7, delete "both of the".

Page 2, delete line 8.

Page 2, line 9, delete "(1)".

Page 2, line 9, delete "Compensation" and insert "compensation".

Page 2, line 9, strike "of four hundred fifty dollars (\$450) on October".

Page 2, line 10, strike "1, January 1, April 1, and June 30".

Page 2, line 12, delete "(2) Reimbursement" and insert "**reimbursement".**

Page 2, run in lines 7 through 12.

Page 2, line 41, after "board." insert "**An individual appointed under this subsection to serve as the director's designee serves as a permanent designee until replaced by the director."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 149 as reprinted January 25, 2005.)

TORR, Chair

Committee Vote: yeas 10, nays 0.

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