

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 206 be amended to read as follows:

- 1 Page 3, between lines 26 and 27, begin a new paragraph and insert:
- 2 "SECTION 2. IC 5-10.2-3-1.3 IS ADDED TO THE INDIANA
- 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4 [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: **Sec. 1.3. (a) As**
- 5 **used in this section, "PERF board" refers to the board of trustees**
- 6 **of the public employees' retirement fund.**
- 7 **(b) A member who:**
- 8 **(1) is an employee of the state;**
- 9 **(2) has earned at least nine (9) years but not more than ten**
- 10 **(10) years of service in a position covered by the public**
- 11 **employees' retirement fund; and**
- 12 **(3) has received notice that the member is being laid off from**
- 13 **employment with the state;**
- 14 **may purchase up to one (1) year of service credit in order to attain**
- 15 **vested status (as defined in IC 5-10.2-1-8) in the public employees'**
- 16 **retirement fund.**
- 17 **(c) Before a member is laid off, a member who desires to**
- 18 **purchase additional service credit under subsection (b) must notify**
- 19 **the PERF board that the member intends to make a purchase**
- 20 **under this section and enter into an agreement with the PERF**
- 21 **board to contribute to the public employees' retirement fund as**
- 22 **follows:**
- 23 **(1) Contributions that are equal to the product of the**
- 24 **following:**

- 1 (A) The member's salary at the time the member is laid
2 off.
- 3 (B) A rate, determined by the actuary for the public
4 employees' retirement fund, that is based on the age of
5 the member at the time the member is laid off and
6 computed to result in a contribution amount that
7 approximates the actuarial present value of the benefit
8 attributable to the service credit purchased.
- 9 (C) The amount of service credit the member intends to
10 purchase.
- 11 (2) Contributions for any accrued interest, at a rate
12 determined by the actuary for the public employees'
13 retirement fund, for the period from the member's initial
14 membership in the public employees' retirement fund to the
15 date payment is made by the member.
- 16 (d) The following apply to the purchase of service credit under
17 this section:
- 18 (1) The PERF board may allow a member to make periodic
19 payments of the contributions required for the purchase of
20 service credit over a period not to exceed one (1) year after
21 the date the member is laid off.
- 22 (2) The PERF board may deny an application for the
23 purchase of service credit if the purchase would exceed the
24 limitations under Section 415 of the Internal Revenue Code.
- 25 (3) A member may not claim the service credit for the
26 purpose of computing benefits unless the member has made
27 all payments required for the purchase of the service credit.
- 28 (4) To the extent permitted by the Internal Revenue Code
29 and applicable regulations, a member may purchase service
30 credit under this section by a rollover distribution to the fund
31 from any of the following:
- 32 (A) A qualified plan described in Section 401(a) or
33 Section 403(a) of the Internal Revenue Code.
- 34 (B) An annuity contract or account described in Section
35 403(b) of the Internal Revenue Code.
- 36 (C) An eligible plan that is maintained by a state, a
37 political subdivision of a state, or an agency or
38 instrumentality of a state or political subdivision of a
39 state under Section 457(b) of the Internal Revenue Code.
- 40 (D) An individual retirement account or annuity
41 described in Section 408(a) or Section 408(b) of the
42 Internal Revenue Code.
- 43 (e) A member who fails to make the payments required to
44 purchase service credit under this section may withdraw the
45 amount of the payments made, plus accumulated interest, after
46 submitting a properly completed application for a refund to the
47 public employees' retirement fund. However, the member must
48 also apply for a refund of the member's entire annuity savings
49 account under section 6 of this chapter to be eligible for a refund
50 of the member's rollover amount.
- 51 (f) For a member who is a state employee, the employer may

1 **pay all or a part of the member contributions required for the**
2 **purchase of service credit under this section. In that event, the**
3 **actuary shall determine the amortization, and subsections (d)(1),**
4 **(d)(3), (d)(4), and (e) do not apply."**

5 Page 19, after line 10, begin a new paragraph and insert:
6 "SECTION 10. **An emergency is declared for this act.**".
7 Renumber all SECTIONS consecutively.
 (Reference is to ESB 206 as printed February 17, 2006.)

Representative GOODIN