



January 27, 2006

---

---

## SENATE BILL No. 85

---

DIGEST OF SB 85 (Updated January 26, 2006 9:46 am - DI 96)

**Citations Affected:** IC 33-39; noncode.

**Synopsis:** Prosecuting attorneys' pensions. Reduces from ten to eight the years of service credit required for a participant to vest in the prosecuting attorneys retirement fund. (The introduced version of this bill was prepared by the pension management oversight commission.)

**Effective:** July 1, 2006.

---

---

**Young R Michael**

---

---

January 9, 2006, read first time and referred to Committee on Pensions and Labor.  
January 26, 2006, reported favorably — Do Pass.

---

---

C  
o  
p  
y

SB 85—LS 6062/DI 102+



January 27, 2006

Second Regular Session 114th General Assembly (2006)

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 2005 Regular Session of the General Assembly.

C  
O  
P  
Y

## SENATE BILL No. 85



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 33-39-7-15 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. A participant whose  
3 employment in a position described in section 8 of this chapter is  
4 terminated is entitled to a retirement benefit computed under section  
5 16 or 18 of this chapter, beginning on the date specified by the  
6 participant in a written application, if all of the following conditions are  
7 met:

8 (1) The application for retirement benefits and the choice of the  
9 retirement date is filed on a form provided by the board, and the  
10 retirement date is:

- 11 (A) after the cessation of the participant's service;
- 12 (B) on the first day of a month; and
- 13 (C) not more than six (6) months before the date the  
14 application is received by the board.

15 However, if the board determines that a participant is incompetent  
16 to file for benefits and choose a retirement date, the retirement  
17 date may be any date that is the first of the month after the time

SB 85—LS 6062/DI 102+



- 1 the participant became incompetent.
- 2 (2) The participant:
- 3 (A) is at least sixty-two (62) years of age and has at least ~~ten~~
- 4 **(10) eight (8)** years of service credit; or
- 5 (B) meets the requirements for disability benefits under
- 6 section 17 of this chapter.
- 7 (3) The participant is not receiving and is not entitled to receive
- 8 any salary for services currently performed, except for services
- 9 rendered as a senior prosecuting attorney under IC 33-39-1.

10 SECTION 2. IC 33-39-7-16 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) This section  
 12 does not apply to a participant who meets the requirements for  
 13 disability benefits under section 17 of this chapter.

14 (b) Except as provided in subsections (c) and (d), the amount of the  
 15 annual retirement benefit to which a participant who applies for a  
 16 retirement benefit and who is at least sixty-five (65) years of age is  
 17 entitled equals the product of:

- 18 (1) the highest annual salary that was paid to the participant
- 19 before separation from service; multiplied by
- 20 (2) the percentage prescribed in the following table:

21 Participant's Years	Percentage
22 of Service	
23 Less than <del>10</del> <b>8</b>	0
24 <b>8</b>	<b>24%</b>
25 <b>9</b>	<b>27%</b>
26 10	30%
27 11	33%
28 12	50%
29 13	51%
30 14	52%
31 15	53%
32 16	54%
33 17	55%
34 18	56%
35 19	57%
36 20	58%
37 21	59%
38 22 or more	60%

39 (c) If a participant who applies for a retirement benefit is not at least  
 40 sixty-five (65) years of age, the participant is entitled to receive a  
 41 reduced annual retirement benefit that equals the benefit that would be  
 42 payable if the participant were sixty-five (65) years of age reduced by

C  
o  
p  
y



1 one-fourth percent (0.25%) for each month that the participant's age at  
2 retirement precedes the participant's sixty-fifth birthday.

3 (d) Benefits payable to a participant under this section are reduced  
4 by the pension, if any, that would be payable to the participant from the  
5 public employees' retirement fund if the participant had retired from the  
6 public employees' retirement fund on the date of the participant's  
7 retirement from the prosecuting attorneys retirement fund. Benefits  
8 payable to a participant under this section are not reduced by annuity  
9 payments made to the participant from the public employees' retirement  
10 fund.

11 (e) If benefits payable from the public employees' retirement fund  
12 exceed the benefits payable from the prosecuting attorneys retirement  
13 fund, the participant is entitled at retirement to withdraw from the  
14 prosecuting attorneys retirement fund the total sum contributed plus  
15 interest at the rate of five and one-half percent (5.5%) compounded  
16 annually.

17 SECTION 3. IC 33-39-7-19 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 19. (a) The surviving  
19 spouse of a participant who:

- 20 (1) dies; and
- 21 (2) on the date of death:
  - 22 (A) was receiving benefits under this chapter;
  - 23 (B) had completed at least ~~ten (10)~~ **eight (8)** years of service
  - 24 in a position described in section 8 of this chapter; or
  - 25 (C) met the requirements for disability benefits under section
  - 26 17 of this chapter;

27 is entitled, regardless of the participant's age, to the benefit prescribed  
28 by subsection (b).

29 (b) The surviving spouse is entitled to a benefit for life equal to the  
30 greater of:

- 31 (1) seven thousand dollars (\$7,000); or
- 32 (2) fifty percent (50%) of the amount of retirement benefit the
- 33 participant was drawing at the time of death, or to which the
- 34 participant would have been entitled had the participant retired
- 35 and begun receiving retirement benefits on the date of death, with
- 36 reductions as necessary under section 16(c) of this chapter.

37 (c) Benefits payable to a surviving spouse under this section are  
38 reduced by the amounts, if any, that are payable to the surviving spouse  
39 from the public employees' retirement fund as a result of the  
40 participant's death.

41 SECTION 4. [EFFECTIVE JULY 1, 2006] **IC 33-39-7-15,**  
42 **IC 33-39-7-16, and IC 33-39-7-19, all as amended by this act, apply**

C  
o  
p  
y



1       **to a participant in the prosecuting attorneys retirement fund who:**  
2               **(1) is serving on July 1, 2006; or**  
3               **(2) begins service after July 1, 2006;**  
4       **in a position described in IC 33-39-7-8.**

**C  
o  
p  
y**



COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 85, 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 85 as introduced.)

HARRISON, Chairperson

Committee Vote: Yeas 11, Nays 0.

**C  
o  
p  
y**

