

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1205, 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 1, delete lines 1 through 17, begin a new paragraph and insert:
- 2 "SECTION 1. IC 2-3.5-2-2.7 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY
- 4 1, 2010]: **Sec. 2.7. (a) "Board" refers to the board of trustees of the**
- 5 **Indiana public retirement system established by IC 5-10.5-3-1.**
- 6 **(b) References in this article to the PERF board or TRF board**
- 7 **shall be considered after April 30, 2010, to be references to the**
- 8 **board of trustees of the Indiana public retirement system**
- 9 **established by IC 5-10.5-3-1.**
- 10 SECTION 2. IC 5-10-5.5-1, AS AMENDED BY P.L.227-2007,
- 11 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 12 MAY 1, 2010]: Sec. 1. As used in this chapter and unless the context
- 13 clearly denotes otherwise:
- 14 **(1) "Board" refers to the board of trustees of the Indiana**
- 15 **public retirement system established by IC 5-10.5-3-1.**
- 16 ~~(a)~~ **(2) "Department" means the Indiana department of natural**
- 17 **resources.**
- 18 ~~(b)~~ **(3) "Commission" means the alcohol and tobacco commission.**
- 19 ~~(c)~~ **(4) "Officer" means any Indiana state excise police officer, any**
- 20 **Indiana state conservation enforcement officer, any gaming agent,**

- 1 or any gaming control officer.
- 2 ~~(d)~~ **(5)** "Participant" means any officer who has elected to
- 3 participate in the retirement plan created by this chapter.
- 4 ~~(e)~~ **(6)** "Salary" means the total compensation, exclusive of
- 5 expense allowances, paid to any officer by the department or the
- 6 commission, determined without regard to any salary reduction
- 7 agreement established under Section 125 of the Internal Revenue
- 8 Code.
- 9 ~~(f)~~ **(7)** "Average annual salary" means the average annual salary
- 10 of an officer during the five (5) years of highest annual salary in
- 11 the ten (10) years immediately preceding an officer's retirement
- 12 date, determined without regard to any salary reduction agreement
- 13 established under Section 125 of the Internal Revenue Code.
- 14 ~~(g)~~ **(8)** "Public employees' retirement act" means IC 5-10.3.
- 15 ~~(h)~~ **(9)** "Public employees' retirement fund" means the public
- 16 employees' retirement fund created by IC 5-10.3-2.
- 17 ~~(i)~~ **(10)** "Interest" means the same rate of interest as is specified
- 18 under the public employees' retirement law.
- 19 ~~(j)~~ **(11)** "Americans with Disabilities Act" refers to the Americans
- 20 with Disabilities Act (42 U.S.C. 12101 et seq.) and any
- 21 amendments and regulations related to the Act.
- 22 ~~(k)~~ **(12)** Other words and phrases when used in this chapter shall,
- 23 for the purposes of this chapter, have the meanings respectively
- 24 ascribed to them as set forth in IC 5-10.3-1.
- 25 SECTION 3. IC 5-10-5.5-3 IS AMENDED TO READ AS
- 26 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 3. (a) The management
- 27 administration of the retirement plan created by this chapter is hereby
- 28 vested in the board. ~~of trustees of the public employees' retirement~~
- 29 ~~fund.~~
- 30 (b) Records of individual participants in the retirement plan created
- 31 by this chapter and participants' information are confidential, except for
- 32 the name and years of service of a retirement plan participant.
- 33 SECTION 4. IC 5-10-5.5-7.5, AS ADDED BY P.L.180-2007,
- 34 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 35 MAY 1, 2010]: Sec. 7.5. (a) As used in this section, "board" refers to
- 36 the board of trustees of the ~~public employees' retirement fund~~
- 37 ~~established by IC 5-10.3-3-1. Indiana public retirement system~~
- 38 **established by IC 5-10.5-3-1.**
- 39 (b) As used in this section, "public retirement fund" refers
- 40 collectively to:
- 41 (1) the public employees' retirement fund (IC 5-10.3);
- 42 (2) the Indiana state teachers' retirement fund (IC 5-10.4);

- 1 (3) the state police pension trust (IC 10-12); and  
2 (4) the 1977 police officers' and firefighters' pension and  
3 disability fund (IC 36-8-8).

4 (c) Subject to this section, a participant may purchase service credit  
5 for the participant's prior service in a position covered by a public  
6 retirement fund.

7 (d) To purchase the service credit described in subsection (c), a  
8 participant must meet the following requirements:

9 (1) The participant has at least one (1) year of creditable service  
10 in the retirement plan created by this chapter.

11 (2) The participant has not attained vested status in and is not an  
12 active participant in the public retirement fund from which the  
13 participant is purchasing the service credit.

14 (3) Before the participant retires, the participant makes  
15 contributions to the retirement plan created by this chapter as  
16 follows:

17 (A) Contributions that are equal to the product of the  
18 following:

19 (i) The participant's salary at the time the participant actually  
20 makes a contribution for the service credit.

21 (ii) A rate, determined by the actuary for the retirement plan  
22 created by this chapter, based on the age of the participant  
23 at the time the participant actually makes a contribution for  
24 service credit and computed to result in a contribution  
25 amount that approximates the actuarial present value of the  
26 benefit attributable to the service credit purchased.

27 (iii) The number of years of service credit the participant  
28 intends to purchase.

29 (B) Contributions for any accrued interest, at a rate determined  
30 by the actuary for the retirement plan created by this chapter,  
31 for the period from the participant's initial participation in the  
32 retirement plan created by this chapter to the date payment is  
33 made by the participant.

34 (e) At the request of the participant purchasing service credit under  
35 this section, the amount a participant is required to contribute under  
36 subsection (d)(3) may be reduced by a trustee to trustee transfer from  
37 a public retirement fund in which the participant has an account that  
38 contains amounts attributable to member contributions (plus any  
39 credited earnings) to the retirement plan created by this chapter. The  
40 participant may direct the transfer of an amount only to the extent  
41 necessary to fund the service purchase under subsection (d)(3). The  
42 participant shall complete any forms required by the public retirement

1 fund from which the participant is requesting a transfer or the  
2 retirement plan created by this chapter before the transfer is made.

3 (f) At least ten (10) years of service in the retirement plan created  
4 by this chapter is required before a participant may receive a benefit  
5 based on service credit purchased under this section.

6 (g) A participant who:

7 (1) terminates employment before satisfying the eligibility  
8 requirements necessary to receive an annual retirement  
9 allowance; or

10 (2) receives an annual retirement allowance for the same service  
11 from another tax supported governmental retirement plan other  
12 than under the federal Social Security Act;

13 may withdraw the purchase amount plus accumulated interest after  
14 submitting a properly completed application for a refund to the  
15 retirement plan created by this chapter.

16 (h) The following may apply to the purchase of service credit under  
17 this section:

18 (1) The board may allow a participant to make periodic payments  
19 of the contributions required for the purchase of the service credit.  
20 The board shall determine the length of the period during which  
21 the payments must be made.

22 (2) The board may deny an application for the purchase of service  
23 credit if the purchase would exceed the limitations under Section  
24 415 of the Internal Revenue Code.

25 (3) A participant may not claim the service credit for purposes of  
26 determining eligibility for a benefit or computing benefits unless  
27 the participant has made all payments required for the purchase  
28 of the service credit.

29 (i) To the extent permitted by the Internal Revenue Code and  
30 applicable regulations, the retirement plan created by this chapter may  
31 accept, on behalf of a participant who is purchasing permissive service  
32 credit under this chapter, a rollover of a distribution from any of the  
33 following:

34 (1) A qualified plan described in Section 401(a) or Section 403(a)  
35 of the Internal Revenue Code.

36 (2) An annuity contract or account described in Section 403(b) of  
37 the Internal Revenue Code.

38 (3) An eligible plan that is maintained by a state, a political  
39 subdivision of a state, or an agency or instrumentality of a state or  
40 political subdivision of a state under Section 457(b) of the  
41 Internal Revenue Code.

42 (4) An individual retirement account or annuity described in

- 1 Section 408(a) or Section 408(b) of the Internal Revenue Code.
- 2 (j) To the extent permitted by the Internal Revenue Code and  
3 applicable regulations, the retirement plan created by this chapter may  
4 accept, on behalf of a participant who is purchasing permissive service  
5 credit under this chapter, a trustee to trustee transfer from any of the  
6 following:
- 7 (1) An annuity contract or account described in Section 403(b) of  
8 the Internal Revenue Code.
- 9 (2) An eligible deferred compensation plan under Section 457(b)  
10 of the Internal Revenue Code.
- 11 SECTION 5. IC 5-10.2-1-1 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 1. ~~Board:~~ "Board" as  
13 used in this article means the board of trustees of the ~~Indiana state~~  
14 ~~teachers' retirement fund and the board of trustees of the public~~  
15 ~~employees' retirement fund.~~ **Indiana public retirement system**  
16 **established by IC 5-10.5-3-1.**
- 17 SECTION 6. IC 5-10.2-2-1 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 1. ~~Scope; Purpose:~~ (a)  
19 This article applies to the Indiana state teachers' retirement fund and  
20 the public employees' retirement fund. Each retirement fund covered  
21 by this article is a separate retirement fund managed by ~~its~~ **the board**  
22 ~~under its the fund's~~ retirement fund law. ~~Each~~ **The board** shall make  
23 and publish regulations which are appropriate to the efficient  
24 administration of this article. The obligations of the state and political  
25 subdivisions for benefit payments are specified in each retirement fund  
26 law.
- 27 (b) ~~Each fund~~ **The Indiana public retirement system** is an  
28 independent body corporate and politic. ~~A fund~~ **The Indiana public**  
29 **retirement system** is not a department or agency of the state but is an  
30 independent instrumentality exercising essential government functions.
- 31 (c) ~~For purposes of IC 34-13-2, IC 34-13-3, and IC 34-13-4, each~~  
32 ~~board; each fund; and all employees of each board or fund are public~~  
33 ~~employees (as defined in IC 34-6-2-38): All employees of each board~~  
34 ~~or fund employed within a classification covered by a labor agreement~~  
35 ~~to which the state is a party shall continue to remain subject to the~~  
36 ~~terms and conditions of that agreement and any successor labor~~  
37 ~~agreements entered into by the state.~~
- 38 (d) ~~(c)~~ (c) The benefits specified in this article and the benefits from the  
39 Social Security Act provide the retirement, disability, and survivor  
40 benefits for public employees and teachers. However, this article does  
41 not prohibit a political subdivision from establishing and providing  
42 before January 1, 1995, and continuing to provide after January 1,

1 1995, retirement, disability, and survivor benefits for the public  
 2 employees of the political subdivision independent of this article if the  
 3 political subdivision took action before January 1, 1995, and was not  
 4 a participant in the public employees' retirement fund on January 1,  
 5 1995, under this article or IC 5-10.3.

6 SECTION 7. IC 5-10.2-2-2 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 2. (a) The board ~~of the~~  
 8 ~~public employees' retirement fund~~ shall maintain the following separate  
 9 accounts **in the public employees' retirement fund:**

10 (1) The annuity savings account.

11 (2) The retirement allowance account.

12 (b) The board ~~of the Indiana state teachers' retirement fund~~ shall  
 13 maintain the following two (2) separate accounts **in the Indiana state**  
 14 **teachers' retirement fund:**

15 (1) The pre-1996 account.

16 (2) The 1996 account.

17 (c) Within each account specified in subsection (b), the board ~~of the~~  
 18 ~~Indiana state teachers' retirement fund~~ shall maintain the following  
 19 separate subaccounts:

20 (1) The annuity savings account.

21 (2) The retirement allowance account.

22 SECTION 8. IC 5-10.2-9-2, AS ADDED BY P.L.149-2007,  
 23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 MAY 1, 2010]: Sec. 2. As used in this chapter, "board" refers to the  
 25 following:

26 ~~(1) The board of trustees of the Indiana state teachers' retirement~~  
 27 ~~fund:~~

28 ~~(2) The board of trustees of the public employees' retirement fund:~~  
 29 **board of trustees of the Indiana public retirement system**  
 30 **established by IC 5-10.5-3-1.**

31 SECTION 9. IC 5-10.2-10-3, AS ADDED BY P.L.67-2009,  
 32 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 MAY 1, 2010]: Sec. 3. As used in this chapter, "board" refers to the  
 34 following:

35 ~~(1) The board of trustees of the Indiana state teachers' retirement~~  
 36 ~~fund:~~

37 ~~(2) the board of trustees of the public employees' retirement fund:~~  
 38 **board of trustees of the Indiana public retirement system**  
 39 **established by IC 5-10.5-3-1.**

40 SECTION 10. IC 5-10.3-1-1 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 1. ~~Board:~~ "Board" as  
 42 used in this article means the board of trustees of the ~~public employees'~~

1 ~~retirement fund~~: **Indiana public retirement system established by**  
 2 **IC 5-10.5-3-1.**

3 SECTION 11. IC 5-10.3-1-2.5 IS AMENDED TO READ AS  
 4 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 2.5. As used in this  
 5 article, "director" refers to the director of the ~~fund~~: **Indiana public**  
 6 **retirement system established by IC 5-10.5-2-1.**

7 SECTION 12. IC 5-10.3-2-1 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 1. ~~Establishment of~~  
 9 ~~Fund and Board~~: (a) The public employees' retirement fund of Indiana,  
 10 referred to as the fund, is established to pay benefits to officers and  
 11 employees of the state and its political subdivisions after specified  
 12 years of service and under other specified circumstances. The purpose  
 13 of the fund is to promote economy and efficiency in the administration  
 14 of state and local government by providing an orderly way for members  
 15 to be retired without prejudice and without inflicting hardship on the  
 16 retired member.

17 (b) The fund is a trust. The board of trustees of the ~~public~~  
 18 ~~employees' retirement fund~~, referred to as the ~~board~~, **Indiana public**  
 19 **retirement system** shall administer the fund and implement this  
 20 article, without the supervision of the department of insurance.

21 SECTION 13. IC 5-10.3-3-7 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 7. The board shall do  
 23 all of the following:

- 24 (1) Appoint ~~and fix the salary of~~ a director. ~~subject to the~~  
 25 ~~approval of the governor~~.
- 26 (2) Appoint an actuary and employ or contract with employees,  
 27 auditors, technical experts, legal counsel, and other service  
 28 providers as it considers necessary to transact the business of the  
 29 fund, without the approval of any state officer.
- 30 (3) Fix the compensation of persons:  
 31 (A) appointed or employed by the board; or  
 32 (B) who contract with the board.
- 33 (4) Establish a general office in Indianapolis for board meetings  
 34 and for administrative personnel.
- 35 (5) Provide for the installation in the general office of a complete  
 36 system of books, accounts including reserve accounts, and records  
 37 in order to give effect to all the requirements of this article and to  
 38 assure the proper operation of the fund.
- 39 (6) Provide for a report at least annually, before June 1, to each  
 40 member of the amount credited to ~~him~~ **the member** in the annuity  
 41 savings account in each investment program under IC 5-10.2-2.
- 42 (7) With the advice of the actuary, adopt actuarial tables and

- 1 compile data needed for actuarial studies which are necessary for  
 2 the fund's operation.
- 3 (8) Act on applications for benefits and claims of error filed by  
 4 members.
- 5 (9) Have the accounts of the fund audited annually by the state  
 6 board of accounts, **and if the board determines that it is**  
 7 **advisable, have the operation of a public pension or**  
 8 **retirement fund of the system audited by a certified public**  
 9 **accounting firm.**
- 10 (10) Publish for the members a synopsis of the fund's condition.
- 11 (11) Adopt a budget on a calendar year or fiscal year basis that is  
 12 sufficient, as determined by the board, to perform the board's  
 13 duties and, as appropriate and reasonable, draw upon fund assets  
 14 to fund the budget.
- 15 (12) Expend money, including income from the fund's  
 16 investments, for effectuating the fund's purposes.
- 17 (13) Establish personnel programs and policies for its employees.
- 18 (14) Submit a report of its activities each year **before November**  
 19 **1** to the governor, the pension management oversight commission,  
 20 and the budget committee. ~~before November 1 of each year.~~ **The**  
 21 **report to the pension management oversight commission must**  
 22 **be submitted in an electronic format under IC 5-14-6.** The  
 23 report under this subdivision must set forth a complete operating  
 24 and financial statement covering its operations during the most  
 25 recent **available audited** fiscal year, including information on the  
 26 following:
- 27 (A) Investment performance.
- 28 (B) Investment and administrative costs as a percentage of  
 29 assets under management.
- 30 (C) Investment asset allocation strategy.
- 31 (D) Member services.
- 32 (E) Member communications.
- 33 (15) Establish a code of ethics or decide to be under the  
 34 jurisdiction and rules adopted by the state ethics commission.
- 35 **(16) Submit to the auditor of state or the treasurer of state**  
 36 **vouchers or reports necessary to claim amounts due from the**  
 37 **state to the system.**
- 38 SECTION 14. IC 5-10.3-3-8 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 8. (a) The board may  
 40 do any of the following:
- 41 (1) Establish and amend rules and regulations:
- 42 (A) for the administration and regulation of the fund and the

1 board's affairs; and

2 (B) to effectuate the powers and purposes of the board;  
3 without adopting a rule under IC 4-22-2.

4 (2) Make contracts and sue and be sued as the board of trustees of  
5 the ~~public employees' retirement fund of Indiana~~. **Indiana public**  
6 **retirement system**.

7 (3) Delegate duties to its employees.

8 (4) Enter into agreements with one (1) or more insurance  
9 companies to provide life, hospitalization, surgical, medical,  
10 dental, vision, long term care, or supplemental Medicare  
11 insurance, utilizing individual or group insurance policies for  
12 retired members of the fund, and, upon authorization of the  
13 respective member, deduct premium payments for such policies  
14 from the members' retirement benefits and remit the payments to  
15 the insurance companies.

16 (5) Enter into agreements with one (1) or more insurance  
17 companies to provide annuities for retired members of the fund,  
18 and, upon a member's authorization, transfer the amount credited  
19 to the member in the annuity savings account to the insurance  
20 companies.

21 (6) For the 1977 police officers' and firefighters' pension and  
22 disability fund, deduct from benefits paid and remit to the  
23 appropriate entities amounts authorized by IC 36-8-8-17.2.

24 (7) Whenever the fund's membership is sufficiently large for  
25 actuarial valuation, establish an employer's contribution rate for  
26 all employers, including employers with special benefit provisions  
27 for certain employees.

28 (8) Amortize prior service liability over a period of forty (40)  
29 years or less.

30 (9) Recover payments made under false or fraudulent  
31 representation.

32 (10) Exercise all powers necessary, convenient, or appropriate to  
33 carry out and effectuate its public and corporate purposes and to  
34 conduct its business.

35 (b) An agreement under subsection (a)(4) may be for a duration of  
36 three (3) years.

37 (c) This subsection does not apply to investments of the board. A  
38 contract under subsection (a)(2) may be for a term of not more than  
39 five (5) years, with an ability to renew thereafter.

40 (d) The board's powers and the fund's powers specified in this  
41 chapter shall be interpreted broadly to effectuate the purposes of this  
42 chapter and may not be construed as a limitation of powers.

1 SECTION 15. IC 5-10.3-3-10 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 10. ~~The Actuary. The~~  
 3 ~~actuary is the technical advisor on the operation of the fund.~~ The  
 4 actuary shall perform the duties specified in this article and in  
 5 IC 5-10.2 and all other duties assigned by the board.

6 SECTION 16. IC 5-10.3-11-1 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 1. There is created  
 8 within the public employees' retirement fund a separate account known  
 9 as the pension relief fund. This fund is administered by the board of  
 10 trustees of the ~~public employees' retirement fund~~; **Indiana public**  
 11 **retirement system**, referred to as the "state board" in this chapter. The  
 12 pension relief fund consists of revenues received under  
 13 IC 6-7-1-28.1(4), IC 7.1-4-12-1, any appropriations to the fund, and  
 14 earnings on these revenues.

15 SECTION 17. IC 5-10.4-1-5, AS ADDED BY P.L.2-2006,  
 16 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 MAY 1, 2010]: Sec. 5. "Board" refers to the board of trustees of the  
 18 ~~Indiana state teachers' retirement fund~~. **Indiana public retirement**  
 19 **system established by IC 5-10.5-3-1.**

20 SECTION 18. IC 5-10.4-3-6, AS ADDED BY P.L.2-2006,  
 21 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 MAY 1, 2010]: Sec. 6. (a) A trustee shall give bond as specified  
 23 periodically by the state board of finance.

24 (b) The board shall do all the following:

- 25 (1) Act on an application for benefits.
- 26 (2) Provide the necessary forms for administering the fund.
- 27 (3) Establish records and accounts, which:
  - 28 (A) provide the necessary information for an actuary's
  - 29 examination; and
  - 30 (B) are sanctioned by the state board of accounts.
- 31 (4) Maintain individual records for each member containing the  
 32 member's:
  - 33 (A) name;
  - 34 (B) date of birth;
  - 35 (C) age at beginning service;
  - 36 (D) service record;
  - 37 (E) address;
  - 38 (F) contributions to the fund;
  - 39 (G) amounts withdrawn; and
  - 40 (H) benefits paid;
 and other items considered necessary.
- 41 (5) Employ or contract with employees, auditors, technical
- 42

1 experts, legal counsel, and other service providers as the board  
2 considers necessary to transact the business of the fund without  
3 the approval of any state officer, and fix the compensation of  
4 those persons.

5 (6) Make rules as required to administer the fund.

6 (7) Publish a summary of the fund's condition.

7 (8) Provide for a report for each member, at least annually before  
8 June 1, of the value of the amount credited to the member in the  
9 annuity savings account in each investment program under  
10 IC 5-10.2-2.

11 (9) Provide for the installation in the general office of a complete  
12 system of:

13 (A) books;

14 (B) accounts, including reserve accounts; and

15 (C) records;

16 to give effect to all the requirements of this article and to ensure  
17 the proper operation of the fund.

18 (10) Appoint an actuary.

19 (11) With the advice of the actuary, adopt actuarial tables and  
20 compile data needed for actuarial studies necessary for the fund's  
21 operation.

22 (12) Adopt a budget on a calendar year or fiscal year basis that is  
23 sufficient, as determined by the board, to perform the board's  
24 duties and, as appropriate and reasonable, draw upon fund assets  
25 to fund the budget.

26 (13) Expend money, including income from the fund's  
27 investments, for effectuating the fund's purposes.

28 (14) Establish personnel programs and policies for the employees  
29 of the board.

30 (15) Submit a report of the board's activities to the governor, the  
31 pension management oversight commission, and the budget  
32 committee before November 1 of each year. **The report to the**  
33 **pension management oversight commission must be submitted**  
34 **in an electronic format under IC 5-14-6.** The report under this  
35 subdivision shall set forth a complete operating and financial  
36 statement covering the board's operations during the most recent  
37 **available audited** fiscal year, including information on the  
38 following:

39 (A) Investment performance.

40 (B) Investment and administrative costs as a percentage of  
41 assets under management.

42 (C) Investment asset allocation strategy.

1 (D) Member services.

2 (E) Member communications.

3 (16) Establish a code of ethics or decide to be under the  
4 jurisdiction and rules adopted by the state ethics commission.

5 SECTION 19. IC 5-10.4-3-8, AS ADDED BY P.L.2-2006,  
6 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 MAY 1, 2010]: Sec. 8. (a) The board may do the following:

8 (1) **Without adopting a rule under IC 4-22-2**, adopt and enforce  
9 rules regarding the fund's administration and the control and  
10 investment of the fund.

11 (2) Give bond for an employee for the fund's protection.

12 (3) Receive the state's share of the cost of the pension  
13 contribution from the federal government for a member on leave  
14 of absence in order to work in a federally supported educational  
15 project.

16 (4) Sue and be sued as the board of trustees of the Indiana ~~state~~  
17 ~~teachers' retirement fund~~. **public retirement system.**

18 (5) Summon and examine witnesses when adjusting claims.

19 (6) When adjusting disability claims, require medical  
20 examinations by doctors approved or appointed by the board. Not  
21 more than two (2) examinations may be conducted in one (1)  
22 year.

23 (7) Conduct investigations to help determine the merit of a claim.

24 (8) Meet an emergency that may arise in the administration of the  
25 board's trust.

26 (9) Determine other matters regarding the board's trust that are  
27 not specified.

28 (10) Enter into agreements with an insurance company to provide  
29 life, hospitalization, surgical, medical, dental, vision, long term  
30 care, or supplemental Medicare insurance, using individual or  
31 group insurance policies for retired teachers, and deduct premium  
32 payments for the policies from the teachers' retirement benefits  
33 and remit the payments to the insurance companies when  
34 deduction is authorized by the respective retired teacher.

35 (11) Enter into agreements with one (1) or more insurance  
36 companies to provide annuities for retired teachers and upon a  
37 member's authorization transfer the amount credited to the  
38 member in the annuity savings account to the insurance  
39 companies.

40 (12) Exercise all powers necessary, convenient, or appropriate to  
41 carry out and effectuate the board's public and corporate purposes  
42 and to conduct the board's business.

- 1 (13) Establish and amend rules:  
 2 (A) for the administration and regulation of the fund and the  
 3 board's affairs; and  
 4 (B) to effectuate the powers and purposes of the board;  
 5 without adopting a rule under IC 4-22-2.  
 6 (b) An agreement under subsection (a)(10) may be for a duration of  
 7 three (3) years.  
 8 (c) This subsection does not apply to:  
 9 (1) an agreement under subsection (a)(10); or  
 10 (2) investments of the board.

11 A contract that the board enters into under section 10(b) of this chapter  
 12 or any other provision may be for a term of not more than five (5)  
 13 years, with the ability to renew.

14 (d) The board's powers and the fund's powers specified in this  
 15 chapter shall be interpreted broadly to effectuate the purposes of this  
 16 chapter and may not be construed as a limitation of powers.

17 SECTION 20. IC 5-10.5 IS ADDED TO THE INDIANA CODE AS  
 18 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE MAY 1,  
 19 2010]:

20 **ARTICLE 10.5. INDIANA PUBLIC PENSION**  
 21 **MODERNIZATION ACT**

22 **Chapter 1. Definitions**

23 **Sec. 1. The definitions in this chapter apply throughout this**  
 24 **article.**

25 **Sec. 2. "Board" refers to the board of trustees of the system**  
 26 **established by IC 5-10.5-3-1.**

27 **Sec. 3. "Director" refers to the director of the system.**

28 **Sec. 4. "Public employees' retirement fund" means the public**  
 29 **employees' retirement fund established under IC 5-10.2 and**  
 30 **IC 5-10.3.**

31 **Sec. 5. "Public pension and retirement funds of the system"**  
 32 **means the public pension and retirement funds listed in**  
 33 **IC 5-10.5-2-2.**

34 **Sec. 6. "System" refers to the Indiana public retirement system**  
 35 **established by IC 5-10.5-2-1.**

36 **Sec. 7. "Teachers' retirement fund" means the Indiana state**  
 37 **teachers' retirement fund established under IC 5-10.2 and**  
 38 **IC 5-10.4.**

39 **Chapter 2. Indiana Public Retirement System**

40 **Sec. 1. On May 1, 2010, the Indiana public retirement system is**  
 41 **established.**

42 **Sec. 2. The system consists of the following public pension or**

1 **retirement funds:**

- 2 (1) The public employees' retirement fund established under  
 3 IC 5-10.2 and IC 5-10.3.
- 4 (2) The Indiana state teachers' retirement fund established  
 5 under IC 5-10.2 and IC 5-10.4.
- 6 (3) The Indiana judges' retirement fund established under  
 7 IC 33-38-6.
- 8 (4) The prosecuting attorneys retirement fund established  
 9 under IC 33-39-7.
- 10 (5) The state excise police, gaming agent, gaming control  
 11 officer, and conservation enforcement officers' retirement  
 12 fund established under IC 5-10-5.5.
- 13 (6) The 1977 police officers' and firefighters' pension and  
 14 disability fund established under IC 36-8-8.
- 15 (7) The legislators' retirement system established under  
 16 IC 2-3.5.
- 17 (8) The pension relief fund established under IC 5-10.3-11.
- 18 (9) The special death benefit fund established under  
 19 IC 5-10-10.
- 20 (10) The state employees' death benefit fund established under  
 21 IC 5-10-11.

22 **Sec. 3. The system is an independent body corporate and politic.**  
 23 **The system is not a department or agency of the state but is an**  
 24 **independent instrumentality exercising essential government**  
 25 **functions.**

26 **Sec. 4. For purposes of IC 34-13-2, IC 34-13-3, and IC 34-13-4,**  
 27 **the board, the system, and all employees of the board or the system**  
 28 **are public employees (as defined in IC 34-6-2-38). All employees of**  
 29 **the board or a fund administered by the board who are employed**  
 30 **within a classification covered by a labor agreement to which the**  
 31 **state is a party shall continue to remain subject to the terms and**  
 32 **conditions of that agreement and any successor labor agreements**  
 33 **entered into by the state.**

34 **Sec. 5. The system shall be managed and administered by a**  
 35 **board of trustees established under IC 5-10.5-3.**

36 **Sec. 6. Each public pension or retirement fund listed in section**  
 37 **2 of this chapter is a separate fund managed by the board under**  
 38 **this article and the retirement law applicable to the public pension**  
 39 **or retirement fund. The obligations of the state and political**  
 40 **subdivisions for benefit payments are specified in the retirement**  
 41 **law applicable to each public pension or retirement fund.**

42 **Chapter 3. Board of Trustees**

1           **Sec. 1. (a) The board of trustees of the Indiana public retirement**  
 2 **system is established.**

3           **(b) The board shall manage and administer each public pension**  
 4 **or retirement fund that comprises the system in accordance with:**

5               **(1) this article; and**

6               **(2) the retirement law applicable to the public pension or**  
 7 **retirement fund.**

8           **Sec. 2. (a) The board is composed of eleven (11) trustees.**

9           **(b) Ten (10) of the trustees shall be appointed by the governor**  
 10 **as follows:**

11               **(1) One (1) must be a member of the public employees'**  
 12 **retirement fund with at least ten (10) years of creditable**  
 13 **service.**

14               **(2) At least two (2) of the trustees appointed by the governor**  
 15 **must be members of the teachers' retirement fund.**

16               **(3) One (1) must be:**

17                   **(A) a:**

18                       **(i) member of the public employees' retirement fund or**  
 19 **retired member of the public employees' retirement**  
 20 **fund; or**

21                       **(ii) member of a collective bargaining unit of state**  
 22 **employees represented by a labor organization; or**

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

24                       **(i) an officer or a member of a local, a national, or an**  
 25 **international labor union that represents state or**  
 26 **university employees; and**

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

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

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

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

34               **(d) In making the appointments under subsection (b)(1), the**  
 35 **governor may consider whether at least one (1) trustee is a retired**  
 36 **member of the public employees' retirement fund under subsection**  
 37 **(b)(3)(A)(i).**

38               **(e) The governor shall fill a vacancy on the board by**  
 39 **appointment not later than forty-five (45) days after the date the**  
 40 **vacancy occurs.**

41               **(f) During the first year after an individual's initial appointment**  
 42 **as a trustee and each year thereafter during which the individual**

1 serves as a trustee, the individual shall complete at least twelve (12)  
 2 hours of trustee education, at least two (2) hours in each of the  
 3 following areas:

- 4 (1) Fiduciary duties and responsibilities of a trustee.
- 5 (2) Ethics.
- 6 (3) Governance process and procedures.
- 7 (4) Retirement plan design and administration.
- 8 (5) Investments.
- 9 (6) Actuarial principles and methods.

10 (g) Subject to the director's approval, each trustee is entitled to  
 11 reimbursement for reasonable expenses actually incurred in  
 12 fulfilling the educational requirements under subsection (f). The  
 13 director shall give a preference for reimbursement for in-state  
 14 training that meets the requirements under subsection (f), if  
 15 in-state training is available.

16 Sec. 3. (a) A trustee shall serve a term of four (4) years,  
 17 beginning on May 1 following the trustee's appointment.

18 (b) Whenever a trustee is appointed to fill a vacancy caused by  
 19 death or resignation, the trustee shall serve the unexpired term of  
 20 the trustee's predecessor.

21 (c) A trustee shall serve until the trustee's successor is appointed  
 22 and qualified.

23 Sec. 4. (a) The governor shall appoint to initial terms of office  
 24 under section 3 of this chapter all those individuals who, on April  
 25 30, 2010, are serving as trustees of the public employees'  
 26 retirement fund and the teachers' retirement fund. These trustees  
 27 shall serve until their term would have expired under IC 5-10.3-3-2  
 28 (repealed) and IC 5-10.4-3-2 (repealed).

29 (b) The initial terms of office for the individuals appointed  
 30 under subsection (a) begin May 1, 2010.

31 (c) This section expires January 1, 2015.

32 Sec. 5. (a) Each trustee shall take an oath of office. The oath  
 33 must be:

- 34 (1) subscribed to by the trustee making the oath;
- 35 (2) certified by the officer before whom the trustee takes the  
 36 oath; and
- 37 (3) filed with the secretary of state.

38 (b) A trustee is qualified for membership on the board when the  
 39 trustee's oath is filed with the secretary of state.

40 Sec. 6. (a) Each trustee is entitled to reimbursement for  
 41 necessary expenses actually incurred through service on the board.

42 (b) Trustee expenses shall be paid from fund assets.

1           **Sec. 7. (a) Not later than June 30 each year, the board shall elect**  
 2 **a chair and vice chair from its members to serve as the officers of**  
 3 **the board.**

4           **(b) An officer shall serve for one (1) year or until the officer's**  
 5 **successor is elected and qualified.**

6           **Sec. 8. (a) The board shall hold:**

7               **(1) an annual meeting in September each year; and**

8               **(2) regular meetings at least quarterly.**

9           **(b) The board may hold special meetings:**

10               **(1) at the call of the chair; or**

11               **(2) with a written request signed by at least four (4) trustees.**

12           **(c) The board may hold its meetings at the system's general**  
 13 **offices or at any other place in Indiana that the board designates.**

14           **(d) All meetings must be open to the public in accordance with**  
 15 **IC 5-14-1.5.**

16           **(e) The board shall keep a record of its proceedings.**

17           **Sec. 9. (a) This section applies to any meeting of the board.**

18           **(b) A member of the board may participate in a meeting of the**  
 19 **board using any means of communication that permits:**

20               **(1) all other board members participating in the meeting; and**

21               **(2) all members of the public physically present at the place**  
 22 **where the meeting is conducted;**

23 **to simultaneously communicate with each other during the**  
 24 **meeting.**

25           **(c) A member of the board who participates in a meeting under**  
 26 **subsection (b) is considered to be present at the meeting.**

27           **(d) The memorandum of the meeting prepared under**  
 28 **IC 5-14-1.5-4 must also state the name of each member who:**

29               **(1) was physically present at the place where the meeting was**  
 30 **conducted;**

31               **(2) participated in the meeting using a means of**  
 32 **communication described in subsection (b); or**

33               **(3) was absent.**

34           **Sec. 10. (a) Six (6) trustees constitute a quorum for the**  
 35 **transaction of business.**

36           **(b) Each trustee is entitled to one (1) vote.**

37           **(c) A majority vote of the trustees is required for the board to**  
 38 **adopt a resolution or take other action at a regular or special**  
 39 **meeting.**

40           **Chapter 4. Board Powers and Duties**

41           **Sec. 1. The board has the powers and duties set forth in**  
 42 **IC 5-10.3-3-7 and IC 5-10.4-3-6.**

1           **Sec. 2. The board may exercise any of the powers or perform**  
 2 **any of the duties set forth in IC 5-10.3-3-8 and IC 5-10.4-3-8.**

3           **Sec. 3. The board's powers as specified in this article or the**  
 4 **retirement law applicable to a public pension or retirement fund**  
 5 **of the system:**

- 6           (1) shall be interpreted broadly to accomplish the purposes of  
 7           this article or the applicable retirement law; and  
 8           (2) may not be construed as a limitation of powers.

9           **Chapter 5. Investments**

10          **Sec. 1. The board has the powers, duties, restrictions,**  
 11 **limitations, and penalties in connection with the board's investment**  
 12 **and management of the assets of the public pension and retirement**  
 13 **funds of the system under the following provisions:**

- 14          (1) IC 5-10.2-2-2.5.  
 15          (2) IC 5-10.2-2-13.  
 16          (3) IC 5-10.2-2-18.  
 17          (4) IC 5-10.3-3-7.1.  
 18          (5) IC 5-10.3-5-3.  
 19          (6) IC 5-10.3-5-3.1.  
 20          (7) IC 5-10.3-5-4.  
 21          (8) IC 5-10.3-5-5.  
 22          (9) IC 5-10.3-5-6.  
 23          (10) IC 5-10.4-3-7.  
 24          (11) IC 5-10.4-3-9.  
 25          (12) IC 5-10.4-3-10.  
 26          (13) IC 5-10.4-3-11.  
 27          (14) IC 5-10.4-3-12.  
 28          (15) IC 5-10.4-3-13.  
 29          (16) IC 5-10.4-3-14.  
 30          (17) IC 5-10.4-3-15.  
 31          (18) IC 5-10.4-3-16.

32          **Sec. 2. The board's transactions under this chapter are subject**  
 33 **to IC 2-3.5-3-3, IC 5-10-5.5-2.5, IC 5-10.2-2-1.5, IC 33-38-6-13,**  
 34 **IC 33-39-7-22, and IC 36-8-8-2.5.**

35          **Chapter 6. Director; Reports and Administration**

36          **Sec. 1. (a) The director is the executive officer of the system and**  
 37 **is responsible for the administration of the system.**

38          **(b) The director is appointed by and serves at the pleasure of the**  
 39 **board.**

40          **Sec. 2. The director shall do the following:**

- 41          (1) Maintain a record of the board's proceedings.  
 42          (2) Keep the books and records of the system.

1           **(3) Deposit payments made to the system with the custodian**  
2           **for the system's accounts.**

3           **(4) Sign vouchers for the payment of money from the system**  
4           **as authorized by the board.**

5           **(5) Execute a corporate surety bond in an amount specified by**  
6           **the board. The premium for the bond is an administrative**  
7           **expense of the system.**

8           **(6) Employ:**

9                 **(A) a manager for the teachers' retirement fund; and**

10                **(B) a manager for the public employees' retirement fund.**

11           **The director may employ managers for one (1) or more of the**  
12           **other public pension and retirement funds of the system to**  
13           **assist in the operation and administration of the applicable**  
14           **public pension or retirement fund.**

15           **(7) Perform other duties as assigned by the board.**

16           **Sec. 3. (a) The board shall maintain individual records for each**  
17           **member of a public pension or retirement fund of the system**  
18           **administered by the board.**

19           **(b) A member's record must include at least the following**  
20           **information:**

21                **(1) The member's name.**

22                **(2) Date of birth.**

23                **(3) Age at beginning service.**

24                **(4) Service record.**

25                **(5) Address.**

26                **(6) Contributions.**

27                **(7) Amounts withdrawn.**

28                **(8) Benefits paid.**

29           **Sec. 4. (a) Records of:**

30                **(1) individual members of; and**

31                **(2) membership information concerning;**

32           **a public pension or retirement fund administered by the board are**  
33           **confidential, except for the name and years of service of a member.**

34           **(b) This section does not prohibit the board from providing fund**  
35           **records to an association or organization described in**  
36           **IC 2-3.5-4-12, IC 2-3.5-5-10, IC 5-10.3-8-10, IC 5-10.4-5-14, or**  
37           **IC 36-8-8-17.2.**

38           **Sec. 5. (a) Each public pension and retirement fund of the**  
39           **system shall pay the expenses of administration attributable to that**  
40           **public pension or retirement fund.**

41           **(b) The board shall:**

42                **(1) prorate the expenses of administration of the system that**

1 cannot be attributed to a particular public pension or  
 2 retirement fund and the bond of the director among; and  
 3 (2) pay the prorated expenses from;  
 4 the public pension and retirement funds of the system.

5 Chapter 7. Short Title and Saving Provisions

6 Sec. 1. This article shall be known as and may be cited as the  
 7 Indiana public pension modernization act.

8 Sec. 2. (a) All powers, duties, liabilities, property, equipment,  
 9 records, rights, and contracts of the:

10 (1) board of trustees of the public employees' retirement fund;  
 11 and

12 (2) board of trustees of the teachers' retirement fund;  
 13 are transferred to or assumed by the board on May 1, 2010.

14 (b) The board shall provide indemnification of:

15 (1) the board of trustees of the public employees' retirement  
 16 fund; and

17 (2) the board of trustees of the teachers' retirement fund;  
 18 as necessary or appropriate in regard to any liabilities of the public  
 19 employees' retirement fund or the teachers' retirement fund  
 20 assumed by the board.

21 Sec. 3. Any amounts transferred under this subsection to the  
 22 system that represent balances in any fund or account of the public  
 23 employees' retirement fund or the teachers' retirement fund for the  
 24 administration of the public pension and retirement funds  
 25 administered by the public employees' retirement fund or the  
 26 teachers' retirement fund before May 1, 2010, including any  
 27 related services, shall be:

28 (1) deposited in a fund or account designed by the board; and  
 29 (2) used by the system for the administration of the public  
 30 pension and retirement funds of the system and related  
 31 services.

32 Sec. 4. The employees of the:

33 (1) public employees' retirement fund; and  
 34 (2) teachers' retirement fund;

35 become employees of the system on May 1, 2010, without change  
 36 in compensation, seniority, or benefits. An employee of the public  
 37 employees' retirement fund who is a member of the public  
 38 employees' retirement fund before May 1, 2010, and becomes an  
 39 employee of the system after April 30, 2010, remains a member of  
 40 the public employees' retirement fund after April 30, 2010. An  
 41 employee of the teachers' retirement fund who is a member of the  
 42 teachers' retirement fund before May 1, 2010, and becomes an

1 **employee of the system after April 30, 2010, remains a member of**  
 2 **the teachers' retirement fund after April 30, 2010.**

3 **Sec. 5. Rules and regulations of:**

4 **(1) the public employees' retirement fund; and**

5 **(2) the teachers' retirement fund;**

6 **in effect before May 1, 2010, are considered, after April 30, 2010,**  
 7 **rules and regulations of the system.**

8 **Sec. 6. (a) Any reference or cross-reference to:**

9 **(1) the board of trustees of the public employees' retirement**  
 10 **fund; or**

11 **(2) the board of trustees of the teachers' retirement fund;**

12 **in the Indiana Code shall be treated after April 30, 2010, as a**  
 13 **reference or cross-reference to the board.**

14 **(b) Any reference or cross-reference to:**

15 **(1) the director of the public employees' retirement fund; or**

16 **(2) the director of the teachers' retirement fund;**

17 **in the Indiana Code shall be treated after April 30, 2010, as a**  
 18 **reference or cross-reference to the director.**

19 **Sec. 7. If any provision in this article conflicts with a provision**  
 20 **in IC 5-10.2, IC 5-10.3, or IC 5-10.4, the provisions shall be read**  
 21 **together to the extent possible with any conflict resolved in favor**  
 22 **of the provision in this article.**

23 SECTION 21. IC 33-38-6-2 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 2. As used in this  
 25 chapter, "board" refers to the board of trustees of the ~~public employees'~~  
 26 ~~retirement fund~~: **Indiana public retirement system established by**  
 27 **IC 5-10.5-3-1.**

28 SECTION 22. IC 33-38-7-3 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 3. As used in this  
 30 chapter, "board" refers to the board of trustees of the ~~public employees'~~  
 31 ~~retirement fund~~: **Indiana public retirement system established by**  
 32 **IC 5-10.5-3-1.**

33 SECTION 23. IC 33-38-8-3 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 3. As used in this  
 35 chapter, "board" refers to the board of trustees of the ~~public employees'~~  
 36 ~~retirement fund~~: **Indiana public retirement system established by**  
 37 **IC 5-10.5-3-1.**

38 SECTION 24. IC 33-39-7-3 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 3. As used in this  
 40 chapter, "board" refers to the board of trustees of the ~~public employees'~~  
 41 ~~retirement fund~~: **Indiana public retirement system established by**  
 42 **IC 5-10.5-3-1.**

1 SECTION 25. IC 36-8-8-4 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE MAY 1, 2010]: Sec. 4. (a) There is  
 3 established a police officers' and firefighters' pension and disability  
 4 fund to be known as the 1977 fund. The 1977 fund consists of fund  
 5 member and employer contributions, plus the earnings on them, to be  
 6 used to make benefit payments to fund members and their survivors in  
 7 the amounts and under the conditions specified in this chapter.

8 (b) The board of trustees of the ~~public employees' retirement fund~~  
 9 ~~(referred to in this chapter as the "PERF board")~~ **Indiana public**  
 10 **retirement system (referred to in this chapter as the "system**  
 11 **board")** shall administer the 1977 fund, which may be commingled  
 12 with the public employees' retirement fund for investment purposes.  
 13 All actuarial data shall be computed on the total membership of the  
 14 fund, and the cost of participation is the same for all employers in the  
 15 fund. The fund member and employer contributions shall be recorded  
 16 separately for each employer.

17 (c) The 1977 fund advisory committee, referred to as the committee,  
 18 is established. The ~~PERF~~ **system** board shall consult with the  
 19 committee on matters pertaining to the administration of this chapter  
 20 and IC 5-10.3-11. The committee shall consist of the following  
 21 members appointed by the governor every two (2) years for a term of  
 22 two (2) years:

23 (1) Two (2) firefighters:

24 (A) each of whom must be an active or retired member of the  
 25 1937 fund or the 1977 fund; and

26 (B) neither of whom may be in an upper level policymaking  
 27 position.

28 (2) Two (2) police officers:

29 (A) each of whom must be an active or retired member of the  
 30 1925 fund, the 1953 fund, or the 1977 fund; and

31 (B) neither of whom may be in an upper level policymaking  
 32 position.

33 (3) Two (2) members, each of whom must be an executive of an  
 34 employer.

35 (4) Two (2) members, each of whom must be a member of the  
 36 legislative body of an employer.

37 The term of each member begins on July 1 following appointment and  
 38 continues until ~~his~~ **the member's** successor is qualified. A member of  
 39 the committee who no longer holds the position that qualified ~~him~~ **the**  
 40 **member** for appointment under subdivision (1), (2), (3), or (4) forfeits  
 41 ~~his~~ **the member's** membership on the committee. The governor shall  
 42 appoint a person to fill a vacancy on the committee for the remainder

1 of the unexpired term.

2 (d) Each member of the committee who is not a state employee is  
3 entitled to reimbursement for expenses actually incurred in connection  
4 with the member's duties. Such a member is also entitled to  
5 reimbursement for traveling expenses and other expenses actually  
6 incurred in connection with the member's duties, as approved by the  
7 **PERF system** board."

8 Page 2, delete lines 1 through 11, begin a new paragraph and insert:

9 "SECTION 26. THE FOLLOWING ARE REPEALED  
10 [EFFECTIVE MAY 1, 2010]: IC 2-3.5-2-9; IC 2-3.5-2-13;  
11 IC 5-10.2-2-16; IC 5-10.2-2-17; IC 5-10.3-3-1; IC 5-10.3-3-2;  
12 IC 5-10.3-3-3; IC 5-10.3-3-4; IC 5-10.3-3-5; IC 5-10.3-3-6;  
13 IC 5-10.3-3-9; IC 5-10.4-3-1; IC 5-10.4-3-2; IC 5-10.4-3-3;  
14 IC 5-10.4-3-4; IC 5-10.4-3-5."

15 Page 3, between lines 40 and 41, begin a new paragraph and insert:

16 "SECTION 30. [EFFECTIVE JULY 1, 2010] **(a) The legislative**  
17 **services agency shall prepare legislation for introduction in the**  
18 **2011 regular session of the general assembly to organize and**  
19 **correct statutes affected by this act.**

20 **(b) This SECTION expires June 30, 2011."**

21 Renumber all SECTIONS consecutively.

(Reference is to HB 1205 as printed January 29, 2010.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 6, Nays 4.

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**Senator Boots, Chairperson**