

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6146**

**BILL NUMBER: SB 12**

**NOTE PREPARED: Apr 4, 2011**

**BILL AMENDED: Jan 12 2011**

**SUBJECT: PERF and TRF Administrative Matters.**

**FIRST AUTHOR: Sen. Boots**

**FIRST SPONSOR: Rep. Crouch**

**BILL STATUS: As Passed House**

**FUNDS AFFECTED:   GENERAL  
                          X DEDICATED  
                          FEDERAL**

**IMPACT: State & Local**

**Summary of Legislation:** This bill:

- (1) removes a provision requiring the Teachers' Retirement Fund (TRF) to maintain separate accounts for each employer within the retirement allowance account of the 1996 Account;
- (2) permits a member of the Public Employees' Retirement Fund (PERF) or TRF who is eligible for an early retirement to withdraw the member's annuity savings account without applying for a retirement benefit;
- (3) requires, after December 31, 2011, that an employer of participants in: (A) the State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Fund; (B) the Judges' Retirement System; (C) the Prosecuting Attorneys' Retirement Fund (PARF); and (D) the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund); submit contributions, reports, and records electronically;
- (4) authorizes the PERF Board of Trustees to establish due dates for contributions, reports, and records submitted by an employer;
- (5) permits an administrative law judge, for cause shown, to order the waiver or extension of the 180-day limit in which the PERF board of trustees is required to issue a final order after the date the PERF board receives a local board's initial disability determination or the PERF director initiates a review of a default disability award for a 1977 Fund member;
- (6) makes technical corrections to remove references to the Auditor of State in connection with the administration of PERF;
- (7) codifies P.L.33-2006, Section 4, concerning PARF and repeals the noncode provision; and
- (8) makes technical corrections in conformity with amendments in P.L.22-1998 to the 1977 Fund that reduced from 55 to 52 the age at which a fund member reaches regular retirement status.

(The introduced version of this bill was prepared by the Pension Management Oversight Commission.)

**Effective Date:** Upon passage; July 1, 2011.

**Explanation of State Expenditures:** (3) and (4): Requiring electronic submission of certain reports and records and establishing due dates for these reports may result in administrative cost savings of an indeterminable amount. The funds affected are the administrative funds for PERF and TRF.

Currently, employers submit wage and contributions on a quarterly basis. This proposal provides the authority to the PERF Board to establish due dates which conform to current PERF practice, which is a payroll basis (i.e., whenever employees are paid). This is part of PERF's Employer Records Maintenance system, currently under development to facilitate the transfer of mandatory information and payments between PERF and TRF and the 1,200 plus employers.

All other provisions of the bill are expected to have no fiscal impact.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** PERF; TRF.

**Local Agencies Affected:** Agencies required to submit reports to PERF and TRF,

**Information Sources:** (1) Teachers' Retirement Fund comments to a State Board of Accounts audit; (3) and (4) Allison Murphy, Legislative Director, PERF; 317-233-4132; [amurphy@perf.in.gov](mailto:amurphy@perf.in.gov); Steve Barley, Chief Operating Officer of PERF/TRF, 317-233-4184; [sbarley@perf.in.gov](mailto:sbarley@perf.in.gov);

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