



January 13, 2011

SENATE BILL No. 76

DIGEST OF SB 76 (Updated January 12, 2011 10:33 am - DI 102)

Citations Affected: IC 5-10; IC 33-38; IC 33-39; IC 36-8.

Synopsis: PERF administrative matters. Requires that the board of trustees of the public employees' retirement fund (PERF) specify by rule the interest rate credited to a participant's contributions for: (1) the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement fund; (2) the judges' retirement system; (3) the prosecuting attorneys retirement fund; and (4) the 1977 police officers' and firefighters' pension and disability fund. Provides that a judge or a magistrate who is a participant in the judges' retirement system and who purchases prior service credit in PERF waives credit for the PERF service only for the amount of PERF service purchased. (The introduced version of this bill was prepared by the pension management oversight commission.)

Effective: July 1, 2011.

Walker, Skinner

January 5, 2011, read first time and referred to Committee on Pensions and Labor.
January 12, 2011, reported favorably — Do Pass.

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SB 76—LS 6298/DI 102+



January 13, 2011

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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SENATE BILL No. 76

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 5-10-5.5-1, AS AMENDED BY P.L.227-2007,
2 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2011]: Sec. 1. As used in this chapter and unless the context
4 clearly denotes otherwise:
- 5 (a) "Department" means the Indiana department of natural
6 resources.
 - 7 (b) "Commission" means the alcohol and tobacco commission.
 - 8 (c) "Officer" means any Indiana state excise police officer, any
9 Indiana state conservation enforcement officer, any gaming agent, or
10 any gaming control officer.
 - 11 (d) "Participant" means any officer who has elected to participate in
12 the retirement plan created by this chapter.
 - 13 (e) "Salary" means the total compensation, exclusive of expense
14 allowances, paid to any officer by the department or the commission,
15 determined without regard to any salary reduction agreement
16 established under Section 125 of the Internal Revenue Code.
 - 17 (f) "Average annual salary" means the average annual salary of an

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1 officer during the five (5) years of highest annual salary in the ten (10)
2 years immediately preceding an officer's retirement date, determined
3 without regard to any salary reduction agreement established under
4 Section 125 of the Internal Revenue Code.

5 (g) "Public employees' retirement act" means IC 5-10.3.

6 (h) "Public employees' retirement fund" means the public
7 employees' retirement fund created by IC 5-10.3-2.

8 (i) "Interest" means the ~~same~~ rate of interest ~~as is specified under by~~
9 **rule by the board of trustees of the public employees' retirement law-**
10 **fund.**

11 (j) "Americans with Disabilities Act" refers to the Americans with
12 Disabilities Act (42 U.S.C. 12101 et seq.) and any amendments and
13 regulations related to the Act.

14 (k) Other words and phrases when used in this chapter shall, for the
15 purposes of this chapter, have the meanings respectively ascribed to
16 them as set forth in IC 5-10.3-1.

17 SECTION 2. IC 33-38-7-13 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) Except as
19 otherwise provided in this chapter, a participant:

20 (1) whose employment as a judge is terminated regardless of
21 cause; and

22 (2) who has less than twelve (12) years service;
23 is entitled to withdraw from the fund, beginning on the date specified
24 by the participant in a written application. However, the date on which
25 the withdrawal begins may not be before the date of final termination
26 of employment of the participant, or the date thirty (30) days before the
27 receipt of the application by the board.

28 (b) Upon the withdrawal, a participant is entitled to receive out of
29 the fund an amount equal to the total sum contributed to the fund on
30 behalf of the participant **plus interest at a rate specified by rule by**
31 **the board**, payable within sixty (60) days after date of the withdrawal
32 application or in monthly installments as the participant may elect.

33 SECTION 3. IC 33-38-7-14 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) Benefits
35 provided under this section are subject to IC 33-38-6-13 and section 16
36 of this chapter.

37 (b) If annuities are not payable to the survivors of a participant who
38 dies after July 1, 1983, the surviving spouse or child or children of the
39 participant, if any, as determined by the participant, and if none
40 survive, then any dependent or dependents surviving shall draw from
41 the fund the amount that the participant paid into the fund plus interest
42 ~~as determined at a rate specified by rule~~ by the board. If no spouse,

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1 child or children, or other dependents survive, then the amount, plus
2 interest **at a rate specified by rule by the board and** minus any
3 payments made to the participant, shall be paid to the executor or
4 administrator of the participant's estate.

5 (c) The amount owed a spouse, child or children, or other
6 dependent, or estate under this section is payable within sixty (60) days
7 after date of the withdrawal application or in the monthly installments
8 as the recipient may elect.

9 SECTION 4. IC 33-38-7-19, AS AMENDED BY P.L.122-2008,
10 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2011]: Sec. 19. (a) This section applies only to a person who:

- 12 (1) is a judge participating under this chapter;
- 13 (2) before becoming a judge was a member of an Indiana public
14 employees' retirement fund;
- 15 (3) received credited service under an Indiana public employees'
16 retirement fund for the employment described in subdivision (2),
17 and the credited service is not eligible for service credit under
18 section 18 of this chapter;
- 19 (4) has not attained vested status under a public employees'
20 retirement fund for the employment described in subdivision (2);
21 and
- 22 (5) has at least eight (8) years of service credit in the judges'
23 retirement system.

24 (b) If a person becomes a participant in the judges' 1977 benefit
25 system under this chapter, credit for service described in subsection (a)
26 shall be granted under this chapter by the board if:

- 27 (1) the prior service was credited under an Indiana public
28 employees' retirement fund; and
- 29 (2) the judge pays in a lump sum or in a series of payments
30 determined by the board, not exceeding five (5) annual payments,
31 the amount determined by the actuary for the 1977 benefit system
32 as the total actual cost of the service.

33 (c) If the requirements of subsection (b) are not satisfied, a
34 participant is entitled to credit only for years of service after the date of
35 participation in the 1977 benefit system.

36 (d) An amortization schedule for contributions paid under this
37 section must include interest at a rate determined by the board.

38 (e) If the requirements of subsection (b) are satisfied, the
39 appropriate board shall transfer from the retirement fund described in
40 subsection (a)(2) to the judges' 1977 benefit system the amount
41 credited to the judge's annuity savings account and the present value of
42 the retirement benefit payable at sixty-five (65) years of age that is

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1 attributable to the transferring participant.

2 (f) The amount a participant must contribute to the judges' 1977
3 benefit system under subsection (b) shall be reduced by the amount
4 transferred to the judges' 1977 benefit system by the appropriate board
5 under subsection (e).

6 (g) If the requirements of subsection (b) are satisfied, credit for prior
7 service in a public employees' retirement fund **that is purchased**
8 **under this section** is waived.

9 (h) To the extent permitted by the Internal Revenue Code and the
10 applicable regulations, the judges' 1977 benefit system may accept, on
11 behalf of a participant who is purchasing permissive service credit
12 under subsection (b), a rollover of a distribution from any of the
13 following:

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

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

18 (3) An eligible plan that is maintained by a state, a political
19 subdivision of a state, or an agency or instrumentality of a state or
20 political subdivision of a state under Section 457(b) of the
21 Internal Revenue Code.

22 (4) An individual retirement account or annuity described in
23 Section 408(a) or Section 408(b) of the Internal Revenue Code.

24 (i) To the extent permitted by the Internal Revenue Code and the
25 applicable regulations, the judges' 1977 benefit system may accept, on
26 behalf of a participant who is purchasing permissive service credit
27 under subsection (b), a trustee to trustee transfer from any of the
28 following:

29 (1) An annuity contract or account described in Section 403(b) of
30 the Internal Revenue Code.

31 (2) An eligible deferred compensation plan under Section 457(b)
32 of the Internal Revenue Code.

33 SECTION 5. IC 33-38-8-12, AS AMENDED BY P.L.122-2008,
34 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2011]: Sec. 12. (a) A participant who:

36 (1) ceases service:

37 (A) as a judge; or

38 (B) after December 31, 2010, as a judge or full-time
39 magistrate;

40 other than by death or disability; and

41 (2) is not eligible for a retirement benefit under this chapter;

42 is entitled to withdraw from the fund, beginning on the date specified

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1 by the participant in a written application. The date on which the
2 withdrawal begins may not be before the date of final termination of
3 employment or the date thirty (30) days before the receipt of the
4 application by the board.

5 (b) Upon the withdrawal, the participant is entitled to receive the
6 total sum contributed **plus interest at a rate specified by rule by the**
7 **board**, payable within sixty (60) days from the date of the withdrawal
8 application or in monthly installments as the participant may elect.

9 SECTION 6. IC 33-38-8-19 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. (a) Benefits
11 provided under this section are subject to IC 33-38-6-13.

12 (b) If benefits are not payable to the survivors of a participant who
13 dies, and if a withdrawal application is filed with the board, the total of
14 the participant's contributions, plus interest ~~as determined at a rate~~
15 **specified by rule** by the board **and** minus any payments made to the
16 participant, shall be paid to:

- 17 (1) the surviving spouse of the participant or a child or children
- 18 of the participant, as designated by the participant;
- 19 (2) any other dependent or dependents of the participant, if a
- 20 spouse or designated child or children does or do not survive; or
- 21 (3) the participant's estate, if a spouse, designated child or
- 22 children, or other dependent does or do not survive.

23 (c) The amount owed a spouse, designated child or children, or
24 other dependent or dependents, or estate under subsection (b) is
25 payable within sixty (60) days from the date of receipt of the
26 withdrawal application or in the monthly installments as the recipient
27 elects.

28 SECTION 7. IC 33-38-8-22.5, AS ADDED BY P.L.122-2008,
29 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2011]: Sec. 22.5. (a) This section applies after December 31,
31 2010, only to a person who:

- 32 (1) is a full-time magistrate participating under this chapter;
- 33 (2) was appointed by a court to serve as:
 - 34 (A) a full-time referee or full-time commissioner; or
 - 35 (B) before January 1, 2011, a full-time magistrate;
- 36 (3) was a member of the public employees' retirement fund during
- 37 the employment described in subdivision (2); and
- 38 (4) received credited service under the public employees'
- 39 retirement fund for the employment described in subdivision (2).

40 (b) If a person becomes a participant as a full-time magistrate in the
41 judges' 1985 benefit system under section 1 of this chapter, credit for
42 service by the magistrate as a full-time referee, full-time commissioner,

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1 or, before January 1, 2011, full-time magistrate shall be granted under
2 this chapter by the board if:

3 (1) the service was credited under the public employees'
4 retirement fund; and

5 (2) the magistrate pays in a lump sum or in a series of payments
6 determined by the board, not exceeding five (5) annual payments,
7 the amount determined by the actuary for the judges' 1985 benefit
8 system as the total cost of the service.

9 (c) If the requirements of subsection (b) are not satisfied, a
10 participant is entitled to credit only for years of service earned as a
11 participant in the judges' 1985 benefit system.

12 (d) An amortization schedule for contributions paid under this
13 section must include interest at a rate determined by the board.

14 (e) The following provisions apply to a person described in
15 subsection (a):

16 (1) A minimum benefit applies to participants receiving credit in
17 the judges' 1985 benefit system from service covered by the
18 public employees' retirement fund. The minimum benefit is
19 payable at sixty-five (65) years of age or when the participant is
20 at least fifty-five (55) years of age and meets the requirements
21 under section 13(2)(B) of this chapter and equals the actuarial
22 equivalent of the vested retirement benefit that is:

23 (A) payable to the member at normal retirement under
24 IC 5-10.2-4-1 as of the day before the transfer; and

25 (B) based solely on:

26 (i) creditable service;

27 (ii) the average of the annual compensation; and

28 (iii) the amount credited under IC 5-10.2 and IC 5-10.3 to
29 the annuity savings account of the transferring member as of
30 the day before the transfer.

31 (2) If the requirements of subsection (b) are satisfied, the board
32 shall transfer from the public employees' retirement fund to the
33 judges' 1985 benefit system the amount credited to the annuity
34 savings account and the present value of the retirement benefit
35 payable at sixty-five (65) years of age or at least fifty-five (55)
36 years of age under section 13(2)(B) of this chapter that is
37 attributable to the transferring participant.

38 (3) The amount the participant must contribute to the judges' 1985
39 benefit system under subsection (b) shall be reduced by the
40 amount transferred to the judges' 1985 benefit system by the
41 board under subdivision (2).

42 (4) If the requirements of subsection (b) are satisfied, credit for

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1 service in the public employees' retirement fund as a full-time
2 referee, full-time commissioner, or before July 1, 2010, full-time
3 magistrate **that is purchased under this section** is waived. Any
4 credit for the service under the judges' 1985 benefit system may
5 be granted only under subsection (b).

6 (f) To the extent permitted by the Internal Revenue Code and the
7 applicable regulations, the judges' 1985 benefit system may accept, on
8 behalf of a participant who is purchasing permissive service credit
9 under subsection (b), a rollover of a distribution from any of the
10 following:

- 11 (1) A qualified plan described in Section 401(a) or Section 403(a)
- 12 of the Internal Revenue Code.
- 13 (2) An annuity contract or account described in Section 403(b) of
- 14 the Internal Revenue Code.
- 15 (3) An eligible plan that is maintained by a state, a political
- 16 subdivision of a state, or an agency or instrumentality of a state or
- 17 political subdivision of a state under Section 457(b) of the
- 18 Internal Revenue Code.
- 19 (4) An individual retirement account or annuity described in
- 20 Section 408(a) or Section 408(b) of the Internal Revenue Code.

21 (g) To the extent permitted by the Internal Revenue Code and the
22 applicable regulations, the judges' 1985 benefit system may accept, on
23 behalf of a participant who is purchasing permissive service credit
24 under subsection (b), a trustee to trustee transfer from any of the
25 following:

- 26 (1) An annuity contract or account described in Section 403(b) of
- 27 the Internal Revenue Code.
- 28 (2) An eligible deferred compensation plan under Section 457(b)
- 29 of the Internal Revenue Code.

30 SECTION 8. IC 33-38-8-23, AS AMENDED BY P.L.122-2008,
31 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2011]: Sec. 23. (a) This section applies only to a person who:

- 33 (1) is:
 - 34 (A) a judge; or
 - 35 (B) after December 31, 2010, a judge or full-time magistrate;
- 36 participating under this chapter;
- 37 (2) before becoming:
 - 38 (A) a judge; or
 - 39 (B) after December 31, 2010, a judge or full-time magistrate;
- 40 was a member of a public employees' retirement fund;
- 41 (3) received credited service under a public employees' retirement
- 42 fund for the employment described in subdivision (2), and the

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1 credited service is not eligible for service credit under section 22
2 or 22.5 of this chapter;
3 (4) has not attained vested status under a public employees'
4 retirement fund for the employment described in subdivision (2);
5 and
6 (5) has at least eight (8) years of service credit in the judges'
7 retirement system.

8 (b) If a person becomes a participant in the judges' 1985 benefit
9 system under this chapter, credit for service described in subsection (a)
10 shall be granted under this chapter by the board if:
11 (1) the prior service was credited under a public employees'
12 retirement fund; and
13 (2) the judge or full-time magistrate pays in a lump sum or in a
14 series of payments determined by the board, not exceeding five
15 (5) annual payments, the amount determined by the actuary for
16 the judges' 1985 benefit system as the total cost of the service.

17 (c) If the requirements of subsection (b) are not satisfied, a
18 participant is entitled to credit only for years of service after the date of
19 participation in the judges' 1985 benefit system.

20 (d) An amortization schedule for contributions paid under this
21 section must include interest at a rate determined by the board.

22 (e) If the requirements of subsection (b) are satisfied, the
23 appropriate board shall transfer from the retirement fund described in
24 subsection (a)(2) to the judges' 1985 benefit system the amount
25 credited to the judge's or full-time magistrate's annuity savings account
26 and the present value of the retirement benefit payable at sixty-five (65)
27 years of age that is attributable to the transferring participant.

28 (f) The amount a participant must contribute to the judges' 1985
29 benefit system under subsection (b) shall be reduced by the amount
30 transferred to the judges' 1985 benefit system by the appropriate board
31 under subsection (e).

32 (g) If the requirements of subsection (b) are satisfied, credit for prior
33 service in a public employees' retirement fund **that is purchased**
34 **under this section** is waived.

35 (h) To the extent permitted by the Internal Revenue Code and the
36 applicable regulations, the judges' 1985 benefit system may accept, on
37 behalf of a participant who is purchasing permissive service credit
38 under subsection (b), a rollover of a distribution from any of the
39 following:
40 (1) A qualified plan described in Section 401(a) or Section 403(a)
41 of the Internal Revenue Code.
42 (2) An annuity contract or account described in Section 403(b) of

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the Internal Revenue Code.

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

(4) An individual retirement account or annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code.

(i) To the extent permitted by the Internal Revenue Code and the applicable regulations, the judges' 1985 benefit system may accept, on behalf of a participant who is purchasing permissive service credit under subsection (b), a trustee to trustee transfer from any of the following:

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

(2) An eligible deferred compensation plan under Section 457(b) of the Internal Revenue Code.

SECTION 9. IC 33-39-7-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) A participant who:

(1) ceases service in a position described in section 8 of this chapter, other than by death or disability; and

(2) is not eligible for a retirement benefit under this chapter;

is entitled to withdraw from the fund, beginning on the date specified by the participant in a written application. The date upon which the withdrawal begins may not be before the date of final termination of employment or the date thirty (30) days before the receipt of the application by the board. Upon withdrawal the participant is entitled to receive the total sum contributed plus interest at ~~the a rate of five and one-half percent (5.5%) compounded annually~~ **specified by rule by the board**, payable not later than sixty (60) days from the date of the withdrawal application.

(b) Notwithstanding section 8 of this chapter, a participant who withdraws from the fund under subsection (a) and becomes a participant again at a later date is not entitled to service credit for years of service before the withdrawal.

SECTION 10. IC 33-39-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) Interest shall be credited annually on June 30 at ~~the a rate of five and one-half percent (5.5%)~~ **specified by rule by the board** on all amounts credited to the member as of June 30 of the preceding year.

(b) Contributions begin to accumulate interest at the beginning of the fiscal year after the year in which the contributions are due.

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1 (c) When a member retires or withdraws, a proportional interest
 2 credit determined under this chapter shall be paid for the period
 3 elapsed since the last date on which interest was credited.

4 SECTION 11. IC 33-39-7-16, AS AMENDED BY P.L.33-2006,
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2011]: Sec. 16. (a) This section does not apply to a participant
 7 who meets the requirements for disability benefits under section 17 of
 8 this chapter.

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

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

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

34 (c) If a participant who applies for a retirement benefit is not at least
 35 sixty-five (65) years of age, the participant is entitled to receive a
 36 reduced annual retirement benefit that equals the benefit that would be
 37 payable if the participant were sixty-five (65) years of age reduced by
 38 one-fourth percent (0.25%) for each month that the participant's age at
 39 retirement precedes the participant's sixty-fifth birthday.

40 (d) Benefits payable to a participant under this section are reduced
 41 by the pension, if any, that would be payable to the participant from the
 42 public employees' retirement fund if the participant had retired from the

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1 public employees' retirement fund on the date of the participant's
2 retirement from the prosecuting attorneys retirement fund. Benefits
3 payable to a participant under this section are not reduced by annuity
4 payments made to the participant from the public employees' retirement
5 fund.

6 (e) If benefits payable from the public employees' retirement fund
7 exceed the benefits payable from the prosecuting attorneys retirement
8 fund, the participant is entitled at retirement to withdraw from the
9 prosecuting attorneys retirement fund the total sum contributed plus
10 interest at ~~the a rate of five and one-half percent (5.5%) compounded~~
11 ~~annually; specified by rule by the board.~~

12 SECTION 12. IC 33-39-7-21 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 21. (a) If benefits are
14 not payable to the survivors of a participant who dies, and if a
15 withdrawal application is filed with the board by the survivors or the
16 participant's estate, the total of the participant's contributions, plus
17 interest at ~~the a rate of five and one-half percent (5.5%) compounded~~
18 ~~annually; specified by rule by the board and~~ minus any payments
19 made to the participant, shall be paid to:

- 20 (1) the surviving spouse of the participant;
- 21 (2) any dependent or dependents of the participant, if a spouse
22 does not survive; or
- 23 (3) the participant's estate, if a spouse or dependent does not
24 survive.

25 (b) The amount owed a spouse, dependent or dependents, or estate
26 under subsection (a) is payable not later than sixty (60) days after the
27 date of receipt of the withdrawal application.

28 SECTION 13. IC 36-8-8-8, AS AMENDED BY P.L.180-2007,
29 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2011]: Sec. 8. (a) Each fund member shall contribute during
31 the period of the fund member's employment or for thirty-two (32)
32 years, whichever is shorter, an amount equal to six percent (6%) of the
33 salary of a first class patrolman or firefighter. However, the employer
34 may pay all or a part of the contribution for the member. The amount
35 of the contribution, other than contributions paid on behalf of a
36 member, shall be deducted each pay period from each fund member's
37 salary by the disbursing officer of the employer. The employer shall
38 send to the PERF board each year on March 31, June 30, September
39 30, and December 31, for the calendar quarters ending on those dates,
40 a certified list of fund members and a warrant issued by the employer
41 for the total amount deducted for fund members' contributions.

42 (b) Except as provided in section 7.2 of this chapter, if a fund

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1 member ends the fund member's employment other than by death or
2 disability before the fund member completes twenty (20) years of
3 active service, the PERF board shall return to the fund member in a
4 lump sum the fund member's contributions plus interest ~~as determined~~
5 **at a rate specified by rule** by the PERF board. If the fund member
6 returns to service, the fund member is entitled to credit for the years of
7 service for which the fund member's contributions were refunded if the
8 fund member repays the amount refunded to the fund member in either
9 a lump sum or a series of payments determined by the PERF board.

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COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 76, 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 76 as introduced.)

BOOTS, Chairperson

Committee Vote: Yeas 10, Nays 0.

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