

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WITHDRAWN	Noes _____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

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1148 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 5-10.3-8-14, AS AMENDED BY P.L.35-2012,
- 4 SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2013]: Sec. 14. (a) This section applies to **members of the**
- 6 **fund who are** employees of the state (as defined in IC 5-10.3-7-1(d))
- 7 ~~who are members of the fund.~~ **paid by the auditor of state by salary**
- 8 **warrants.**
- 9 **(b) This section also applies to members of the fund who are**
- 10 **employees of the state who are exempt from this section under**
- 11 **subsection (a), if the head of the authority, board, branch,**
- 12 **commission, committee, department, division, or other agency of**
- 13 **state government elects to have this section apply to the employees**
- 14 **of the authority, board, branch, commission, committee,**
- 15 **department, division, or agency by submitting a written notice of**
- 16 **the election to the director.**
- 17 ~~(b)~~ **(c) The board shall adopt provisions to establish a retirement**
- 18 **medical benefits account within the fund under Section 401(h) or as a**
- 19 **separate fund under another applicable section of the Internal Revenue**
- 20 **Code for the purpose of converting unused excess accrued leave to a**
- 21 **monetary contribution for an employee of the state to fund on a pretax**
- 22 **basis benefits for sickness, accident, hospitalization, and medical**
- 23 **expenses for the employee and the spouse and dependents of the**

1 employee after the employee's retirement. The state may match all or
 2 a portion of an employee's contributions to the retirement medical
 3 benefits account established under this section.

4 ~~(c)~~ **(d)** The board is the trustee of the account described in
 5 subsection ~~(b)~~; **(c)**. The account must be qualified, as determined by the
 6 Internal Revenue Service, as a separate account within the fund whose
 7 benefits are subordinate to the retirement benefits provided by the fund.

8 ~~(d)~~ **(e)** The board may adopt rules under IC 5-10.5-4-2 that it
 9 considers appropriate or necessary to implement this section after
 10 consulting with the state personnel department. The rules adopted by
 11 the board under this section must:

12 (1) be consistent with the federal and state law that applies to:

13 (A) the account described in subsection ~~(b)~~; **(c)**; and

14 (B) the fund; and

15 (2) include provisions concerning:

16 (A) the type and amount of leave that may be converted to a
 17 monetary contribution;

18 (B) the conversion formula for valuing any leave that is
 19 converted;

20 (C) the manner of employee selection of leave conversion; and

21 (D) the vesting schedule for any leave that is converted.

22 ~~(e)~~ **(f)** The board may adopt the following:

23 (1) Account provisions governing:

24 (A) the investment of amounts in the account; and

25 (B) the accounting for converted leave.

26 (2) Any other provisions that are necessary or appropriate for
 27 operation of the account.

28 ~~(f)~~ **(g)** The account described in subsection ~~(b)~~ **(c)** may be
 29 implemented only if the board has received from the Internal Revenue
 30 Service any rulings or determination letters that the board considers
 31 necessary or appropriate.

32 ~~(g)~~ **(h)** To the extent allowed by:

33 (1) the Internal Revenue Code; and

34 (2) rules adopted by:

35 (A) the board under this section; and

36 (B) the state personnel department under IC 5-10-1.1-7.5;

37 employees of the state may convert unused excess accrued leave to a
 38 monetary contribution under this section and under IC 5-10-1.1-7.5.

39 ~~(h)~~ **(i)** To the extent allowed by the Internal Revenue Code, the
 40 account described in subsection ~~(b)~~ **(c)** must include provisions that:

41 (1) require an employee of the state to convert to a monetary
 42 contribution to the account at retirement the balance, but not more
 43 than thirty (30) days, of unused vacation leave for which the state
 44 would otherwise pay an employee in good standing at separation
 45 from service (as determined by state personnel department rule);
 46 and

1 (2) allow the state to contribute to the account on the employee's
 2 behalf an amount not to exceed two (2) times the amount of the
 3 employee's contribution under subdivision (1).
 4 SECTION 2. IC 5-10.3-12-1, AS ADDED BY P.L.22-2011,
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2013]: Sec. 1. (a) This chapter applies to an individual who,
 7 on or after the effective date of the plan:
 8 (1) becomes for the first time a full-time employee of the state (as
 9 defined in IC 5-10.3-7-1(d)):
 10 (A) in a position that would otherwise be eligible for
 11 membership in the fund under IC 5-10.3-7; and
 12 (B) who is paid by the auditor of state by salary warrants;
 13 and
 14 (2) makes the election described in section 20 of this chapter to
 15 become a member of the plan.
 16 (b) This chapter also applies to an individual who is exempt
 17 from this chapter under subsection (c)(2)(A), if the head of the
 18 authority, board, branch, commission, committee, department,
 19 division, or other agency of state government elects to have this
 20 chapter apply to the employees of the authority, board, branch,
 21 commission, committee, department, division, or agency by
 22 submitting a written notice of the election to the director.
 23 (c) This chapter does not apply to an individual who:
 24 (1) before the effective date of the plan, is or was a member (as
 25 defined in IC 5-10.3-1-5) of the fund; or
 26 (2) on or after the effective date of the plan:
 27 (A) except as provided in subsection (b), becomes for the
 28 first time a full-time employee of the state (as defined in
 29 IC 5-10.3-7-1(d)):
 30 (i) in a position that would otherwise be eligible for
 31 membership in the fund under IC 5-10.3-7; and
 32 (ii) who is not paid by the auditor of state by salary
 33 warrants; or
 34 (B) does not elect to participate in the plan."
 35 Renumber all SECTIONS consecutively.
 (Reference is to HB 1148 as printed January 15, 2013.)

Representative Niezgodski