

## SENATE BILL No. 249

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10-1.5; IC 5-10.3-11-4; IC 5-11-20.

**Synopsis:** Pension plan reporting. Provides that various local retirement plans must report annually to the state board of accounts. Specifies information to be included in a retirement plan report. Requires the state examiner to submit a report annually to the general assembly that summarizes the information received by the state board of accounts concerning various local retirement plans. Repeals the chapter providing that the Indiana public retirement system (INPRS) receive reports from various state and local retirement plans. (The introduced version of this bill was prepared by the pension management oversight commission.)

**Effective:** July 1, 2013.

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**Walker**

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January 7, 2013, read first time and referred to Committee on Pensions and Labor.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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## SENATE BILL No. 249



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-10-1.5 IS REPEALED [EFFECTIVE JULY 1,
- 2 2013]. (Retirement Plan Reporting).
- 3 SECTION 2. IC 5-10.3-11-4, AS AMENDED BY P.L.146-2008,
- 4 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2013]: Sec. 4. (a) Monies from the pension relief fund shall
- 6 be paid annually by the state board under the procedures specified in
- 7 this section.
- 8 (b) Each year, before a date set by the state board, each unit of local
- 9 government must certify to the state board:
- 10 (1) the amount of payments made during the preceding year for
- 11 benefits under its pension funds covered by this chapter, referred
- 12 to in this section as "pension payments";
- 13 (2) the data determined necessary by the state board to perform an
- 14 actuarial valuation of the unit's pension funds covered by this
- 15 chapter;
- 16 (3) the names required to prepare the list specified in subsection
- 17 (c); and



(4) any other information that is necessary for the state board to make distributions to units under this chapter.

A unit is ineligible to receive a distribution under this section if it does not supply the complete information required by this subsection or a substantial amount of the information required if it is accompanied by an affidavit of the chief executive officer of the unit detailing the steps which have been taken to obtain the information and the reasons the complete information has not been obtained. ~~This~~ **The reporting requirement of this subsection supersedes is in addition to the reporting requirement of IC 5-10-1.5 as it applies to pension funds covered by this chapter. IC 5-11-20.**

(c) Each year, before a date set by the state board, the state board shall prepare a list of all police officers and firefighters, active, retired, and deceased if their beneficiaries are eligible for benefits, who are members of a police or fire pension fund that was established before May 1, 1977. The list may not include police officers, firefighters, or their beneficiaries for whom no future benefits will be paid. The state board shall then compute the present value of the accrued liability to provide the pension and other benefits to each person on the list.

(d) Each year, before a date set by the state board, the state board shall determine the total pension payments made by all units of local government for the preceding year and shall estimate the total pension payments to be made to all units in the calendar year in which the July 1 occurs and in the following calendar year.

SECTION 3. IC 5-11-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]:

**Chapter 20. Retirement Plan Reporting**

**Sec. 1. This chapter applies only to a political subdivision's fiscal year beginning after December 31, 2012.**

**Sec. 2. As used in this chapter, "political subdivision" means a municipality or a local government unit, entity, or instrumentality to which IC 5-11-1-4 applies. The term does not include the state or an instrumentality of the state.**

**Sec. 3. (a) After December 31, 2013, a political subdivision having an employee retirement plan described in subsection (b) shall, not later than the date each year on which the political subdivision's financial reports are due under IC 5-11-1-4, make an annual report for each of the political subdivision's employee retirement plans described in subsection (b) to the state board of accounts of the information specified in section 4 of this chapter for the political subdivision's immediately preceding fiscal year, in the**

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1 manner prescribed by the state examiner.

2 (b) The retirement plans to which this chapter applies are the  
3 following:

4 (1) Each of the retirement funds for utility employees  
5 authorized under IC 36-9.

6 (2) Each county police force pension trust and trust fund  
7 authorized under IC 36-8.

8 (3) Each retirement program adopted by a board of a local  
9 health department as authorized under IC 16-1-4-25 (before  
10 its repeal) or IC 16-20-1-3.

11 (4) Each retirement benefit program of a joint city-county  
12 health department under IC 16-1-7-16 (before its repeal).

13 (5) Each pension and retirement plan adopted by the board of  
14 trustees or governing body of a county hospital as authorized  
15 under IC 16-12.1-3-8 (before its repeal) or IC 16-22-3-11.

16 (6) Each pension or retirement plan and program for hospital  
17 personnel in certain city hospitals as authorized under  
18 IC 16-12.2-5 (before its repeal) or IC 16-23-1.

19 (7) Each retirement program of the health and hospital  
20 corporation of a county as authorized under IC 16-12-21-27  
21 (before its repeal) or IC 16-22-8-34.

22 (8) Each pension plan provided by a city, town, or county  
23 housing authority as authorized under IC 36-7.

24 (9) Each pension and retirement program adopted by a public  
25 transportation corporation as authorized under IC 36-9.

26 (10) Each system of pensions and retirement benefits of a  
27 regional transportation authority as authorized or required  
28 by IC 36-9.

29 (11) Each employee pension plan adopted by the board of an  
30 airport authority under IC 8-22-3.

31 (12) Each system of pensions and retirement provided by a  
32 unit under IC 36-1-3.

33 (c) The department of local government finance may not  
34 approve the budget of a political subdivision or a supplemental  
35 appropriation for a political subdivision until the political  
36 subdivision files each annual report required by subsection (a).

37 Sec. 4. A report required under section 3 of this chapter  
38 concerning a retirement plan must include the following  
39 information:

40 (1) The basic plan parameters, including the following:

41 (A) The type of plan.

42 (B) The plan administrator.

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- 1                   (C) The employer sponsoring the plan.
- 2           (2) If the plan is a defined benefit plan, the following:
- 3                   (A) The plan's funding percentage ratio.
- 4                   (B) The actuarial assumptions for the plan.
- 5                   (C) The plan's investment returns for the preceding fiscal
- 6                   year.
- 7           (3) The total amount of contributions made by the plan
- 8           sponsor during the preceding fiscal year.
- 9           (4) The number of plan participants, including the following:
- 10                   (A) The number of active participants.
- 11                   (B) The number of participants who are retired or
- 12                   separated from service.
- 13           (5) Any other information concerning the plan required by
- 14           the state examiner.
- 15           Sec. 5. The state examiner shall, not later than July 1 of each
- 16           year, submit a report to the general assembly in an electronic
- 17           format under IC 5-14-6 that summarizes the retirement plan
- 18           information received for the immediately preceding fiscal year
- 19           under section 3 of this chapter.

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