
BOARD OF TRUSTEES OF THE INDIANA PUBLIC RETIREMENT SYSTEM

Resolution No. 2018-02-23

Adopting rules related to the administration of the Fund as described herein.

WHEREAS, the Board of Trustees of the Indiana Public Retirement System exists to provide retirement benefits to its members, their survivors, and beneficiaries;

WHEREAS, the Board of Trustees of the Indiana Public Retirement System, by statute, administers the Fund;

WHEREAS, the Board of Trustees of the Indiana Public Retirement System, pursuant to [IC 5-10.5-4-2](#), may establish and amend rules and regulations for the administration of the Fund without adopting a rule under [IC 4-22-2](#);

WHEREAS, the Board of Trustees of the Indiana Public Retirement System wishes to adopt, amend, and/or repeal certain rules contained or to be contained in the Indiana Administrative Code related to the administration of the Fund as described herein; and

WHEREAS, the following adoptions and amendments are effective January 1, 2018, unless otherwise stated;

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Indiana Public Retirement System that:

SECTION 1. [35 IAC 1.2-3-15](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 1.2-3-15](#) Purchase of service for the judges' retirement system

Authority: [IC 5-10.5-4-2](#); [IC 33-38-8](#)

Affected: [IC 33-38-7](#)

Sec. 15. (a) Eligible members **and nonretired members** of the judges' retirement system may purchase service pursuant to [IC 33-38-7-18](#), [IC 33-38-7-19](#), [IC 33-38-8-22](#), [IC 33-38-8-22.5](#), and [IC 33-38-8-23](#).

(b) The cost to purchase such service is determined at the time the member makes the contributions for such service. **The cost to purchase service for nonretired members is actuarially calculated based on the annual statutory compensation of active members.** The fund shall provide the eligible fund member with information with respect to the cost of such service.

(c) The eligible fund member may purchase such service subject to the following:

- (1) Service may be purchased in one (1) month increments. The minimum service purchase is one (1) year for a member who elects to purchase service through installment payments.
- (2) Payments are subject to the terms and conditions of a finance agreement.
- (3) Any such purchase may be made via a direct cash payment, a direct rollover as allowed by statute, or a combination of both.
- (4) Any direct rollover may not exceed the actual cost of such service as established by the fund.
- (5) Payment may be made in a lump sum or in annual installments for a period not to exceed five (5) years. Any installment may bear interest at the actuarial assumed interest rate effective on the date of the first installment.
- (6) Any payments are subject to applicable Internal Revenue Service limits, and INPRS may deny an application or may limit any payments if the purchase would exceed those limitations.
- (7) In the event of a payment default under the terms of the finance agreement or the purchase is not completed, a partial service credit amount will be determined by INPRS. The partial service credit amount will be based on the payments made as of the date of payment default and the cost of the service. Partial service will be credited in monthly increments. The minimum amount of partial service credit will be one (1) month. The fund member is not eligible to make service purchase payments after the date of the payment default or the date of separation of employment.
- (8) In the event any annual payment is not timely made, allowing for a thirty (30) day grace period, the payment will be deemed in default under the terms of the finance agreement. The fund member is not eligible to make service purchase payments after the date of the payment default.
- (9) If the member does not choose periodic payments, a lump sum payment must be received within ninety

(90) days of the member receiving the cost letter. In the event the lump sum payment is not timely made, allowing for a thirty (30) day grace period, the payment will be deemed in default under the terms of the finance agreement. The fund member is not eligible to make service purchase payments after the date of the payment default.

(10) If a lump sum payment is chosen, full payment must be received within ninety (90) days of the member receiving the cost letter or the purchase defaults and no further payments may be made.

(Board of Trustees of the Indiana Public Retirement System; [35 IAC 1.2-3-15](#); adopted Dec 13, 2013: [20131225-IR-035130565ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))

SECTION 2. [35 IAC 1.2-5-1.6](#) IS ADDED TO READ AS FOLLOWS:

[35 IAC 1.2-5-1.6](#) Social Security integration; benefit calculation

Authority: [IC 5-10.2-3-6](#); [IC 5-10.5-4-2](#)

Affected: [IC 5-10.2-4-4](#); [IC 5-10.2-4-5](#); [IC 5-10.2-4-7](#)

Sec. 1.6. (a) Pursuant to [IC 5-10.2-4-7\(b\)\(3\)](#), a member who retires between fifty (50) years of age and sixty-two (62) years of age may integrate the member's monthly pension benefit with the member's estimated Social Security benefits. This option increases the monthly pension benefit amount for which the member would ordinarily be eligible from the date of retirement until sixty-two (62) years of age. When the member reaches sixty-two (62) years of age, the member's monthly pension benefit will be reduced. Depending upon the factors used in the calculation, the member's monthly pension benefit may be reduced to zero (0). Such reduction will occur whether or not the member applies for Social Security Administration benefits.

(b) To receive an estimate of the member's monthly pension benefit with Social Security integration, the member shall obtain an estimate of Social Security benefits to be received at sixty-two (62) years of age from the Social Security Administration and provide the estimate to INPRS.

(c) A member's pre-sixty-two (62) monthly pension benefit with Social Security integration shall be computed as follows:

(1) Multiply the member's Social Security estimate for benefits to be received at sixty-two (62) years of age and actuarial factors established by INPRS' actuary, and obtain a product.

(2) Add the amount of the member's pension as calculated in [IC 5-10.2-4-4](#) and [IC 5-10.2-4-5](#) to the product obtained in subdivision (1). For purposes of this section, the retirement benefit does not include any payments from an ASA or RSA.

(d) A member's monthly pension benefit with Social Security integration at sixty-two (62) years of age shall be computed as follows:

(1) Multiply the member's Social Security estimate for benefits to be received at sixty-two (62) years of age and actuarial factors established by INPRS' actuary, and obtain a product.

(2) Subtract the product obtained in subdivision (1) from the member's pre-sixty-two (62) monthly pension benefit with Social Security integration as calculated in subsection (c).

(e) If a retired member dies before reaching sixty-two (62) years of age with a designated survivor beneficiary, the beneficiaries benefit will be recalculated and adjusted as described in subsection (d) and in accord with the survivor option chosen at the time of the member's retirement.

(f) The amount of the member's Social Security benefits is not affected by the member's election of Social Security integration. (Board of Trustees of the Indiana Public Retirement System; [35 IAC 1.2-5-1.6](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))

SECTION 3. [35 IAC 1.2-5-2](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 1.2-5-2](#) Disability benefits; eligibility

Authority: [IC 5-10.5-4-2](#)

Affected: [IC 5-10.2-4-6](#); [IC 5-10.3](#)

Sec. 2. (a) To be eligible to receive disability benefits, the member must have at least five (5) years of creditable service before the termination of **while receiving** a salary or employer provided income protection benefits, **or** Family and Medical Leave Act leave, **or prior to** exhaustion of all worker's compensation benefits.

(b) Except as otherwise provided in law or ~~these rules~~, **this article**, the disability benefit is computed using only the years of creditable service worked to the date of disability and without reduction for early retirement. For example, Ann has five (5) years of service credit. Ann's Social Security Administration (**SSA**) disability onset date relates back to the end of her fourth year of service. Ann is eligible to receive disability benefits because she has at least five (5) years of creditable service, but only four (4) years of service credit is used to calculate the benefit.

(c) To be eligible to receive disability benefits, the member must be receiving salary, worker's compensation benefits, employer-provided income protection benefits, or on leave under the Family and Medical Leave Act on the date the Social Security Administration determines the member becomes disabled.

(d) For the purpose of [IC 5-10.2-4-6\(a\)](#) **and this rule**, "while receiving a salary" includes:

(1) the last check date for a member, but does not include any checks **or compensation** received later than thirty (30) days from the last day the member was paid for physical work, for used sick time, for used compensatory time, or while on other leave or vacation; **or**

(2) when there is a nexus between the member's secession of covered service and the illness or injury resulting in the disability, but not more than thirty (30) days has elapsed between the employment termination date and the SSA disability onset date. INPRS in its sole discretion will determine whether a nexus exists between the disability and the termination of covered service. Example one: Donna becomes ill while in service in a covered position and exhausts all leaves and terminates employment due to the illness on July 1. Because of this illness, Donna received a SSA disability onset of July 28 of the same year. Donna meets the "while receiving a salary" definition because there was nexus between the illness and her employment and the onset date is within thirty (30) days of termination. Example two: Mary terminated covered service on July 1 and was paid her final compensation on July 15; on July 28 Mary is involved in an automobile accident while on vacation causing a disability. Mary does not meet the requirement for disability benefits because there is no nexus between the cause of the disability and work and she was not otherwise receiving salary or on leave.

(e) A member may continue to receive PERF disability benefits so long as the member is entitled to receive Social Security benefits, including periods of trial employment or rehabilitation under Social Security guidelines. However, during any such period, no service credit under PERF shall be granted.

(f) A member, including a state employee receiving state sponsored long-term disability benefits, may not receive a distribution of their ~~his or her~~ **his or her** ASA until the member separates from covered service or the Social Security Administration determines that the member has become disabled and the member has applied for disability benefits.

(g) A member who is receiving a disability retirement shall be automatically converted to regular retirement benefits upon reaching age and service eligibility. Unless otherwise prohibited by law, service credit earned or awarded during the period of time the member was receiving PERF disability benefits will be used in the calculation of the retirement benefit. (*Board of Trustees of the Indiana Public Retirement System; [35 IAC 1.2-5-2](#); filed Dec 20, 1988, 1:00 p.m.: 12 IR 1082; filed May 7, 1998, 4:15 p.m.: 21 IR 3326; readopted filed Oct 31, 2001, 2:18 p.m.: 25 IR 897; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Apr 29, 2011: [20110511-IR-035110273ONA](#); adopted Dec 14, 2012: [20121226-IR-035120663ONA](#); adopted Apr 26, 2013: [20130508-IR-035130167ONA](#); adopted Jun 20, 2014: [20140820-IR-035140335ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))*

SECTION 4. [35 IAC 1.2-6-7](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 1.2-6-7](#) Legislators' defined contribution plan loans

Authority: [IC 2-3.5-5-11](#); [IC 5-10.5-4-2](#)

Affected: [IC 2-3.5-5-11](#)

Sec. 7. (a) Any participant in the legislators' defined contribution plan (**LEDC**) may apply on the applicable form to the fund for a loan from the legislators' defined contribution plan pursuant to this rule and such other procedures as may be established by the fund. Such loans will be available to all such participants on a uniform and nondiscriminatory basis. All loans are subject to the approval of the fund or its designee.

(b) The maximum amount of such loan, when added to the outstanding balance of all other loans from the fund, shall not exceed the lesser of:

(1) fifty thousand dollars (\$50,000), reduced by the excess, if any, of the highest outstanding balance of loans

from the fund during the one (1) year period ending on the day before the date on which the loan is made, over the outstanding balance of loans from the fund on the date on which such loan is made; or
(2) one-half (1/2) of the employee's accounts within the defined contribution plan of the participant under the fund.

(c) Subject to subsection (b), the minimum amount of a loan shall be one thousand dollars (\$1,000).

(d) The loan program described in this rule shall be administered by the fund or its designee. All loans shall comply with the following terms and conditions:

(1) All loans shall be subject to applicable Internal Revenue Service regulations and restrictions.

(2) A participant may apply for a loan by completing the applicable forms.

(3) Each loan shall be amortized on a substantially level basis with monthly payments. Payments shall be made on the first of a month for that month. The period of repayment shall be a minimum of twelve (12) months and shall not exceed five (5) years from the loan origination date. Notwithstanding the preceding sentence, the term of the loan shall not extend beyond the earlier of:

(A) in the case of a distribution that begins after the date of the loan **to the extent that such distribution completely offsets the balance of the loan**, the date such distribution of the employee's accounts within the defined contribution plan of the participant under the fund begins; or

(B) the date of a default on the loan.

(e) The participant receiving the loan shall make the required repayments in accordance with the loan agreement. **Payments will be made in a form and manner as prescribed by INPRS.** If the participant fails to make a timely loan repayment, the participant may make up any missed repayments before the end of cure period described in subsection (g)(1). INPRS **or its designee** must receive the payment on or before the last day of the cure period.

(f) The rate of interest shall be the prime rate per annum, as published in The Wall Street Journal on the first day of the quarter (or the earliest publication day of the quarter in the event of a publication holiday) in which a completed loan application is submitted, plus one percent (1%). A loan will carry the same interest rate throughout its term.

(g) The fund shall declare a default on a loan as of:

(1) the last day of the calendar quarter following the calendar quarter in which the participant fails to make a payment, unless the participant pays the amount due plus accrued interest and makes the loan account current with no other outstanding late payments owed prior to such date; or

(2) the date thirty (30) days after the fund in good faith deems the plan insecure with respect to the repayment of the loan and notifies the participant of this deemed insecurity.

(h) On default, the entire amount outstanding on the participant's loan will be due and payable.

(i) On default, the fund shall report to the Internal Revenue Service the outstanding loan balance (principal and interest) as a taxable distribution to the participant, which may also be subject to an additional ten percent (10%) excise tax under the Internal Revenue Code.

(j) A defaulted loan will continue to accrue interest until the loan amount has been repaid even in the event of a deemed distribution. A loan that is deemed distributed continues to accrue interest until it is repaid. The outstanding loan balance is considered only when determining the maximum loan amount available under Internal Revenue Code Section 72(p)(2)(A). Interest accruing on the loan after it is deemed distributed is not required to be repaid.

(k) Each loan shall be adequately secured. The plan shall have a security interest in the employee's accounts within the defined contribution plan of the participant under the fund.

(l) Any loan to a participant shall be considered to be a separate asset of the legislators' defined contribution plan segregated for the benefit of such participant. The interest paid on the loan shall be credited to the employee's accounts within the defined contribution plan of the participant. Such portion of the employee's accounts within the defined contribution plan on loan to the participant shall not share in the allocation of gains or losses. The principal and interest paid on the loan shall be credited to such employee's accounts within the defined contribution plan as determined by the fund.

(m) A participant may not take out any additional loans while the participant has a loan in default.

(n) A participant may not take more than two (2) loans in any calendar year.

(o) A participant may have any number of loans outstanding as long as all of the requirements of this rule are met.

(p) Any loan processing fee charged by a third party will be paid by the participant from the employee's accounts within the defined contribution plan of the participant.

(q) The loan proceeds will come from the employee's accounts within the defined contribution plan of the participant on a pro rata basis, and from the directed investment options of the participant on a pro rata basis.

(r) A member who terminates service covered by the LEDC with an outstanding loan shall repay the loan according to the terms and conditions of the loan agreement, except that any distribution occurring by such termination will first be used to offset the remaining balance of the loan.

~~(s)~~ **(s)** The participant may prepay, without penalty, the entire (or any part of the) outstanding principal balance of the loan and accrued interest to date of repayment. ~~Prepayments should be made by check or other negotiable instrument (excluding cash) made payable to the fund and delivered to the fund or its designee.~~ **will be made in a form and manner as prescribed by INPRS.** No reamortization will apply. *(Board of Trustees of the Indiana Public Retirement System; [35 IAC 1.2-6-7](#); filed Dec 18, 2001, 9:09 a.m.: 25 IR 1488; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Sep 16, 2011: [20110928-IR-035110563ONA](#); adopted Nov 4, 2016: [20161116-IR-035160500ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))*

SECTION 5. [35 IAC 1.2-6-12](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 1.2-6-12](#) Withdrawal of political subdivisions and miscellaneous participating entities

Authority: [IC 5-10.5-4-2](#)

Affected: [IC 5-10.2-1-4.3](#); [IC 5-10.3-1-6](#); [IC 5-10.3-6-8](#); [IC 20-24-6-7](#)

Sec. 12. (a) The withdrawal of a political subdivision, as defined in [IC 5-10.3-1-6](#), or miscellaneous participating entity, as defined in [IC 5-10.2-1-4.3](#), is governed by [IC 5-10.3-6-8](#) and this rule.

(b) Whenever a political subdivision or miscellaneous participating entity intends to stop participation in PERF, not as a result of the termination of the political subdivision or miscellaneous participating entity as an entity or as a result of the political subdivision or miscellaneous participating entity selling all their assets, the following process will apply:

- (1) The withdrawing political subdivision or miscellaneous participating entity shall notify PERF in writing of its intent to withdraw and stop participating.
- (2) The date of the notice shall be the first day of a political subdivision or miscellaneous participating entity's payroll period.
- (3) The withdrawing political subdivision or miscellaneous participating entity shall provide the names of current and former employees as of the date the notice was provided.
- (4) No further employee or employer contributions shall be made and no further service credit shall accrue from the date of the notice.
- (5) INPRS will determine the political subdivision or miscellaneous participating entity liabilities as described in [IC 5-10.3-6-8](#) as of the date of the notice.
- (6) The political subdivision or miscellaneous participating entity shall contribute to PERF the amount necessary to pay the liability in a lump sum or amortized over a two (2) year period beginning with the notice date.
- (7) Two (2) years after the notice date, if all the requirements of [IC 5-10.3-6-8](#) and this rule have been met, a termination date shall be set by INPRS.

(c) Should a political subdivision or miscellaneous participating entity:

- (1) revoke its notice of intent to withdraw after receiving notification of its liabilities;
- (2) file another notice of intent to withdraw within one hundred eighty (180) days of receipt of its notification of liabilities; or
- (3) request another calculation of its liabilities for any reason within ~~one hundred eighty (180) days~~ **three (3) years** of the previous calculation of its liabilities;

the political subdivision or miscellaneous participating entity shall pay the cost of the additional calculation.

(d) Should a political subdivision or miscellaneous participating entity revoke its notice of intent to withdraw, the past contributions plus interest, if any, will be immediately due and payable to INPRS at the current actuarial interest assumption. (*Board of Trustees of the Indiana Public Retirement System; 35 IAC 1.2-6-12; adopted Sep 16, 2011: [20110928-IR-0351105630NA](#); adopted Apr 26, 2013: [20130508-IR-0351301670NA](#); adopted Sep 11, 2015: [20150923-IR-0351503020NA](#); adopted Feb 23, 2018: [20180307-IR-0351801170NA](#)*)

SECTION 6. [35 IAC 1.2-6-17.1](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 1.2-6-17.1](#) Prosecuting attorneys' retirement fund retirement benefit computation

Authority: [IC 5-10.5-4-2](#); [IC 33-39-7-11](#)

Affected: [IC 5-10.2-4](#); [IC 33-39-7-16](#)

Sec. 17.1. (a) For **prosecuting attorneys' retirement fund** (PARF) benefits computed for a participant who retires on or after July 1, 2017, the benefit is computed as follows:

(1) Calculate the PARF benefit pursuant to [IC 33-39-7-16](#)(c) without regard to any offset. This is the benefit amount to be paid to the participant unless the PERF benefit exceeds the PARF benefit amount.

(2) If the participant is receiving a PERF benefit on the date the participant retires from PARF, the actual PERF benefit amount will offset the amount needed to fund the remainder, if any, of the PARF benefit amount. For example: Tony's PARF benefit is computed to be sixty thousand dollars (\$60,000) per year. Tony's PERF benefit is thirty thousand dollars (\$30,000) per year. Tony's total benefit is sixty thousand dollars (\$60,000) per year, but \$30,000 is paid from the PERF pension fund and the remainder from the PARF pension fund.

(3) If the participant is ~~age and service eligible to retire from PERF but is~~ not receiving a PERF pension on the date the participant retires from PARF **but vested in PERF**, the cost of the total benefit being paid from the PARF pension fund is reduced by the amount that would have been paid to the participant if the participant had retired from PERF at the same time the participant retired from PARF. For example: Lindsay retires from PARF, but not from PERF. Lindsay's total PARF pension benefit is computed to be sixty thousand dollars (\$60,000) per year. If Lindsay had retired from PERF her PERF pension benefit would have been computed to be twenty thousand dollars (\$20,000) per year. Lindsay will receive from the PARF pension fund forty thousand dollars (\$40,000) per year.

(4) A participant described in ~~subsection~~ **subdivision** (3) is entitled to a recalculation of benefits based on the actual PERF pension benefit received by the participant upon retirement from PERF. For example: Lindsay now retires from PERF and she is being paid ~~fifteen~~ **thirty** thousand dollars (\$30,000) per year. Lindsay will receive sixty thousand dollars (\$60,000) per year of which thirty thousand dollars is paid from the PARF pension fund and the remainder from the PERF pension fund.

(5) If the participant is not age and service eligible to receive a PERF pension benefit on the date that the participant retires from PARF, then there is no reduction in the amount of benefits paid from the PARF pension fund. For example: Mary has eight (8) years as a prosecutor and eight (8) years of PERF service when she retires from PARF. Mary's total PARF benefit will be paid from the PARF pension fund without any reduction from PERF.

(6) The actual PERF pension benefit being paid to the participant is used to offset the amount to be paid from the PARF pension fund for a participant who is receiving an in-service PERF benefit under [IC 5-10.2-4-8.2](#) (elected officials and Millie Morgan) while continuing to work in a PARF covered position when the participant begins receiving a PERF in-service benefit. For example: Jodi is eligible to and makes an election to begin receiving her PERF pension benefit while still serving in a PARF position. Since no other PERF pension benefits may accrue, the actual PERF pension benefit being paid to Jodi at the time she retires from PARF is used to offset the total cost the PARF pension amount being paid from the PARF pension fund.

(b) In the event that the PERF pension benefit exceeds the PARF benefit, the participant is entitled to withdraw from PARF the total sum contributed by the participant plus interest at a rate determined by board under [35 IAC 1-2-1-6](#) [[35 IAC 1.2-1-6](#)]. (*Board of Trustees of the Indiana Public Retirement System; 35 IAC 1.2-6-17.1; adopted Jun 23, 2017: [20170705-IR-0351703070NA](#); adopted Feb 23, 2018: [20180307-IR-0351801170NA](#)*)

SECTION 7. [35 IAC 2-3-1](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 2-3-1](#) Reemployment after retirement

Authority: [IC 5-10.5-4-2](#); [IC 36-8-8-5](#)

Affected: [IC 36-8-8-10](#); [IC 36-8-8-11.5](#)

Sec. 1. If a member is receiving disability or retirement benefits from the 1977 Fund and is reemployed in a position covered by this article, benefits will terminate until the member has terminated service for the second

time. The benefits will then be computed on the total years of credited service. If a member is reemployed not less than thirty (30) days after retirement by the same unit in a position not covered by this article, then the member will continue to receive benefits unless the **PERF INPRS** board receives from the Internal Revenue Service a determination that prohibits the implementation. (*Board of Trustees of the Indiana Public Retirement System; [35 IAC 2-3-1](#); filed May 9, 1979, 11:31 a.m.: 2 IR 681; filed Sep 8, 1982, 2:05 p.m.: 5 IR 2110; readopted filed Oct 31, 2001, 2:21 p.m.: 25 IR 898; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Nov 21, 2008: [20090107-IR-035080955ONA](#); errata filed Jan 16, 2018, 3:12 p.m.: [20180124-IR-035180061ACA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#)*)

SECTION 8. [35 IAC 2-5-2](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 2-5-2](#) Transfer from disability to regular retirement

Authority: [IC 5-10.5-4-2](#); [IC 36-8-8-5](#)

Affected: [IC 36-8-8-12.4](#)

Sec. 2. (a) A fund member hired for the first time before January 1, 1990, and who did not file an election under [IC 36-8-8-12.4](#) with the **PERF INPRS** board prior to January 1, 1991, shall continue to receive the same amount of disability benefits when the member is transferred from disability to regular retirement status.

(b) Upon attaining fifty-two (52) years of age, a member receiving Class 1 or Class 2 impairment benefits shall be entitled to receive a retirement benefit equal to the greater of:

- (1) the benefit payable to a member with twenty (20) years of service; or
- (2) a benefit calculated on the total years of service and salary, as of the year the member attains fifty-two (52) years of age, that the member would have earned had the member remained in active service until attaining fifty-two (52) years of age.

(c) Upon attaining fifty-two (52) years of age, a member receiving Class 3 impairment benefits, who has at least four (4) years of service or who is receiving a Class 3 impairment benefit that equals or exceeds thirty percent (30%) of the monthly salary of a first class police officer or firefighter in the year of the local board's determination of impairment, shall continue to receive the same amount of disability benefits when the member is transferred from disability to regular retirement status.

(d) An eligible member may apply for disability benefits regardless of age. If it is determined that a member of the pre-1990 disability plan has a line-of-duty impairment, or a member of the 1990 disability plan has a Class 1 or Class 2 impairment, the member will begin receiving a lifetime impairment benefit. If a member of the pre-1990 disability plan has a nonline-of-duty impairment, or a member of the 1990 disability plan has a Class 3 impairment, and the member has already attained fifty-two (52) years of age, the member's disability retirement will be immediately converted to a regular retirement. (*Board of Trustees of the Indiana Public Retirement System; [35 IAC 2-5-2](#); filed Aug 6, 1981, 2:30 p.m.: 4 IR 1806; filed Sep 8, 1982, 2:05 p.m.: 5 IR 2110; filed May 7, 1998, 4:15 p.m.: 21 IR 3328; readopted filed Oct 31, 2001, 2:21 p.m.: 25 IR 898; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Nov 19, 2010: [20101208-IR-035100722ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#)*)

SECTION 9. [35 IAC 2-5-5.1](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 2-5-5.1](#) Standard to determine degree of impairment for a covered impairment

Authority: [IC 5-10.5-4-2](#); [IC 36-8-8-5](#)

Affected: [IC 36-8-8-13.1](#); [IC 36-8-8-13.7](#)

Sec. 5.1. To determine the degree of impairment, for a member who has been found to have a covered impairment, the impairment standards contained in the most current edition of the American Medical Association: Guidelines of Disability Ratings in effect at the time the application for disability benefits is filed with the **PERF INPRS** board shall be used to determine the degree of impairment. Notwithstanding that INPRS reviews disability at the time of application, the degree of impairment may be reviewed pursuant to [IC 36-8-8-13.7](#). Furthermore, the INPRS medical authority may determine a provisional degree of impairment until an applicant has reached Maximum Medical Improvement, as described in the American Medical Association: Guidelines of Disability Ratings. (*Board of Trustees of the Indiana Public Retirement System; [35 IAC 2-5-5.1](#); adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Feb 19, 2010: [20100310-IR-035100124ONA](#); adopted Dec 13, 2013: [20131225-IR-035130565ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#)*)

SECTION 10. [35 IAC 2-5-6](#) IS AMENDED TO READ AS FOLLOWS:

35 IAC 2-5-6 Determination of work within the fund member's department**Authority:** [IC 5-10.5-4-2](#); [IC 36-8-8-5](#)**Affected:** [IC 36-8-8-12.3](#)

Sec. 6. In order for the **PERF INPRS** board to make a determination with respect to a fund member's disability, the 1977 Fund must receive a certification from the local safety board that there is no suitable and available work in the member's department for which the fund member is or may be capable of becoming qualified, considering reasonable accommodation to the extent required by the Americans with Disabilities Act. The 1977 Fund will not process an application for disability unless the appropriate certification is included with the application for disability benefits. (*Board of Trustees of the Indiana Public Retirement System*; [35 IAC 2-5-6](#); filed May 7, 1998, 4:15 p.m.: 21 IR 3331; readopted filed Oct 31, 2001, 2:21 p.m.: 25 IR 898; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))

SECTION 11. [35 IAC 2-9-5](#) IS AMENDED TO READ AS FOLLOWS:**35 IAC 2-9-5 Local determination and transfer to INPRS****Authority:** [IC 5-10.5-4-2](#); [IC 36-8-8-5](#)**Affected:** [IC 36-8-3.2-3](#); [IC 36-8-3.2-3.5](#); [IC 36-8-8-7](#); [IC 36-8-8-19](#)

Sec. 5. (a) The examining physician shall send the results of the comprehensive general medical history and physical examination to the local board.

(b) Once the local board determines that the candidate satisfies any physical and mental standards established by the appointing authority or the local board, the baseline statewide physical examination, and the baseline statewide mental examination, the local board shall send **PERF INPRS** the following:

(1) Copies and certification of the results of the general medical history and baseline statewide physical examination required under [IC 36-8-8-7](#) and [IC 36-8-8-19](#).

(2) Certification of the results of the physical agility examination required under [IC 36-8-3.2-3](#) or [IC 36-8-3.2-3.5](#).

(3) Certification of the results of the baseline statewide mental examination required under [IC 36-8-8-7](#) and [IC 36-8-8-19](#).

(c) The local board shall submit the certification of the results of the baseline statewide physical examination within six (6) months of the date of the examination. If INPRS receives the certification of the results of the baseline statewide physical examination more than six (6) months from the date of the examination, the local board has not met the requirements for the transfer of the local determination under [35 IAC 2-9-5](#); **this section**. However, if the date of an applicant's baseline statewide physical examination is more than six (6) months prior to the date the certification of the baseline statewide physical examination is received by INPRS, the applicant may petition INPRS to accept the certification. Such petition must be in writing signed by the petitioner and provide the reason why such certification should be accepted. Upon review of the petition, INPRS in its sole discretion shall determine whether to accept or reject the certification. (*Board of Trustees of the Indiana Public Retirement System*; [35 IAC 2-9-5](#); filed May 27, 1993, 12:00 p.m.: 16 IR 2340, eff Jul 1, 1993; readopted filed Oct 31, 2001, 2:21 p.m.: 25 IR 898; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Feb 17, 2012: [20120222-IR-035120095ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))

SECTION 12. [35 IAC 2-9-6](#) IS AMENDED TO READ AS FOLLOWS:**35 IAC 2-9-6 INPRS determinations and disqualifying conditions****Authority:** [IC 5-10.5-4-2](#); [IC 36-8-8-5](#); [IC 36-8-8-19](#)**Affected:** [IC 36-8-3.5-12](#)

Sec. 6. (a) As determined by the **PERF INPRS** board or the **PERF INPRS** board's designee, based on the results of the general medical history and the physical examination of the candidate, the existence of any of the conditions identified in subsection (b) will result in the revocation of the candidate's conditional offer of employment unless the conditions can be eliminated or effectively reduced by reasonable accommodations to the extent required under the Americans with Disabilities Act as determined by the appointing authority and certified to **PERF- INPRS**.

(b) The following are disqualifying conditions:

(1) Vision testing as follows:

- (A) Any of the following tests for far vision acuity:
 - (i) Binocular vision not correctable to at least 20/30.
 - (ii) Vision of the worse eye not correctable to at least 20/50.
 - (iii) Uncorrected binocular vision of worse than 20/100, with the exception that long term successful users of soft contact lenses do not have to meet this uncorrected standard.
- (B) Color vision. An inability to identify red, green, and yellow colors.
- (C) Peripheral vision. Uncorrected field of vision of worse than one hundred forty (140) degrees in the horizontal meridian in each eye.
- (2) Hearing deficit. A hearing deficit in the pure tone thresholds (five hundred (500) hertz, one thousand (1,000) hertz, two thousand (2,000) hertz, and three thousand (3,000) hertz) in the unaided worse ear:
 - (A) of more than twenty-five (25) decibels in three (3) of the four (4) frequencies;
 - (B) of more than thirty (30) decibels in any one (1) of the first three (3) frequencies; or
 - (C) **with** an average loss within the four (4) frequencies of more than thirty (30) decibels.
- (3) Communicable diseases. Any communicable disease or condition that poses a significant risk of substantial harm to the health or safety of the candidate, coworkers, or members of the public with whom the candidate will come in contact during the course of employment.
- (4) Suddenly incapacitating diseases or conditions. Any disease or condition (physical or mental) that could incapacitate the candidate without sufficient warning to allow the candidate to take preventive measures, thereby imposing a significant risk of substantial harm to the health or safety of the candidate, coworkers, or members of the public with whom the candidate will come in contact during the course of employment (unless such disease or condition can be controlled by medication and the candidate affirms he or she takes the appropriate medication).
- (5) Alcoholism or illegal use of drugs as follows:
 - (A) Any history of alcoholism, unless the candidate has successfully rehabilitated for a period of at least one (1) year, successfully passes an examination for alcohol usage, and the candidate affirms he or she is no longer engaging in the use of alcohol and has successfully rehabilitated for a period of at least one (1) year preceding his or her application for employment.
 - (B) Any history of illegal use of drugs or evidence of drug abuse, unless the candidate has successfully rehabilitated for a period of at least one (1) year, successfully passes an examination for use of drugs or drug abuse, and the candidate affirms he or she is no longer engaging in drug abuse and has successfully rehabilitated for a period of at least one (1) year preceding his or her application for employment.

(c) The determination of whether a candidate's condition poses a significant risk of substantial harm will be based on an objective individualized assessment of the applicant's present ability to safely perform the essential functions of the job considering reasonable accommodations to the extent required under the Americans with Disabilities Act. Factors to be considered include the following:

- (1) The duration of the risk.
- (2) The nature and severity of the potential harm.
- (3) The likelihood that the potential harm will occur.
- (4) The imminence of the potential harm.

Relevant evidence may include input from the applicant, the experience of the applicant in previous similar positions, opinions of medical doctors, rehabilitation counselors, or physical therapists who have expertise in the disability involved, or direct knowledge of the applicant. (*Board of Trustees of the Indiana Public Retirement System*; [35 IAC 2-9-6](#); filed May 27, 1993, 12:00 p.m.: 16 IR 2340, eff Jul 1, 1993; readopted filed Oct 31, 2001, 2:21 p.m.: 25 IR 898; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))

SECTION 13. [35 IAC 2-10-2](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 2-10-2](#) Preexisting excludable medical conditions

Authority: [IC 5-10.5-4-2](#); [IC 36-8-8-5](#); [IC 36-8-8-13.6](#)

Affected: [IC 36-8-8-13.5](#)

Sec. 2. (a) As determined by the **PERF INPRS** board or the **PERF INPRS** board's designee and based on the results of the general medical history and the physical examination of the candidate, the preexisting conditions identified in subsection (b) will result in the candidate being ineligible under certain circumstances for the Class 3 impairment benefits established in [IC 36-8-8-13.5](#)(e).

(b) Each of the following preexisting conditions constitutes an excludable condition under [IC 36-8-8-13.5](#) and [IC 36-8-8-13.6](#):

- (1) A history of myocardial infarction.

- (2) Angina pectoris or other evidence of coronary artery disease.
- (3) Congenital heart disease.
- (4) Hypertrophy or dilation of the heart as evidenced by examination.
- (5) Pericarditis, endocarditis, or myocarditis unless the examining physician determines that the condition is now stable and unlikely to recur.
- (6) Arrhythmias.
- (7) Diabetes. A candidate with a history of hyperglycemia or glucosuria or albuminuria must be considered to have an excludable condition unless a report from the physician that treated the candidate can be obtained which assures the absence of diabetes mellitus.
- (8) Pancreatitis.
- (9) A history of a chronic bowel disorder such as Crohn's disease and ulcerative colitis. A candidate with a history of a bowel obstruction within the preceding ten (10) years shall be considered to have an excludable condition unless the candidate is able to obtain a letter from the treating physician to the examining physician explaining the nature of the obstruction and what was done to cure it.
- (10) Any hepatitis, chronic or acute, with impairment of liver function.
- (11) Cirrhosis or varices.
- (12) Inguinal or femoral hernia, hiatal hernia, if symptomatic, or ventral hernia, if symptomatic.
- (13) Interabdominal tumor or mass.
- (14) Any previous gastric resection unless there is sound x-ray evidence provided that there is little chance of recurrence of the condition which caused the first surgery.
- (15) Active gastric or duodenal ulcer unless the candidate is able to provide x-ray evidence that the ulcer is currently healed. A history of a gastric or duodenal ulcer shall be treated the same as any such active ulcer unless the candidate is able to provide x-ray evidence that the ulcer is currently healed.
- (16) Any evidence of rectal or prostatic malignancy.
- (17) Evidence of existing renal calculus or ureterovesical calculus, if symptomatic.
- (18) A person who has had a nephrectomy but with a functional remaining kidney will not be considered to have an excludable condition, provided there is no evidence of reduced renal function in the remaining kidney.
- (19) Any chronic nephritis or nephrosis, hydronephrosis, pyelonephrosis, pyelitis, pyelonephritis, or polycystic disease of the kidneys.
- (20) Urinary tract disease, whether or not the urinary tract has any significant abnormalities at this time, or whether any organic disease is present, or other related disorders adversely affecting the kidneys, excluding urinary tract infections.
- (21) A history of kidney stones. If there is a history of kidney stones, urological consultation must be sought in order to provide an estimate of the likelihood of the recurrence of long term incapacitating symptoms. A candidate exhibiting a high likelihood of recurrence must be considered to have an excludable condition.
- (22) Any proteinuria which is a result of renal disease.
- (23) Any malformation of the urinary tract organs, congenital or acquired.
- (24) Polycystic kidney.
- (25) Any current fistula, either congenital or acquired, including tracheostomy.
- (26) Any history of subarachnoid hemorrhage, cerebral aneurysm, or any cerebral vascular disease including any previous stroke within the preceding ten (10) years.
- (27) Hydrocephalus.
- (28) Abnormalities from recent head injury, such as severe cerebral concussion or contusion.
- (29) Any acute or chronic pathological condition in either eye or the adnexa of the eye.
- (30) Nystagmus of the eye, uncorrected strabismus, glaucoma, and aphakia, whether it is unilateral or bilateral, and active chorioretinitis should be considered for further examination by a qualified eye specialist to determine the likelihood and degree of future impairment.
- (31) Cataract, retinitis pigmentosa, and any papilledema or tumor.
- (32) Any retinal exudate, hemorrhage or edema, or detachment of the retina.
- (33) Inflammatory disease of the retina, the globe, or the other structures within the globe.
- (34) Heterophoria, hyperphoria, esophoria, or exophoria should be considered for further examination by a qualified eye specialist to determine the likelihood and degree of future impairment.
- (35) Bronchiectasis.
- (36) Bronchial asthma.
- (37) Emphysema or chronic obstructive pulmonary disease.
- (38) Pulmonary fibrosis.
- (39) Pleurisy with effusion or empyema.
- (40) Any spontaneous pneumothorax unless the examining physician determines that the condition is not likely to persist or recur.
- (41) Any evidence or history of tuberculosis, sarcoidosis, or congenital cystic disease of the lung, active

histoplasmosis, or any other lung pathology unless the examining physician determines that the condition is now stable and unlikely to recur.

(42) Tumor or cyst of the lung, pleura, or mediastinal.

(43) Any disease of the blood forming organs or of the blood.

(44) Anemia with the hemoglobin lower than twelve (12) grams per hundred cubic centimeters.

(45) Polycythemia, leukemia, or any other progressive diseases of the blood system.

(46) Hemophilia or other bleeding disorder.

(47) High blood pressure, evidenced by any of the following:

(A) Any blood pressure reading above one hundred fifty (150) millimeters mercury (for systolic).

(B) Any blood pressure reading above ninety (90) millimeters mercury (for diastolic).

(C) Use of antihypertensive medication.

However, if systolic and diastolic readings without medication are produced at levels lower than one hundred fifty (150) millimeters mercury (for systolic) and ninety (90) millimeters mercury (for diastolic) on three (3) consecutive days, high blood pressure shall not be an excludable condition.

(48) If peripheral edema is present, the cause shall be determined and the disqualifying disorder identified.

(49) Aneurysm and arteriovenous malformation.

(50) Any active disease of bones and joints, including active arthritis, osteomyelitis, or marked deformity of the spinal column, including, but not limited to, the following:

(A) History of laminectomy.

(B) Amputation or deformity of a joint or limb.

(C) Joint reconstruction.

(D) Ligamentous instability.

(E) Joint replacement.

(51) Herniation of an intervertebral disk.

(52) Neurofibromatosis.

(53) Neuropathy or neuralgia, including sciatica.

(54) Recurrent syncope.

(55) Any seizure disorder within the preceding ten (10) years.

(56) Parkinsonian syndrome (includes Parkinson's disease).

(57) Huntington's disease (chorea).

(58) Ankylosing rheumatoid spondylitis.

(59) Malignant melanoma or, if it had been removed, any evidence of metastatic disease.

(60) Hodgkin's disease, lymphadenopathy, lymphomas, or lymphosarcomas.

(61) Addison's disease, splenomegaly, or adenopathy secondary to systemic disease or metastasis.

(62) Disease of the adrenal gland, pituitary gland, parathyroid gland, or thyroid gland of clinical significance.

(63) Nutritional deficiency disease or metabolic disorder.

(64) Any malignant tumor of any type unless completely eradicated for at least ten (10) years.

(65) Alcohol or drug abuse within five (5) years.

(66) Anorexia nervosa or bulimia within three (3) years.

(67) Autoimmune disorders, including, but not limited to, the following:

(A) Rheumatoid arthritis and myasthenia gravis.

(B) Dermatomyositis.

(C) Scleroderma.

(68) Lupus erythematosus.

(69) Multiple sclerosis.

(70) Amyotrophic lateral sclerosis (Lou Gehrig's disease).

(71) Muscular dystrophy.

(72) Obesity of such a degree so as to interfere with normal activities, including respiration.

(73) Peripheral atherosclerosis or arteriosclerosis, including any of the following peripheral vascular diseases:

(A) Intermittent claudication.

(B) Buerger's disease.

(C) A phenomenon of repeated thrombophlebitis.

(74) Acquired immune deficiency syndrome (AIDS) or human immunodeficiency virus (HIV) positive, as determined by a blood test.

(75) Sexually transmitted diseases should be considered for further examination by a qualified medical specialist to determine the likelihood and degree of future impairment.

(76) Narcolepsy or hypersomnolence due to any cause.

(77) Heart bypass surgery within the preceding ten (10) years.

(78) Primary pulmonary hypertension.

(79) Organ transplant.

(80) Pacemaker implant.

- (81) Sleep apnea syndrome.
- (82) Anxiety disorder.
- (83) Panic disorder.
- (84) Obsessive compulsive disorder.
- (85) Post-traumatic stress disorder.
- (86) Attention deficit/hyperactivity disorder.
- (87) Tourette syndrome.
- (88) Depressive disorder.
- (89) Bipolar disorder.
- (90) Personality disorder.
- (91) Substance abuse disorder.
- (92) Schizophrenia and other psychotic disorders.
- (93) Anorexia nervosa.
- (94) Miscellaneous or other significant psychiatric disorder.
- (95) Any disqualifying condition under [35 IAC 2-9-6](#) that has been accommodated by the local appointing authority.
- (96) Any other significant disease/disorder.

(Board of Trustees of the Indiana Public Retirement System; [35 IAC 2-10-2](#); filed May 27, 1993, 12:00 p.m.: 16 IR 2341, eff Jul 1, 1993; filed Mar 3, 2000, 7:45 a.m.: 23 IR 1606; readopted filed Oct 31, 2001, 2:21 p.m.: 25 IR 898; adopted Nov 9, 2007: [20071205-IR-035070818ONA](#); adopted Feb 19, 2010: [20100310-IR-035100124ONA](#); adopted Nov 19, 2010: [20101208-IR-035100722ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))

SECTION 14. [35 IAC 4-3-3](#) IS AMENDED TO READ AS FOLLOWS:

[35 IAC 4-3-3](#) Administrative orders; proceedings; reviews

Authority: [IC 5-10.5-4-2](#)

Affected: [IC 2-3.5-3-4](#); [IC 4-21.5-3-5](#); [IC 4-21.5-3-28](#); [IC 5-10.2](#); [IC 5-10.3-8-5](#); [IC 33-38-6-23](#); [IC 33-39-7-11](#)

Sec. 3. (a) The purpose of this rule is to establish procedures to process petitioner appeals of **PERF INPRS** staff actions, determinations, or decisions referred to as "staff action" in accordance with and pursuant to the Indiana Administrative Orders and Procedures Act (Act), [IC 4-21.5-3](#).

(b) Pursuant to [IC 4-21.5-3-28](#), the executive director (ED) as the board's delegate is the ultimate authority and has set forth the following review process to be followed before a final order is issued:

- (1) **PERF INPRS** will issue an initial determination of its response to a questioned action.
- (2) The initial determination will be sent by certified mail to the stakeholder with a summary of the member's right to administrative review.
- (3) Pursuant to [IC 4-21.5-3-5](#), the petitioner will have fifteen (15) days from receipt of **PERF's INPRS'** initial determination to appeal in writing.
- (4) Upon receipt by **PERF INPRS** a copy of the appeal will be sent to the administrative law judge (ALJ) assigned to the matter.
- (5) The assigned ALJ may set a prehearing conference to discuss issues of discovery and motions for summary judgment and to determine a briefing schedule.
- (6) If an evidentiary hearing is required, **PERF INPRS** will provide space which is equipped with a recording device to conduct the hearing or engage a court reporter to make a record of the hearing if necessary.
- (7) Once the ALJ has entered a decision and recommended order, the petitioner will have fifteen (15) days to object to the ALJ's decision.
- (8) The ED will make a final determination to affirm, modify, or dissolve the ALJ's order. The executed final order will be mailed by certified mail to the ALJ and petitioner.
- (9) The petitioner has thirty (30) days from receipt of the final order to petition a court of jurisdiction for judicial review.
- (10) If no petition for judicial review is filed within the thirty (30) day time period, the file is closed.
- (11) This rule shall be interpreted to conform to the Act and shall be implemented pursuant to and in accordance with the Act.

(c) This rule will apply to appeals filed pursuant to [IC 5-10.3-8-5](#), [IC 33-39-7-11](#), [IC 33-38-6-23](#), and [IC 2-3.5-3-4](#). *(Board of Trustees of the Indiana Public Retirement System; [35 IAC 4-3-3](#); adopted Nov 19, 2010: [20101208-IR-035100722ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#))*

SECTION 15. [35 IAC 14-7-12](#) IS AMENDED TO READ AS FOLLOWS:

35 IAC 14-7-12 Social Security integration; benefit calculation

Authority: [IC 5-10.2-3-6](#); [IC 5-10.5-4-2](#)

Affected: [IC 5-10.2-4-4](#); [IC 5-10.2-4-5](#); [IC 5-10.2-4-7](#)

Sec. 12. (a) Pursuant to [IC 5-10.2-4-7\(b\)\(3\)](#), a member who retires between fifty (50) years of age and sixty-two (62) years of age may integrate the member's monthly pension benefit with the member's estimated Social Security benefits. This option increases the monthly pension benefit amount for which the member would ordinarily be eligible from the date of retirement until sixty-two (62) years of age. When the member reaches sixty-two (62) years of age, the member's monthly pension benefit will be reduced. Depending upon the factors used in the calculation, the member's monthly pension benefit may be reduced to zero (0). Such reduction will occur whether or not the member applies for Social Security Administration benefits.

(b) To receive an estimate of the member's monthly pension benefit with Social Security integration, the member shall obtain an estimate of Social Security benefits to be received at sixty-two (62) years of age from the Social Security Administration and provide the estimate to INPRS.

(c) For retirement benefits payable on or after January 1, 2010, a member's pre-sixty-two (62) monthly pension benefit with Social Security integration shall be computed as follows:

- (1) Multiply the member's Social Security estimate for benefits to be received at sixty-two (62) years of age and actuarial factors established by INPRS' actuary, and obtain a product.
- (2) Add the amount of the member's pension as calculated in [IC 5-10.2-4-4](#) and [IC 5-10.2-4-5](#) to the product obtained in subdivision (1). For purposes of this section, the retirement benefit does not include any payments from an ASA or RSA.

(d) For retirement benefits payable on or after January 1, 2010, a member's monthly pension benefit with Social Security integration at sixty-two (62) years of age shall be computed as follows:

- (1) Multiply the member's Social Security estimate for benefits to be received at sixty-two (62) years of age and actuarial factors established by **TRF's** [sic] INPRS' actuary, and obtain a product.
- (2) Subtract the product obtained in subdivision (1) from the member's pre-sixty-two (62) monthly pension benefit with Social Security integration as calculated in subsection (c).

(e) ~~Members may select any nonconflicting retirement option in addition to Social Security integration. If a retired member dies before reaching sixty-two (62) years of age with a designated survivor beneficiary, the beneficiary's benefit will be recalculated and adjusted as described in subsection (d) and in accord with the survivor option chosen at the time of the member's retirement.~~

(f) ~~If a retired member receiving benefits under this option dies before sixty two (62) years of age, and a benefit is due to a survivor beneficiary under a joint and survivor option, the survivor benefit will be recalculated and adjusted as described in subsection (d), and in accord with the survivor option, when the member would have reached sixty two (62) years of age. The amount of the member's Social Security benefits is not affected by the member's election of Social Security integration.~~

(g) ~~The amount of the member's Social Security benefits is not affected by the member's election of Social Security integration. (Board of Trustees of the Indiana Public Retirement System; [35 IAC 14-7-12](#); adopted Nov 19, 2010: [20101208-IR-550100723ONA](#); adopted Sep 11, 2015: [20150923-IR-035150302ONA](#); adopted Nov 4, 2016: [20161116-IR-035160500ONA](#); adopted Feb 23, 2018: [20180307-IR-035180117ONA](#)) NOTE: Transferred from the Board of Trustees of the Indiana State Teachers' Retirement Fund ([550 IAC 2-7-10](#)) to the Board of Trustees of the Indiana Public Retirement System ([35 IAC 14-7-12](#)) by P.L.23-2011, SECTION 22, effective July 1, 2011.~~

DATED: February 23, 2018

Bret Swanson
Vice Chairperson of the INPRS Board of Trustees
Indiana Public Retirement System

Resolution adopted by 8 affirmative, 0 negative votes.

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