

### **IC 5-10.1-3**

#### Chapter 3. Coverage of Employees of Political Subdivisions

### **IC 5-10.1-3-1**

#### **Authorization**

Sec. 1. Authorization. Each political subdivision without a retirement system for its employees may submit for approval by the state agency a plan for extending the Social Security Act to its employees.

*As added by Acts 1977, P.L.53, SEC.1.*

### **IC 5-10.1-3-2**

#### **Approval of plan**

Sec. 2. Approval of the Plan. The state agency shall approve the plan and any amendments if they conform to the agreement and the regulations of the state agency. The state agency may not finally disapprove a plan or terminate an approved plan without reasonable notice and opportunity for a hearing for the political subdivision.

*As added by Acts 1977, P.L.53, SEC.1.*

### **IC 5-10.1-3-3**

#### **Required elements of plan**

Sec. 3. Required Elements of the Plan. The plan must:

- (1) be in conformity with the requirements of the Social Security Act and with the agreement;
- (2) provide that all services covered by the federal-state agreement in employment for the political subdivision is covered by the plan, except that it may exclude services to which section 218(c)(3)(C) of the Social Security Act is applicable;
- (3) specify the source from which the funds necessary to make the payments required of the political subdivision by this article are expected to be derived and contain reasonable assurance that the source will be adequate for that purpose;
- (4) provide for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper administration of the plan;
- (5) provide that the political subdivision shall:
  - (A) make such reports as the state agency requires; and
  - (B) comply with such provisions as the state agency or the federal administrator finds necessary to assure the correctness of the reports; and
- (6) authorize the state agency to terminate the plan in its entirety if the state agency finds a failure to comply substantially with any provision of the plan. The termination takes effect at the expiration of such notice and on such conditions as are provided by the state agency, in accordance with the Social Security Act.

*As added by Acts 1977, P.L.53, SEC.1.*

#### **IC 5-10.1-3-4**

##### **Ordinances**

Sec. 4. Ordinances. (a) Employees of a political subdivision without a retirement system are entitled to coverage by the Social Security Act if:

- (1) the governing body passes an ordinance or resolution which it submits to the state agency within ten (10) days after passage;
- (2) the ordinance contains an effective date for coverage which must be January 1 of any year;
- (3) the ordinance is approved by the state agency; and
- (4) the political subdivision and the federal administrator approve an agreement for the political subdivision which conforms to the federal-state agreement submitted by the state agency.

(b) On approval, the state agency shall furnish to the governing body an estimate of the costs for the first year of coverage. After the first year, the state agency shall certify to the governing body before July 2 of each year the amount of estimated costs for the next calendar year which amount if it is to be raised by a general property tax levy shall be included in the appropriation ordinance as provided in law for raising taxes assessed against property.

*As added by Acts 1977, P.L.53, SEC.1.*

#### **IC 5-10.1-3-5**

##### **Participation in public employees' retirement fund**

Sec. 5. Participation in the Public Employees' Retirement Fund. A political subdivision which is eligible to become a participant in the public employees' retirement fund may be covered by the Social Security Act by becoming a participant as specified in IC 5-10.3-6. If the political subdivision has a retirement system, it must follow the procedures specified in chapter 4 of this article.

*As added by Acts 1977, P.L.53, SEC.1.*