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| WITHDRAWN | Noes _____ |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

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 568 be amended to read as follows:

- 1 Page 1, between lines 14 and 15, begin a new paragraph and insert:
- 2 "SECTION 1. IC 5-10.3-7-4.7 IS ADDED TO THE INDIANA
- 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4 [EFFECTIVE JULY 1, 2007]: **Sec. 4.7. (a) This section applies to an**
- 5 **individual who:**
- 6 (1) was a state employee who was terminated from
- 7 employment with the state;
- 8 (2) was a member of the fund;
- 9 (3) on the date of the individual's termination, had not
- 10 attained vested status (as defined in IC 5-10.2-1-8) in the fund;
- 11 and
- 12 (4) on the date of the individual's termination, needed to earn
- 13 not more than six (6) months of creditable service to attain
- 14 vested status in the fund.
- 15 (b) An individual described in subsection (a) may elect to
- 16 purchase up to twelve (12) months of service credit in the fund by
- 17 filing a written notice on a form prescribed by the board.
- 18 (c) An individual who elects to purchase service credit under
- 19 this section must contribute to the fund as follows:
- 20 (1) Contributions that are equal to the product of the
- 21 following:
- 22 (A) The individual's salary at the time the individual was
- 23 terminated from state employment.
- 24 (B) A rate, determined by the actuary for the fund, that is

1 based on the age of the individual at the time the individual
 2 actually makes a contribution for the service credit and
 3 computed to result in a contribution amount that
 4 approximates the actuarial present value of the benefit
 5 attributable to the service credit purchased.

6 (C) The number of months of service credit the individual
 7 intends to purchase.

8 (2) Contributions for any accrued interest, at a rate
 9 determined by the actuary for the fund, for the period from
 10 the individual's initial membership in the fund to the date
 11 payment is made by the individual.

12 (d) The following apply to the purchase of service credit under
 13 this section:

14 (1) The board may allow an individual to make periodic
 15 payments of the contributions required for the purchase of
 16 service credit. The board shall determine the length of the
 17 period during which the payments must be made.

18 (2) The board may deny an election for the purchase of
 19 service credit if the purchase would exceed the limitations
 20 under Section 415 of the Internal Revenue Code.

21 (3) An individual may not claim the service credit for the
 22 purpose of computing benefits unless the individual has made
 23 all payments required for the purchase of the service credit.

24 (4) To the extent permitted by the Internal Revenue Code and
 25 applicable regulations, an individual may purchase service
 26 credit under this section by a rollover distribution to the fund
 27 from any of the following:

28 (A) A qualified plan described in Section 401(a) or Section
 29 403(b) of the Internal Revenue Code.

30 (B) An annuity contract or account described in Section
 31 403(b) of the Internal Revenue Code.

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

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

39 (e) In addition to the contributions required under subsection
 40 (c), for the election described in subsection (b) to be effective, an
 41 individual who received a lump sum distribution from the fund
 42 under IC 5-10.2-3-6 must repay to the fund, in the manner and
 43 with interest at a rate determined by the board, the lump sum
 44 distribution received under IC 5-10.2-3-6."

45 Page 2, delete lines 26 through 42.

46 Delete pages 3 through 4.

47 Renumber all SECTIONS consecutively.

(Reference is to ESB 568 as printed March 16, 2007.)

Representative Buell