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| Adopted | Rejected |
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COMMITTEE REPORT

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| YES: | 22 |
| NO: | 0 |

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1232, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 5-10.3-7-4.8 IS ADDED TO THE INDIANA
- 4 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 5 [EFFECTIVE JULY 1, 2007]: **Sec. 4.8. (a) As used in this section,**
- 6 **"state quasi-governmental entity service" means service in Indiana**
- 7 **that would be considered creditable service if performed by an**
- 8 **employee of a member of the fund by an individual who:**
- 9 **(1) provided the service as an employee of a body corporate**
- 10 **and politic, nonprofit corporation established by the state, or**
- 11 **other quasi-governmental entity that performed a state**
- 12 **governmental function; and**
- 13 **(2) was not a member of the fund under section 1 of this**
- 14 **chapter during the period of employment.**

1 **(b) A member may purchase state quasi-governmental entity**
2 **service credit subject to the following:**

3 **(1) The member must have at least one (1) year of credited**
4 **service in the fund.**

5 **(2) The member must have at least ten (10) years of in-state**
6 **credited service before the member may claim the service**
7 **credit.**

8 **(3) Before the member retires, the member must make**
9 **contributions to the fund:**

10 **(A) that are equal to the product of:**

11 **(i) the member's salary at the time the member actually**
12 **makes a contribution for the service credit;**

13 **(ii) a percentage rate, as determined by the actuary of**
14 **the fund, based on the age of the member at the time the**
15 **member makes a contribution for service credit and**
16 **computed to result in a contribution amount that**
17 **approximates the actuarial present value of the benefit**
18 **attributable to the service credit purchased; and**

19 **(iii) the number of years of state quasi-governmental**
20 **entity service the member intends to purchase; and**

21 **(B) for any accrued interest, at a rate determined by the**
22 **actuary of the fund, for the period from the member's**
23 **initial membership in the fund to the date payment is made**
24 **by the member.**

25 **(4) The member must provide verification of the service with**
26 **the state quasi-governmental entity in a manner prescribed by**
27 **the fund.**

28 **(c) State quasi-governmental entity service that qualifies a**
29 **member for retirement in a private retirement system or a federal**
30 **retirement system may not be granted under this section.**

31 **(d) A member who:**

32 **(1) terminates employment before satisfying the eligibility**
33 **requirements necessary to receive a monthly allowance; or**

34 **(2) receives a monthly allowance for the same service from**
35 **another tax supported public employee retirement plan other**
36 **than under the federal Social Security Act;**

37 **may withdraw the personal contributions made under the**
38 **contributory plan plus accumulated interest after submitting to the**

- 1 **fund a properly completed application for a refund.**
- 2 **(e) The following apply to the purchase of service credit under**
- 3 **this section:**
- 4 **(1) The board may allow a member to make periodic**
- 5 **payments of the contributions required for the purchase of**
- 6 **the service credit. The board shall determine the length of the**
- 7 **period during which the payments must be made.**
- 8 **(2) The board may deny an application for the purchase of**
- 9 **service credit if the purchase would exceed the limitations**
- 10 **under Section 415 of the Internal Revenue Code.**
- 11 **(3) A member may not claim the service credit for purposes**
- 12 **of determining eligibility or computing benefits unless the**
- 13 **member has made all payments required for the purchase of**
- 14 **the service credit."**
- 15 Renumber all SECTIONS consecutively.
(Reference is to HB 1232 as introduced.)

and when so amended that said bill do pass.

Representative Crawford