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HOUSE BILL No. 1605

Proposed Changes to February 2, 2023 printing by AM160505

DIGEST OF PROPOSED AMENDMENT

Public defender participation in PARF. Adds January 1, 2014, as the earliest possible date that certain individuals may receive credit for years of service in the fund, while serving in a covered position.

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

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

- 1 SECTION 1. IC 5-10-8-8, AS AMENDED BY P.L.121-2017,
- 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2023]: Sec. 8. (a) This section applies only to the state and
- 4 employees who are not covered by a plan established under section 6
- 5 of this chapter.
- 6 (b) After June 30, 1986, the state shall provide a group health
- 7 insurance plan to each retired employee:
- 8 (1) whose retirement date is:
- 9 (A) after June 29, 1986, for a retired employee who was a
- 10 member of the field examiners' retirement fund;
- 11 (B) after May 31, 1986, for a retired employee who was a
- 12 member of the Indiana state teachers' retirement fund; or
- 13 (C) after June 30, 1986, for a retired employee not covered
- 14 by clause (A) or (B);
- 15 (2) who will have reached fifty-five (55) years of age on or
- 16 before the employee's retirement date but who will not be
- 17 eligible on that date for Medicare coverage as prescribed by 42
- 18 U.S.C. 1395 et seq.; and
- 19 (3) who:
- 20 (A) for an employee who retires before January 1, 2007,

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- 1 will have completed:
- 2 (i) twenty (20) years of creditable employment with a
- 3 public employer on or before the employee's retirement
- 4 date, ten (10) years of which shall have been
- 5 completed immediately preceding the retirement; and
- 6 (ii) at least fifteen (15) years of participation in the
- 7 retirement plan of which the employee is a member on
- 8 or before the employee's retirement date; or
- 9 (B) for an employee who retires after December 31, 2006,
- 10 will have completed fifteen (15) years of creditable
- 11 employment with a public employer on or before the
- 12 employee's retirement date, ten (10) years of which shall
- 13 have been completed immediately preceding the retirement.
- 14 (c) The state shall provide a group health insurance program to
- 15 each retired employee:
- 16 (1) who is a retired judge;
- 17 (2) whose retirement date is after June 30, 1990;
- 18 (3) who is at least sixty-two (62) years of age;
- 19 (4) who is not eligible for Medicare coverage as prescribed by 42
- 20 U.S.C. 1395 et seq.; and
- 21 (5) who has at least eight (8) years of service credit as a
- 22 participant in the Indiana judges' retirement fund, with at least
- 23 eight (8) years of that service credit completed immediately
- 24 preceding the judge's retirement.
- 25 (d) The state shall provide a group health insurance program to
- 26 each retired employee:
- 27 (1) who is a retired participant under the prosecuting attorneys
- 28 **and public defenders** retirement fund;
- 29 (2) whose retirement date is after January 1, 1990;
- 30 (3) who is at least sixty-two (62) years of age;
- 31 (4) who is not eligible for Medicare coverage as prescribed by 42
- 32 U.S.C. 1395 et seq.; and
- 33 (5) who has at least ten (10) years of service credit as a
- 34 participant in the prosecuting attorneys **and public defenders**
- 35 retirement fund, with at least ten (10) years of that service credit
- 36 completed immediately preceding the participant's retirement.
- 37 (e) The state shall make available a group health insurance
- 38 program to each former member of the general assembly or surviving
- 39 spouse of each former member, if the former member:
- 40 (1) is no longer a member of the general assembly;
- 41 (2) is not eligible for Medicare coverage as prescribed by 42
- 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the

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1 surviving spouse is not eligible for Medicare coverage as
 2 prescribed by 42 U.S.C. 1395 et seq.; and
 3 (3) has at least ten (10) years of service credit as a member in the
 4 general assembly.

5 A former member or surviving spouse of a former member who obtains
 6 insurance under this section is responsible for paying both the
 7 employer and the employee share of the cost of the coverage.

8 (f) The group health insurance program required under subsections
 9 (b) through (e) and subsection (k) must be equal to that offered active
 10 employees. The retired employee may participate in the group health
 11 insurance program if the retired employee pays an amount equal to the
 12 employer's and the employee's premium for the group health insurance
 13 for an active employee and if the retired employee within ninety (90)
 14 days after the employee's retirement date files a written request for
 15 insurance coverage with the employer. Except as provided in
 16 subsection (l), the employer may elect to pay any part of the retired
 17 employee's premium with respect to insurance coverage under this
 18 chapter.

19 (g) Except as provided in subsection (j), a retired employee's
 20 eligibility to continue insurance under this section ends when the
 21 employee becomes eligible for Medicare coverage as prescribed by 42
 22 U.S.C. 1395 et seq., or when the employer terminates the health
 23 insurance program. A retired employee who is eligible for insurance
 24 coverage under this section may elect to have the employee's spouse
 25 covered under the health insurance program at the time the employee
 26 retires. If a retired employee's spouse pays the amount the retired
 27 employee would have been required to pay for coverage selected by the
 28 spouse, the spouse's subsequent eligibility to continue insurance under
 29 this section is not affected by the death of the retired employee. The
 30 surviving spouse's eligibility ends on the earliest of the following:

- 31 (1) When the spouse becomes eligible for Medicare coverage as
 32 prescribed by 42 U.S.C. 1395 et seq.
 33 (2) When the employer terminates the health insurance program.
 34 (3) Two (2) years after the date of the employee's death.
 35 (4) The date of the spouse's remarriage.

36 (h) This subsection does not apply to an employee who is entitled
 37 to group insurance coverage under IC 20-28-10-2(b). An employee
 38 who is on leave without pay is entitled to participate for ninety (90)
 39 days in any health insurance program maintained by the employer for
 40 active employees if the employee pays an amount equal to the total of
 41 the employer's and the employee's premiums for the insurance.

42 (i) An employer may provide group health insurance for retired

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1 employees or their spouses not covered by this section and may provide
 2 group health insurance that contains provisions more favorable to
 3 retired employees and their spouses than required by this section. A
 4 public employer may provide group health insurance to an employee
 5 who is on leave without pay for a longer period than required by
 6 subsection (h).

7 (j) An employer may elect to permit former employees and their
 8 spouses, including surviving spouses, to continue to participate in a
 9 group health insurance program under this chapter after the former
 10 employee (who is otherwise qualified under this chapter to participate
 11 in a group insurance program) or spouse has become eligible for
 12 Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

13 (k) The state shall provide a group health insurance program to
 14 each retired employee:

15 (1) who was employed as a teacher in a state institution under:

16 (A) IC 11-10-5;

17 (B) IC 12-24-3;

18 (C) IC 16-33-3;

19 (D) IC 16-33-4;

20 (E) IC 20-21-2-1; or

21 (F) IC 20-22-2-1;

22 (2) who is at least fifty-five (55) years of age on or before the
 23 employee's retirement date;

24 (3) who is not eligible for Medicare coverage as prescribed by 42
 25 U.S.C. 1395 et seq.; and

26 (4) who:

27 (A) has at least fifteen (15) years of service credit as a
 28 participant in the retirement fund of which the employee is
 29 a member on or before the employee's retirement date; or

30 (B) completes at least ten (10) years of service credit as a
 31 participant in the retirement fund of which the employee is
 32 a member immediately before the employee's retirement.

33 (l) The president pro tempore of the senate and the speaker of the
 34 house of representatives may not elect to pay any part of the premium
 35 for insurance coverage under this chapter for a former member of the
 36 general assembly or the spouse of a former member of the general
 37 assembly whose last day of service as a member of the general
 38 assembly is after July 31, 2007.

39 (m) This subsection applies to a former member of the general
 40 assembly:

41 (1) whose last day of service as a member of the general
 42 assembly was before August 1, 2007;

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- 1 (2) who, upon ceasing the service described in subdivision (1),
 2 obtained group health insurance coverage as a retired employee
 3 under this chapter;
 4 (3) whose employer elected under subsection (f) to pay any part
 5 of the retired employee premium for the group health insurance
 6 coverage; and
 7 (4) who, after December 31, 2016, is elected to any public office
 8 through which the former member may obtain coverage under a
 9 policy or contract for basic health care services (as defined in
 10 IC 27-13-1-4).

11 The eligibility of the former member, and of any spouse, former
 12 spouse, or dependent of the former member, to continue the group
 13 health insurance coverage described in subdivision (2) ends, and an
 14 election described in subdivision (3) is void, on the date on which the
 15 former member takes office.

16 SECTION 2. IC 5-10.3-7-1, AS AMENDED BY P.L.92-2019,
 17 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2023]: Sec. 1. (a) This section does not apply to:

- 19 (1) members of the general assembly; or
 20 (2) employees covered by section 3 of this chapter.
 21 (b) As used in this section, "employees of the state" includes:
 22 (1) employees of the judicial circuits whose compensation is
 23 paid from state funds;
 24 (2) elected and appointed state officers;
 25 (3) ~~prosecuting attorneys and deputy prosecuting attorneys of the~~
 26 ~~judicial circuits, whose compensation is paid in whole or in part~~
 27 ~~from state funds, persons described in IC 33-39-7-8(a),~~
 28 including participants in the prosecuting attorneys **and public**
 29 **defenders** retirement fund established under IC 33-39-7;
 30 (4) employees in the classified service;
 31 (5) employees of any state department, institution, board,
 32 commission, office, agency, court, or division of state
 33 government receiving state appropriations and having the
 34 authority to certify payrolls from appropriations or from a trust
 35 fund held by the treasurer of state or by any department;
 36 (6) employees of any state agency that is a body politic and
 37 corporate;
 38 (7) except as provided under IC 5-10.5-7-4, employees of the
 39 board of trustees of the Indiana public retirement system;
 40 (8) persons who:
 41 (A) are employed by the state;
 42 (B) have been classified as federal employees by the United

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1 States Secretary of Agriculture; and
 2 (C) are excluded from coverage as federal employees by the
 3 federal Social Security program under 42 U.S.C. 410;
 4 (9) the directors and employees of county offices of family and
 5 children; and
 6 (10) members and employees of the state lottery commission.
 7 (c) An employee of the state or of a participating political
 8 subdivision who:
 9 (1) became a full-time employee of the state or of a participating
 10 political subdivision in a covered position; and
 11 (2) had not become a member of the fund;
 12 before April 1, 1988, shall on April 1, 1988, become a member of the
 13 fund unless the employee is excluded from membership under section
 14 2 of this chapter.
 15 (d) Except as otherwise provided, any individual who becomes a
 16 full-time employee of the state or of a participating political
 17 subdivision in a covered position after March 31, 1988, becomes a
 18 member of the fund on the date the individual's employment begins
 19 unless the individual is excluded from membership under section 2 of
 20 this chapter.
 21 (e) An individual:
 22 (1) who becomes a full-time employee of a political subdivision
 23 in a covered position after June 30, 2015;
 24 (2) who is employed by a political subdivision that has elected
 25 in an ordinance or resolution adopted under IC 5-10.3-6-1 and
 26 approved by the board to require an employee in the covered
 27 position to become a member of the fund; and
 28 (3) who is not excluded from membership under section 2 of this
 29 chapter;
 30 becomes a member of the fund on the date the individual's employment
 31 begins.
 32 (f) An individual:
 33 (1) who becomes a full-time employee of a political subdivision
 34 in a covered position after an ordinance or resolution described
 35 in subdivision (2) that is adopted by the political subdivision has
 36 been approved by the board;
 37 (2) who is employed by a political subdivision that has elected
 38 in an ordinance or resolution adopted under IC 5-10.3-6-1 and
 39 approved by the board:
 40 (A) to allow an employee in the covered position to become
 41 a member of the fund or a member of the public employees'
 42 defined contribution plan at the discretion of the employee;

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- 1 and
 2 (B) to require an employee in a covered position to make an
 3 election under IC 5-10.3-12-20.5 in order to become a
 4 member of the plan;
 5 (3) who does not make an election under IC 5-10.3-12-20.5 to
 6 become a member of the public employees' defined contribution
 7 plan; and
 8 (4) who is not excluded from membership under section 2 of this
 9 chapter;
 10 becomes a member of the fund on the date the individual's employment
 11 begins.
 12 (g) An individual:
 13 (1) who becomes a full-time employee of a political subdivision
 14 in a covered position after an ordinance or resolution described
 15 in subdivision (2) that is adopted by the political subdivision has
 16 been approved by the board;
 17 (2) who is employed by a political subdivision that has elected
 18 in an ordinance or resolution adopted under IC 5-10.3-6-1 and
 19 approved by the board:
 20 (A) to allow an employee in the covered position to become
 21 a member of the fund or the public employees' defined
 22 contribution plan at the discretion of the employee; and
 23 (B) to require an employee to make an election under
 24 section 1.1 of this chapter in order to become a member of
 25 the fund;
 26 (3) who does make an election under section 1.1 of this chapter
 27 to become a member of the fund; and
 28 (4) who is not excluded from membership under section 2 of this
 29 chapter;
 30 becomes a member of the fund on the date the individual's employment
 31 begins.
 32 SECTION 3. IC 5-10.3-7-2, AS AMENDED BY P.L.198-2016,
 33 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2023]: Sec. 2. The following employees may not be members
 35 of the fund:
 36 (1) Officials of a political subdivision elected by vote of the
 37 people, unless the governing body specifically provides for the
 38 participation of locally elected officials.
 39 (2) Employees occupying positions normally requiring
 40 performance of service of less than six hundred (600) hours
 41 during a year who:
 42 (A) were hired before July 1, 1982; or

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- 1 (B) are employed by a participating school corporation.
- 2 (3) Independent contractors or officers or employees paid wholly
- 3 on a fee basis.
- 4 (4) Employees who occupy positions that are covered by other
- 5 pension or retirement funds or plans, maintained in whole or in
- 6 part by appropriations by the state or a political subdivision,
- 7 except:
- 8 (A) the federal Social Security program; and
- 9 (B) the prosecuting attorneys **and public defenders**
- 10 retirement fund established by IC 33-39-7-9.
- 11 (5) Managers or employees of a license branch of the bureau of
- 12 motor vehicles commission, except those persons who may be
- 13 included as members under IC 9-14-10.
- 14 (6) Employees, except employees of a participating school
- 15 corporation, hired after June 30, 1982, occupying positions
- 16 normally requiring performance of service of less than one
- 17 thousand (1,000) hours during a year.
- 18 (7) Persons who:
- 19 (A) are employed by the state;
- 20 (B) have been classified as federal employees by the
- 21 Secretary of Agriculture of the United States; and
- 22 (C) are covered by the federal Social Security program as
- 23 federal employees under 42 U.S.C. 410.
- 24 SECTION 4. IC 5-10.5-2-2, AS AMENDED BY P.L.27-2019,
- 25 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JULY 1, 2023]: Sec. 2. The system consists of the following public
- 27 pension or retirement funds:
- 28 (1) The public employees' retirement fund established under
- 29 IC 5-10.2 and IC 5-10.3.
- 30 (2) The public employees' defined contribution plan established
- 31 under IC 5-10.3-12.
- 32 (3) The Indiana state teachers' retirement fund established under
- 33 IC 5-10.2 and IC 5-10.4.
- 34 (4) The teachers' defined contribution plan established under
- 35 IC 5-10.4-8.
- 36 (5) The Indiana judges' retirement fund established under
- 37 IC 33-38-6.
- 38 (6) The prosecuting attorneys **and public defenders** retirement
- 39 fund established under IC 33-39-7.
- 40 (7) The state excise police, gaming agent, gaming control officer,
- 41 and conservation enforcement officers' retirement fund
- 42 established under IC 5-10-5.5.

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- 1 (8) The 1977 police officers' and firefighters' pension and
- 2 disability fund established under IC 36-8-8.
- 3 (9) The legislators' retirement system established under IC 2-3-5.
- 4 (10) The pension relief fund established under IC 5-10.3-11.
- 5 (11) The special death benefit fund established under
- 6 IC 5-10-9.8.

7 SECTION 5. IC 33-39-7-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. This chapter applies
 9 only to:

- 10 (1) an individual who serves as a prosecuting attorney or chief
- 11 deputy prosecuting attorney on or after January 1, 1990; ~~and~~
- 12 (2) a participant employed in a position described in section
- 13 8(a)(2) or 8(a)(3) of this chapter who serves in the position after
- 14 June 30, 1995;
- 15 **(3) a participant employed in a position described in section**
- 16 **8(a)(4) of this chapter on or after January 1, 2012; and**
- 17 **(4) a participant employed in a position described in section**
- 18 **8(a)(5) through 8(a)(8) of this chapter who serves in the**
- 19 **position on or after January 1, 2014.**

20 SECTION 6. IC 33-39-7-3.3 IS ADDED TO THE INDIANA
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2023]: **Sec. 3.3. As used in this chapter,**
 23 **"chief deputy public defender" means the one (1) individual who**
 24 **is:**

- 25 (1) **appointed to assist the chief public defender in carrying**
- 26 **out the chief public defender's management activities; and**
- 27 (2) **paid a salary in accordance with standards adopted by**
- 28 **the commission.**

29 **The term does not include a person who engages in the private**
 30 **practice of law.**

31 SECTION 7. IC 33-39-7-3.5 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2023]: **Sec. 3.5. As used in this chapter,**
 34 **"chief public defender" means the chief executive officer of a**
 35 **county public defender agency who is:**

- 36 (1) **responsible for the overall management of the agency,**
- 37 **including daily administration, personnel, training, caseload**
- 38 **management, ethics, and quality control; and**
- 39 (2) **paid a salary in accordance with standards adopted by**
- 40 **the commission.**

41 **The term does not include a person who engages in the private**
 42 **practice of law.**

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1 SECTION 8. IC 33-39-7-3.7 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2023]: **Sec. 3.7. As used in this chapter,**
 4 **"commission" refers to the Indiana public defender commission**
 5 **established by IC 33-40-5-2.**

6 SECTION 9. IC 33-39-7-5 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. As used in this
 8 chapter, "fund" refers to the prosecuting attorneys **and public**
 9 **defenders** retirement fund established by this chapter.

10 SECTION 10. IC 33-39-7-7 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. As used in this
 12 chapter, "salary" means the salary paid to a participant by the state **and**
 13 **by a county or counties**, determined without regard to any salary
 14 reduction agreement established under Section 125 of the Internal
 15 Revenue Code. The term does not include ~~an amount paid to a~~
 16 ~~participant~~ **any additional salary provided** by a county or counties
 17 **under IC 36-2-5-14 or IC 36-3-6-3(c).**

18 SECTION 11. IC 33-39-7-8, AS AMENDED BY P.L.57-2014,
 19 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2023]: Sec. 8. (a) As used in this chapter, "services" means
 21 the sum of all periods in which a person is employed as:

- 22 (1) a prosecuting attorney or chief deputy prosecuting attorney;
- 23 (2) any other deputy prosecuting attorney who is:
 - 24 (A) appointed under IC 33-39-6-2; and
 - 25 (B) paid by the state from the state general fund; ~~or~~
- 26 (3) the executive director or the assistant executive director of
 27 the prosecuting attorneys council of Indiana;
- 28 **(4) a staff attorney of the prosecuting attorneys council of**
 29 **Indiana;**
- 30 **(5) the state public defender appointed under IC 33-40-1-1 or**
 31 **the second highest paid staff person employed by the state**
 32 **public defender;**
- 33 **(6) the executive director of the public defender council of**
 34 **Indiana or the second highest paid staff person employed by**
 35 **the public defender council of Indiana;**
- 36 **(7) the highest paid or the second highest paid staff person**
 37 **employed by the commission; or**
- 38 **(8) a chief public defender or chief deputy public defender.**

39 If an individual is elected or appointed to a position described in
 40 subdivisions (1) through (3) and serves one (1) or more terms or part
 41 of a term, then retires from office or otherwise separates from service,
 42 but at a later period or periods is appointed or elected and serves in a

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1 position described in subdivisions (1) through (3), the individual shall
 2 pay into the fund during all the periods that the individual serves in that
 3 position, except as otherwise provided in this chapter, whether the
 4 periods are connected or disconnected. **In addition, the term includes**
 5 **any period of service**, after December 31, 2013, **in the public**
 6 **employees' retirement fund (IC <=> 5-10.2 and IC 5-10.3) credited**
 7 **to a person described in subdivisions (5) through (8) while serving**
 8 **in a position described in subdivisions (5) through (8).**

9 (b) A senior prosecuting attorney appointed under IC 33-39-10-1
 10 is not required to pay into the fund during any period of service as a
 11 senior prosecuting attorney.

12 SECTION 12. IC 33-39-7-9 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. The prosecuting
 14 attorneys **and public defenders** retirement fund is established. The
 15 fund consists of the following:

- 16 (1) Each participant's contributions to the fund.
- 17 (2) All gifts, grants, devises, and bequests in money, property, or
 18 other form made to the fund.
- 19 (3) All interest on investments or on deposits of the funds.
- 20 (4) A contribution or payment to the fund made in a manner
 21 provided by the general assembly.

22 SECTION 13. IC 33-39-7-12, AS AMENDED BY P.L.160-2013,
 23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2023]: Sec. 12. (a) Except as otherwise provided in this
 25 section, each participant shall make contributions to the fund as
 26 follows:

- 27 (1) A participant described in section 8(a)(1) of this chapter shall
 28 make contributions of six percent (6%) of each payment of
 29 salary received for services after December 31, 1989.
- 30 (2) A participant described in section 8(a)(2) or 8(a)(3) of this
 31 chapter shall make contributions of six percent (6%) of each
 32 payment of salary received for services after June 30, 1994.
- 33 **(3) A participant described in section 8(a)(4) through 8(a)(8)**
 34 **of this chapter shall make contributions to the fund of six**
 35 **percent (6%) of each payment of salary received for services**
 36 **on or after July 1, 2023.**

37 (b) A participant's contributions shall be deducted from the
 38 participant's monthly salary **for the initial twenty-two (22) years** by
 39 the:

- 40 (1) auditor of state and credited to the fund; **or**
- 41 (2) **county auditor and transferred to the auditor of state to**
 42 **be credited to the fund;**

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whichever is applicable.

~~(b)~~ **(c)** The state **or county** may pay the contributions for a participant. The state **or county** may elect to pay the contribution for the participant as a pickup under Section 414(h) of the Internal Revenue Code.

~~(c)~~ **(d)** After a participant has contributed to the fund as provided in subsection (a) for twenty-two (22) years:

(1) the participant is not required to make additional contributions to the fund; **and**

(2) the state or county, whichever is applicable, shall pay the contributions to the fund for the participant.

~~(d)~~ **(e)** ~~After December 31, 2011,~~ The auditor of state shall submit the contributions paid by or on behalf of a participant under this section by electronic funds transfer in accordance with section 12.5 of this chapter.

SECTION 14. IC 33-39-7-12.5, AS ADDED BY P.L.13-2011, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 12.5. (a) This section applies to reports, records, and contributions submitted ~~after December 31, 2011,~~ under this chapter.

(b) As used in this section, "electronic funds transfer" has the meaning set forth in IC 4-8.1-2-7(f).

(c) The state **and a county auditor** shall submit through the use of electronic funds transfer contributions paid by or on behalf of a participant under section 12 of this chapter.

(d) The state **and a county auditor** shall submit in a uniform format through a secure connection over the Internet or through other electronic means specified by the board the reports and records required by the board under this chapter.

(e) The board shall establish by rule the due dates for all reports, records, and contributions required under this chapter.

SECTION 15. IC 33-39-7-16, AS AMENDED BY P.L.27-2019, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 16. (a) This section does not apply to a participant who becomes permanently disabled, as described in section 17 of this chapter.

(b) A participant who:

(1) applies for a retirement benefit; and

(2) is at least:

(A) sixty-five (65) years of age; or

(B) fifty-five (55) years of age and the participant's age in years plus the participant's years of service is at least

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1 eighty-five (85);
2 is entitled to an annual retirement benefit as calculated in subsection
3 (c).

4 (c) Except as provided in subsections (d), (e), and (f), the amount
5 of the annual retirement benefit to which a participant described in
6 subsection (b) is entitled equals the product of:

7 (1) the ~~highest annual~~ salary that was paid to the participant
8 before separation from service; multiplied by

9 (2) the percentage prescribed in the following table:

10 Participant's Years	Percentage
11 of Service	
12 Less than 8	0
13 8	24%
14 9	27%
15 10	30%
16 11	33%
17 12	50%
18 13	51%
19 14	52%
20 15	53%
21 16	54%
22 17	55%
23 18	56%
24 19	57%
25 20	58%
26 21	59%
27 22 or more	60%

28 **One percent (1%) shall be added to the percentage prescribed**
29 **under subdivision (2) for each year of service completed after**
30 **twenty-two (22) years by a participant who serves in a position**
31 **described in section 8(a) of this chapter after June 30, 2023.** If a
32 participant has a partial year of service in addition to at least eight (8)
33 full years of service, an additional percentage is calculated under this
34 subsection by prorating between the applicable percentages, based on
35 the number of months in the partial year of service.

36 (d) Except as provided in subsections (e) and (f), and section
37 19(c)(2)(B) of this chapter, a participant who:

38 (1) applies for a retirement benefit; and

39 (2) is not described in subsection (b);

40 is entitled to receive a reduced annual retirement benefit that equals the
41 benefit that would be payable if the participant were sixty-five (65)
42 years of age reduced by ~~one-fourth percent (0.25%)~~ **ten-hundredths**

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1 **percent (0.10%)** for each month that the participant's age at retirement
2 precedes the participant's sixty-fifth birthday.

3 (e) Except as provided in subsection (f), benefits payable to a
4 participant under this section are reduced by the pension, if any, that:
5 (1) the participant is receiving from the public employees'
6 retirement fund; ~~if the participant is receiving a pension from the~~
7 ~~public employees' retirement fund on the date of the participant's~~
8 ~~retirement from the prosecuting attorneys retirement fund;~~ or
9 (2) would be payable to the participant from the public employees'
10 retirement fund if the participant had retired from the public
11 employees' retirement fund on the date of the participant's
12 retirement from the prosecuting attorneys **and public defenders**
13 ~~retirement fund. if the participant is not receiving a pension from~~
14 ~~the public employees' retirement fund on the date of the~~
15 ~~participant's retirement from the prosecuting attorneys retirement~~
16 ~~fund.~~

17 Benefits payable to a participant under this section are not reduced by
18 annuity payments made to the participant from the public employees'
19 retirement fund or by postretirement increases to the pension, if any,
20 that the participant is receiving from the public employees' retirement
21 fund. A participant to whom subdivision (2) applies is entitled to a
22 recalculation of the benefits payable to the participant under this
23 section after the participant has begun receiving a pension from the
24 public employees' retirement fund based on the actual amount of the
25 pension that the participant is receiving from the public employees'
26 retirement fund.

27 (f) This subsection applies to a participant who is a member of the
28 public employees' defined contribution plan established by
29 IC 5-10.3-12-18. Benefits payable to a participant under this section are
30 reduced by the pension portion of the retirement benefit, if any, that
31 would be payable to the participant from the public employees'
32 retirement fund if the participant:
33 (1) had not made an election under IC 5-10.3-12-20 to become a
34 member of the public employees' defined contribution plan; and
35 (2) had retired from the public employees' retirement fund on the
36 date of the participant's retirement from the prosecuting attorneys
37 **and public defenders** retirement fund.

38 (g) ~~If benefits payable from the public employees' retirement fund~~
39 ~~exceed the benefits payable from the prosecuting attorneys retirement~~
40 ~~fund; the participant is entitled at retirement to withdraw from the~~
41 ~~prosecuting attorneys retirement fund the total sum contributed plus~~
42 ~~interest at a rate specified by rule by the board.~~

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1 SECTION 16. IC 33-39-7-18, AS AMENDED BY P.L.27-2019,
 2 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2023]: Sec. 18. (a) Except as provided in subsections (b) and
 4 (c), a participant who becomes permanently disabled, as described in
 5 section 17 of this chapter, is entitled to an annual benefit equal to the
 6 product of:

- 7 (1) the ~~annual~~ salary that was paid to the participant at the time of
 8 separation from service; multiplied by
- 9 (2) the percentage prescribed in the following table:

10 Participant's Years	Percentage
11 of Service	
12 0-12	50%
13 13	51%
14 14	52%
15 15	53%
16 16	54%
17 17	55%
18 18	56%
19 19	57%
20 20	58%
21 21	59%
22 22 or more	60%

23 **One percent (1%) shall be added to the percentage prescribed**
 24 **under subdivision (2) for each year of service completed after**
 25 **twenty-two (22) years by a participant who serves in a position**
 26 **described in section 8(a) of this chapter after June 30, 2023.** If a
 27 participant has a partial year of service in addition to at least ~~ten (10)~~
 28 **eight (8)** years of service, an additional percentage is calculated under
 29 this subsection by prorating between the applicable percentages, based
 30 on the number of months in the partial year of service.

31 (b) Except as provided in subsection (c), benefits payable to a
 32 participant under this section are reduced by the amounts, if any, that
 33 are payable to the participant from the public employees' retirement
 34 fund **for time served in a position described in section 8(a) of this**
 35 **chapter.**

36 (c) This subsection applies to a participant who is a member of the
 37 public employees' defined contribution plan established by
 38 IC 5-10.3-12-18. Benefits payable to a participant under this section are
 39 reduced by the pension portion of the retirement benefit, if any, that
 40 would be payable to the participant from the public employees'
 41 retirement fund if the participant had not made an election under
 42 IC 5-10.3-12-20 to become a member of the public employees' defined

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1 contribution plan.
 2 SECTION 17. IC 33-39-7-27 IS ADDED TO THE INDIANA
 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
 4 [EFFECTIVE JULY 1, 2023]: **Sec. 27. (a) This section applies to a**
 5 **person who:**
 6 (1) is serving in a position described in section 8(a) of this
 7 chapter;
 8 (2) was a member of the public employees' retirement fund
 9 while employed in a position not described in section 8(a) of
 10 this chapter; and
 11 (3) received more than one (1) year and less than ten (10)
 12 years of service credit in the public employees' retirement
 13 fund for the employment described in subdivision (2).
 14 (b) This section does not apply to a person who has received at
 15 least ten (10) years of service credit in the public employees'
 16 retirement fund.
 17 (c) If a person becomes a participant in the prosecuting
 18 attorneys and public defenders retirement fund, credit for service
 19 by the participant in a position not described in section 8(a) of this
 20 chapter shall be granted under this chapter by the board if:
 21 (1) the service was credited under the public employees'
 22 retirement fund;
 23 (2) the state or county, whichever is applicable, contributes to
 24 the prosecuting attorneys and public defenders retirement
 25 fund the amount the board determines necessary to amortize
 26 the service liability over a period determined by the board,
 27 but not more than nine (9) years; and
 28 (3) the participant pays in a lump sum or in a series of
 29 payments determined by the board, not exceeding five (5)
 30 annual payments, the amount the participant would have
 31 contributed if the participant had been a member of the
 32 prosecuting attorneys and public defenders retirement fund
 33 during the service.
 34 (d) If the requirements of subsection (c)(2) and (c)(3) are not
 35 satisfied, a participant is entitled to credit only for years of service
 36 earned as a participant in the prosecuting attorneys and public
 37 defenders retirement fund.
 38 (e) An amortization schedule for contributions paid under
 39 subsection (c)(2) or (c)(3) must include interest at a rate
 40 determined by the board.
 41 (f) The following provisions apply to a person described in
 42 subsection (a):

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1 (1) If the requirements of subsection (c)(2) and (c)(3) are
 2 satisfied, the board shall transfer from the public employees'
 3 retirement fund to the prosecuting attorneys and public
 4 defenders retirement fund the amount credited to the annuity
 5 savings account and the present value of the retirement
 6 benefit payable at sixty-five (65) years of age or at least
 7 fifty-five (55) years of age under section 16(b)(2) of this
 8 chapter that is attributable to the transferring participant.

9 (2) The amount the state or county, whichever is applicable,
 10 and the participant must contribute to the prosecuting
 11 attorneys and public defenders retirement fund under
 12 subsection (c) shall be reduced by the amount transferred to
 13 the prosecuting attorneys and public defenders retirement
 14 fund by the board under subdivision (1).

15 (3) If the requirements of subsection (c)(2) and (c)(3) are
 16 satisfied, credit for service in the public employees' retirement
 17 fund as a participant in a position not described in section 8(a)
 18 of this chapter is waived. Any credit for the service under the
 19 prosecuting attorneys and public defenders retirement fund
 20 may be granted only under subsection (c).

21 (g) To the extent permitted by the Internal Revenue Code and
 22 the applicable regulations, the prosecuting attorneys and public
 23 defenders retirement fund may accept, on behalf of a participant
 24 who is purchasing permissive service credit under subsection (c),
 25 a rollover of a distribution from any of the following:

26 (1) A qualified plan described in Section 401(a) or Section
 27 403(a) of the Internal Revenue Code.

28 (2) An annuity contract or account described in Section 403(b)
 29 of the Internal Revenue Code.

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

34 (4) An individual retirement account or annuity described in
 35 Section 408(a) or Section 408(b) of the Internal Revenue
 36 Code.

37 (h) To the extent permitted by the Internal Revenue Code and
 38 the applicable regulations, the prosecuting attorneys and public
 39 defenders retirement fund may accept, on behalf of a participant
 40 who is purchasing permissive service credit under subsection (c),
 41 a trustee to trustee transfer from any of the following:

42 (1) An annuity contract or account described in Section 403(b)

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1 of the Internal Revenue Code.
2 (2) An eligible deferred compensation plan under Section
3 457(b) of the Internal Revenue Code.

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