



COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 10, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 3, line 5, delete "(j)".
- 2 Page 3, line 5, strike "The state is obligated at any particular time
- 3 only for the".
- 4 Page 3, strike lines 6 through 7.
- 5 Page 3, line 8, delete "(k)" and insert "(j)".
- 6 Page 3, line 31, after "Sec. 7.6." insert "**For participants who are**
- 7 **subject to IC 5-10-8.5-9.7(b), the state comptroller shall transfer**
- 8 **from the state general fund a one (1) time contribution of funds to**
- 9 **each participant's defined contribution plan account under**
- 10 **IC 5-10-1.1-1.5(a) based on the contributions the member would**
- 11 **have received according to IC 5-10-8.5-15 based on each member's**
- 12 **age and years of service."**
- 13 Page 3, line 33, delete "the transfer of amounts under
- 14 IC 5-10-8.5-9.7(b)(4)." and insert "**this contribution."**
- 15 Page 3, delete lines 34 through 42.
- 16 Page 4, delete lines 1 through 27, begin a new paragraph and insert:
- 17 "SECTION 4. IC 5-10-8-8.5, AS AMENDED BY P.L.201-2023,
- 18 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 19 UPON PASSAGE]: Sec. 8.5. (a) The ~~retiree health benefit trust fund~~
- 20 **is following are** established to provide funding for a retiree health

benefit plan developed under IC 5-10-8.5, **including to provide continued funding for a retiree health benefit plan for individuals described in IC 5-10-8.5-9.7(a) and the individuals who elect to continue in the retiree health benefit trust fund pursuant to IC 5-10-8.5-9.7(c):**

(1) Before January 1, 2027, the retiree health benefit trust fund.

(2) After December 31, 2026, the 2027 retiree health benefit trust fund.

The trust fund described in subdivision (1) will be terminated upon the completion of the action required under IC 5-10-8.5-9.7.

(b) The trust ~~fund~~ **funds** shall be administered by the INPRS. The expenses of administering the trust ~~fund~~ **funds** shall be paid from money in the trust ~~fund~~ **funds**. **Subject to section 8.6 of this chapter,** the trust ~~fund~~ **consists funds consist** of cigarette tax revenues deposited in the ~~fund~~ **funds** under ~~IC 6-7-1-28.1(6)~~ **IC 6-7-1-28.1(6)(A)** and other appropriations, revenues, or transfers to the trust ~~fund~~ **funds** under IC 4-12-1.

(c) The INPRS shall invest the money in the trust ~~fund~~ **funds** not currently needed to meet the obligations of the trust ~~fund~~ **funds** in the same manner and with the same limitations described in IC 5-10.5-4-1 and IC 5-10.5-5-1.

(d) The trust ~~fund~~ **is funds are** considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the trust ~~fund~~ **funds** by the state board of finance, the budget agency, or any other state agency, **except as provided under IC 5-10-8.5-9.7.**

(e) The trust ~~fund~~ **funds** shall be established and administered in a manner that complies with Internal Revenue Code requirements concerning health reimbursement arrangement (HRA) trusts. Contributions by the state to the trust ~~fund~~ **funds** are irrevocable. All assets held in the trust ~~fund~~ **funds** must be held for the exclusive benefit of participants of the retiree health benefit plan developed under IC 5-10-8.5 and their beneficiaries. **Subject to IC 5-10-8.5-9.7,** all assets in the trust ~~fund~~ **funds:**

(1) are dedicated exclusively to providing benefits to participants of the plan and their beneficiaries according to the terms of the plan; and

(2) are exempt from levy, sale, garnishment, attachment, or other legal process.

(f) Money in the trust ~~fund~~ **funds** does not revert to the state general fund at the end of any state fiscal year.

(g) The money in the trust ~~fund funds~~ is appropriated to the INPRS for providing the retiree health benefit plan developed under IC 5-10-8.5.

(h) The budget agency may transfer appropriations from federal or dedicated funds to the ~~retiree health benefit trust fund~~. **trust funds.**".

Page 4, line 32, after "fund" insert "**or the 2027 retiree health benefit trust fund**".

Page 5, line 8, delete "fund." and insert "**fund or the 2027 retiree health benefit trust fund.**".

Page 6, line 4, delete "who received" and insert "**who is eligible to receive**".

Page 6, line 22, delete "subdivision (2)." and insert "**subdivision (2) in accordance with the amounts a member would have received under section 15 of this chapter based on each member's age and years of service.**".

Page 6, delete lines 23 through 26, begin a new paragraph and insert:

"(c) Subsection (b) does not apply to a participant who makes a one (1) time irrevocable election to become a participant in a successor retirement medical benefits account. An election under this subsection must be made to the INPRS:".

Page 6, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 8. IC 5-10-8.5-15, AS AMENDED BY P.L.92-2021, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as provided in subsections (c), (d), and (e), a participant's employer shall make contributions annually to the account on behalf of the participant sufficient to provide the benefit described in section 17 of this chapter. For a participant meeting the eligibility rules set forth in section 17 of this chapter, the amount credited to the participant's subaccount balance shall be the sum of annual contributions and earnings for each year of service. The amount of the contribution each fiscal year must equal or exceed the following, based on the participant's age on the last day of the calendar year that is in the fiscal year in which the contribution is made:

Participant's Age in Years	Annual Contribution
	Amount
Less than 30	\$ 500
At least 30, but less than 40	\$ 800
At least 40, but less than 50	\$ 1,100
At least 50	\$ 1,400

(b) The INPRS shall determine by rule the date on which the contributions are credited to participants' subaccounts.

(c) A contribution under this section shall not be made after June 30, 2011, to any of the following participants:

(1) A conservation officer of the department of natural resources.

(2) An employee of the state excise police.

(3) An employee of the state police department, other than the following:

(A) An employee of the state police department who waived coverage under a common and unified plan of self-insurance under IC 5-10-8-6 before July 1, 2011.

(B) An employee of the state police department who makes an election under IC 5-10-8.5-9.5.

(C) An employee of the state police department who makes an election under IC 5-10-8.5-9.6.

(d) For individuals who are employed on June 30, 2011, the accrued annual contributions made in accordance with subsection (a) to an account described in section 14 of this chapter on behalf of the individuals for any years the individuals were employed as described in section 1(b)(1) through 1(b)(3) of this chapter shall be transferred to the respective plans described in IC 5-10-8-6(a) for those individuals and shall be used only to reduce the unfunded other post-employment benefit (OPEB) liability of those plans and not to increase benefits or reduce premiums.

(e) A contribution under this section shall not be made after June 30, 2017, to a participant who on June 30, 2017:

(1) is eligible for a normal, unreduced retirement benefit from the public employee retirement fund of which the participant is a member; and

(2) has completed:

(A) fifteen (15) years of service with the participant's employer; or

(B) ten (10) years of service as an elected or appointed officer.

(f) Each year, the INPRS shall:

(1) report the assets and liabilities of the retiree health benefit trust fund **or the 2027 retiree health benefit trust fund**; and

(2) based on the assets and liabilities of the retiree health benefit trust fund **or the 2027 retiree health benefit trust fund**, recommend an employer contribution amount to fund the participants' benefits described in section 17 of this chapter."

- 1 Page 7, line 25, after "fund" insert "**or the 2027 retiree health**
- 2 **benefit trust fund**".
- 3 Renumber all SECTIONS consecutively.
 (Reference is to SB 10 as introduced.)

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

Committee Vote: Yeas 10, Nays 0.

Senator Rogers, Chairperson