

Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1109

AN ACT to amend the Indiana Code concerning pensions.

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

SECTION 1. IC 2-3.5-5-3, AS AMENDED BY P.L.35-2012, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) The board shall establish alternative investment programs within the fund, based on the following requirements:

- (1) The board shall maintain at least one (1) alternative investment program that is an indexed stock fund, one (1) alternative investment program that is a bond fund, and one (1) alternative investment program that is a stable value fund. The board may maintain one (1) or more alternative investment programs that:
 - (A) invest in one (1) or more commingled or pooled funds that consist in part or entirely of mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6; or
 - (B) otherwise invest in mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6.
- (2) The programs should represent a variety of investment objectives.
- (3) The programs may not permit a **member participant** to withdraw money from the **member's participant's** account, except as provided in section 6 of this chapter.
- (4) All administrative costs of each alternative program shall be

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paid from the earnings on that program.

(5) A valuation of each **member's participant's** account must be completed as of:

(A) the last day of each quarter; or

(B) a time that the board may specify by rule.

(b) A **member participant** shall direct the allocation of the amount credited to the **member participant** among the available alternative investment funds, subject to the following conditions:

(1) A **member participant** may make a selection or change an existing selection under rules established by the board. The board shall allow a **member participant** to make a selection or change any existing selection at least once each quarter.

(2) The board shall implement the **member's participant's** selection beginning on the first day of the next calendar quarter that begins at least thirty (30) days after the selection is received by the board or on an alternate date established by the rules of the board. This date is the effective date of the **member's participant's** selection.

(3) A **member participant** may select any combination of the available investment funds, in ten percent (10%) increments or smaller increments that may be established by the rules of the board.

(4) A **member's participant's** selection remains in effect until a new selection is made.

(5) On the effective date of a **member's participant's** selection, the board shall reallocate the **member's participant's** existing balance or balances in accordance with the **member's participant's** direction, based on the market value on the effective date.

(6) If a **member participant** does not make an investment selection of the alternative investment programs, the **member's participant's** account shall be invested in ~~the board's general investment fund~~: **a target date fund as determined by the rules of the board.**

(7) All contributions to the **member's participant's** account shall be allocated as of the last day of the quarter in which the contributions are received or at an alternate time established by the rules of the board in accordance with the **member's participant's** most recent effective direction. The board shall not reallocate the **member's participant's** account at any other time.

(c) When a **member participant** transfers the amount credited to the **member participant** from one (1) alternative investment program to



another alternative investment program, the amount credited to the **member participant** shall be valued at the market value of the **member's participant's** investment, as of the day before the effective date of the **member's participant's** selection or at an alternate time established by the rules of the board. When a **member participant** retires, becomes disabled, dies, or withdraws from the fund, the amount credited to the **member participant** shall be the market value of the **member's participant's** investment as of the last day of the quarter preceding the **member's participant's** distribution or annuitization at retirement, disability, death, or withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

(d) The board shall determine the value of each alternative program in the defined contribution fund, as of the last day of each calendar quarter, as follows:

- (1) The market value shall exclude the employer contributions and employee contributions received during the quarter ending on the current allocation date.
- (2) The market value as of the immediately preceding quarter end date shall include the employer contributions and employee contributions received during that preceding quarter.
- (3) The market value as of the immediately preceding quarter end date shall exclude benefits paid from the fund during the quarter ending on the current quarter end date.

SECTION 2. IC 2-3.5-5-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 3.5. (a) After June 30, 2018, a participant may not make contributions to the board's general investment fund.**

(b) For those participants who, as of December 31, 2018, have designated the board's general investment fund as the investment program to receive all or part of the contributions to the participant's account, the board shall designate as a substitute one (1) or more alternative investment programs that are to receive those contributions after December 31, 2018. The designation by the board of an alternative investment program to receive a participant's contributions under this subsection remains in effect until the participant makes another allowable designation.

(c) After December 31, 2018, if a participant has allocated all or part of the amount credited to the participant to the board's general investment fund, the board shall exchange the amount allocated to the board's general investment fund by the participant for an equivalent market value allocation to a target date fund



determined by the rules of the board.

SECTION 3. IC 5-10-5.5-23, AS ADDED BY P.L.41-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 23. (a) Notwithstanding any other provision of this chapter, a participant, survivor, or beneficiary receiving a monthly benefit under this chapter may, after June 30, 2017, authorize the board to make a deduction from the monthly benefit.

(b) An authorization for a deduction from a monthly benefit paid under this chapter is valid only if all of the following requirements are met:

- (1) The authorization is:
 - (A) in writing;
 - (B) signed personally by the individual receiving the monthly benefit;
 - (C) revocable at any time by the individual receiving the monthly benefit upon written notice to the board; and
 - (D) agreed to in writing by the board.
- (2) An executed copy of the authorization is delivered to the board not later than ten (10) days after its execution.
- (3) The deduction is made for a purpose described in subsection (c).

(c) A deduction under this section may be made for the purpose of paying any of the following:

- (1) A premium on a policy of insurance for life, medical, surgical, hospitalization, dental, vision, long term care, or Medicare supplement coverage offered to retired participants by the participant's former employer, the state, or the board.
- ~~(2) A pledge or contribution to a charitable or nonprofit organization.~~
- ~~(3)~~ (2) Dues payable by the individual receiving the benefit to a labor organization of which the individual is a member.

SECTION 4. IC 5-10-10-4.5, AS AMENDED BY P.L.2-2007, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4.5. (a) As used in this section, "eligible officer" means a police officer or firefighter whose employer purchases coverage under this section.

(b) As used in this section, "employer" means:

- (1) with respect to a police officer:
 - (A) a postsecondary educational institution, other than a state educational institution, that appoints a police officer under IC 21-17-5; or
 - (B) an operator that employs the police officer under



IC 8-22-3-34(b); or

(2) with respect to a firefighter:

(A) a postsecondary educational institution, other than a state educational institution, located in Indiana that:

- (i) maintains a fire department;
- (ii) employs firefighters for the fire department; and
- (iii) is accredited by the North Central Association; or

(B) an operator that enters into an operating agreement under IC 5-23 for the operation of a public use airport that:

- (i) maintains a fire department; and
- (ii) employs firefighters for the fire department.

(c) If an employer purchases coverage for an eligible officer, the eligible officer is eligible for a special death benefit from the fund in the same manner that any other public safety officer is eligible for a special death benefit from the fund. The cost of the coverage shall be one hundred dollars (\$100) for each eligible officer annually. The cost of the coverage shall be paid to the board for deposit in the fund.

(d) If an employer elects to provide coverage under this section, the employer must purchase coverage for all eligible officers of the employer. ~~The board shall allow~~ An employer **that elects** to purchase coverage **under this section must purchase coverage** by making ~~quarterly annual~~ **quarterly annual** payments ~~on dates as~~ **on dates as** prescribed by the board.

SECTION 5. IC 5-10-10-4.9, AS ADDED BY P.L.100-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4.9. (a) As used in this section, "eligible emergency medical services provider" means an emergency medical services provider whose employer purchases coverage under this section.

(b) As used in this section, "emergency medical services provider" has the meaning set forth in IC 16-41-10-1.

(c) As used in this section, "employer" means a health care system affiliated with a state educational institution that:

- (1) maintains an air ambulance services provider; and
- (2) employs emergency medical services providers for the air ambulance services provider.

(d) If an employer purchases coverage for an eligible emergency medical services provider, the eligible emergency medical services provider is eligible for a special death benefit from the fund in the same manner that any other public safety officer is eligible for a special death benefit from the fund. The cost of the coverage must be one hundred dollars (\$100) for each eligible emergency medical services provider annually. The cost of the coverage shall be paid to the board



for deposit into the fund.

(e) If an employer elects to provide coverage under this section, the employer must purchase coverage for all eligible emergency medical services providers of the employer. ~~The board shall allow~~ An employer **that elects to purchase coverage under this section must purchase coverage** by making ~~quarterly annual~~ **quarterly annual** payments ~~on dates as~~ prescribed by the board.

SECTION 6. IC 5-10.2-3-5, AS AMENDED BY P.L.193-2016, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5. (a) A member ~~who is not eligible for retirement or disability retirement~~ may suspend the member's membership ~~in the applicable fund~~ if the member terminates employment **and is not currently employed in a covered position with the applicable fund.**

(b) After five (5) continuous years in which the member performs no service, the member's membership shall be automatically suspended by the board unless the member has vested status.

(c) ~~On resuming service the~~ A member ~~may claim as~~ **retains the member's** creditable service ~~for~~ the period of employment before the suspension of membership, but only to the extent that the same period of employment is not being used by another governmental plan for purposes of the member's benefit in the other governmental plan.

SECTION 7. IC 5-10.2-3-6.5, AS AMENDED BY P.L.40-2017, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 6.5. (a) **After June 30, 2018**, a member who meets all of the following requirements may elect to withdraw all or part of the amount in the member's annuity savings account:

~~(1) The member has attained vested status in the fund.~~

~~(2)~~ **(1)** The member has terminated employment with the applicable fund and is not currently employed in a covered position for the applicable fund.

~~(3)~~ **(2)** The member has not performed any service in a position covered by the **applicable fund or for the same employer** for at least thirty (30) days after the date the member terminates employment.

~~(4)~~ **(3)** The member makes the election described in this subsection:

(A) after December 31, 2008, if the member is a member of the public employees' retirement fund; or

(B) after June 30, 2009, if the member is a member of the Indiana state teachers' retirement fund.

~~(5)~~ **(4)** Except as provided in subsection (b), the member is not eligible for:



(A) before July 1, 2011, a reduced or unreduced retirement; or
 (B) after June 30, 2011, an unreduced retirement;
 under IC 5-10.2-4 on the date the fund receives notice of the election described in this subsection.

(b) The requirement described in subsection ~~(a)(5)~~ **(a)(4)** does not apply to a member of the public employees' retirement fund who:

- (1) was eligible for a reduced or unreduced retirement; and
- (2) received a distribution under this section;

after December 31, 2008, and before June 30, 2010.

(c) A member who elects to withdraw all or part of the amount in the member's annuity savings account under subsection (a) shall provide notice of the election on a form provided by the board.

(d) The election to withdraw all or part of the amount in the member's annuity savings account is irrevocable.

(e) The board shall pay an amount withdrawn from the member's annuity savings account under this section as a lump sum.

(f) Except as provided in subsection (g), a member who makes a withdrawal under this section is entitled to receive, when the member becomes eligible to receive and applies for a retirement benefit under IC 5-10.2-4, a retirement benefit equal to the pension provided by employer contributions computed under IC 5-10.2-4.

(g) A member who:

- (1) transfers creditable service earned under the fund to another governmental retirement plan under section 1(i) of this chapter; and
- (2) withdraws the member's annuity savings account under this section to purchase the service;

may not use the transferred service in the computation of a retirement benefit payable under subsection (f).

SECTION 8. IC 5-10.2-3-10, AS AMENDED BY P.L.193-2016, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 10. (a) To the extent permitted by the Internal Revenue Code and the applicable regulations, the fund may accept, on behalf of any ~~active~~ member, a rollover distribution from any of the following:

- (1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.
- (2) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.
- (3) An eligible plan maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal



Revenue Code.

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

(b) Any amounts rolled over under subsection (a) must be accounted for in a "rollover account" that is separate from the member's annuity savings account.

(c) A member may direct the investment of the member's rollover account into the stable value fund or any alternative investment option that the board may make available to the member's rollover account under IC 5-10.2-2-3.

(d) A member may withdraw the member's rollover account from the fund in a lump sum at any time before retirement. At retirement, the member may withdraw the member's rollover account in accordance with the retirement options that are available for the member's annuity savings account, including the deferral of a withdrawal.

SECTION 9. IC 5-10.3-6-1, AS AMENDED BY P.L.241-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. (a) The governing body of a political subdivision may adopt an ordinance or resolution specifying a departmental, occupational, or other definable classification of employees:

- (1) who are required to become members of the fund;
- (2) who are required to become members of the plan; or
- (3) who may each elect whether to become members of the fund or members of the plan.

An ordinance or resolution adopted by the governing body of a political subdivision under this subsection that specifies the departmental, occupational, or other definable classification of employees who are required under subdivision (2) to become members of the plan or who may under subdivision (3) elect whether to become members of the fund or plan may not take effect before January 2, 2016. A political subdivision may become a participant in the fund or the plan, or both, as applicable, if the ordinance or resolution is filed with and approved by the board.

(b) An ordinance or resolution adopted under subsection (a) that includes a provision described under subsection (a)(3) may also include one (1) of the following provisions:

- (1) If an employee who may elect whether to become a member of the fund or a member of the plan does not make an election under IC 5-10.3-7-1.1, the employee becomes a member of the plan.
- (2) If an employee who may elect whether to become a member



of the fund or a member of the plan does not make an election under IC 5-10.3-12-20.5, the employee becomes a member of the fund.

If an ordinance or resolution adopted under subsection (a) that includes a provision described under subsection (a)(3) does not include either of the provisions described in subdivision (1) or (2), subdivision (2) applies to the departmental, occupational, or other definable classification of employees that may elect to become members of the fund or members of the plan.

(c) If an ordinance or resolution adopted under subsection (a) includes a provision described under subsection (a)(2) or (a)(3), or both, the ordinance or resolution must include a specification of the political subdivision's contribution rate to the plan as a percentage of each member's compensation. Each year, the political subdivision's contribution rate specified under this subsection must be greater than or equal to zero percent (0%) and may not exceed the percentage that would produce the normal cost for participation in the fund under IC 5-10.2-2-11, if the political subdivision were a participant in the fund. If a provision specifying the political subdivision's contribution rate is not included in the ordinance or resolution, the political subdivision's contribution rate to the plan is zero percent (0%).

(d) If an ordinance or resolution adopted under subsection (a) includes a provision described under subsection (a)(2) or (a)(3), or both, the ordinance or resolution must include a specification of the political subdivision's matching rate that is the percentage of each member's additional contributions to the plan that the political subdivision will match. A political subdivision may specify only:

- (1) zero percent (0%); or
- (2) fifty percent (50%).

If a provision specifying the political subdivision's matching rate is not included in the ordinance or resolution, the political subdivision's matching rate for the plan is zero percent (0%).

(e) A governing body may include in its ordinance or resolution adopted under subsection (a) a determination of the date from which prior service for its employees will be computed. Creditable service for these employees is determined under IC 5-10.3-7-7.5.

(f) The effective date of participation is ~~the earlier of January 1 or July 1~~ **a date approved by the board, either a date suggested by the political subdivision or a date selected by the board, but the date may not be later than sixty (60) days** after the date of approval. However, no retirement benefit may be paid until six (6) months after the effective date of participation.



SECTION 10. IC 5-10.3-12-29, AS ADDED BY P.L.22-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 29. (a) To the extent permitted by the Internal Revenue Code and the applicable regulations and guidance, the plan may accept, on behalf of any member, ~~who is employed in a covered position~~, a rollover distribution from any of the following:

- (1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.
- (2) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.
- (3) An eligible plan maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal Revenue Code.
- (4) An individual retirement account or annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code.

(b) Any amounts rolled over under subsection (a) must be accounted for in a "rollover account" that is separate from the member's account in the plan. The member shall be fully vested in the member's rollover account.

(c) A member may direct the investment of the member's rollover account into any alternative investment option that the board may make available to the member's rollover account under section 22 of this chapter.

(d) A member may withdraw the member's rollover account from the plan in a lump sum or direct a rollover to an eligible retirement plan at any time. Upon attainment of normal retirement age, in addition to these payment options, the member may withdraw the member's rollover account as a monthly annuity as established by the board in accordance with the annuity options that are available for the member's account in the plan. A member must make a required withdrawal from the member's account in the plan not later than the required beginning date under the Internal Revenue Code.

SECTION 11. IC 5-10.4-8-15, AS ADDED BY P.L.217-2017, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 15. (a) To the extent permitted by the Internal Revenue Code and the applicable regulations and guidance, the plan may accept, on behalf of any member, ~~who is employed in a covered position~~, a rollover distribution from any of the following:

- (1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.
- (2) An annuity contract or account described in Section 403(b) of



the Internal Revenue Code.

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

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

(b) Any amounts rolled over under subsection (a) must be accounted for in a rollover account that is separate from the member's account in the plan. The member is fully vested in the member's rollover account.

(c) A member may direct the investment of the member's rollover account into any alternative investment option that the board may make available to the member's rollover account under section 8 of this chapter.

(d) A member may withdraw the member's rollover account from the plan in a lump sum or direct a rollover to an eligible retirement plan at any time. Upon attainment of normal retirement age, in addition to these payment options, the member may withdraw the member's rollover account as a monthly annuity as established by the board in accordance with the annuity options that are available for the member's account in the plan. A member shall make a required withdrawal from the member's account in the plan not later than the required beginning date under the Internal Revenue Code.

SECTION 12. IC 36-8-8-13.1, AS AMENDED BY P.L.35-2012, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 13.1. (a) If:

(1) the local board has determined under this chapter that a covered impairment exists and the safety board has determined that there is no suitable and available work within the department, considering reasonable accommodation to the extent required by the Americans with Disabilities Act; or

(2) the fund member has filed an appeal under section 12.7(o) of this chapter;

the local board shall submit the local board's determinations and the safety board's determinations to the system board's director.

(b) Whenever a fund member is determined to have an impairment under section 12.7(i) of this chapter, the system board's director shall initiate a review of the default award not later than sixty (60) days after the director learns of the default award.

(c) After the system board's director receives the determinations under subsection (a) or initiates a review under subsection (b), the fund member must submit to an examination by a medical authority selected



by the system board. The authority shall determine if there is a covered impairment. With respect to a fund member who is covered by sections 12.5 and 13.5 of this chapter, the authority shall determine the degree of impairment. The system board shall adopt rules to establish impairment standards, such as the impairment standards contained in the United States Department of Veterans Affairs Schedule for Rating Disabilities. The report of the examination shall be submitted to the system board's director. If a fund member refuses to submit to an examination, the authority may find that no impairment exists.

(d) The system board's director shall review the medical authority's report and the local board's determinations and issue an initial determination within sixty (60) days after receipt of the local board's determinations. The system board's director shall notify the local board, the safety board, and the fund member of the initial determination. The following provisions apply if the system board's director does not issue an initial determination within sixty (60) days and if the delay is not attributable to the fund member or the safety board:

- (1) In the case of a review initiated under subsection (a)(1):
 - (A) the determinations of the local board and the chief of the police or fire department are considered to be the initial determination; and
 - (B) for purposes of section 13.5(d) of this chapter, the fund member is considered to be totally impaired.
- (2) In the case of an appeal submitted under subsection (a)(2), the statements made by the fund member under section 12.7(o) of this chapter are considered to be the initial determination.
- (3) In the case of a review initiated under subsection (b), the initial determination is the impairment determined under section 12.7(i) of this chapter.

(e) The fund member, the safety board, or the local board may object in writing to the director's initial determination within fifteen (15) days after the determination is issued. If no written objection is filed, the initial determination becomes the final order of the system board. If a timely written objection is filed, the system board shall issue the final order after a hearing. Unless an administrative law judge orders a waiver or an extension of the period for cause shown, the final order shall be issued not later than one hundred eighty (180) days after the date of receipt of the local board's determination or the date the system board's director initiates a review under subsection (b). The following provisions apply if a final order is not issued within the time limit described in this subsection and if the delay is not attributable to the fund member or the chief of the police or fire department:



- (1) In the case of a review initiated under subsection (a)(1):
 - (A) the determinations of the local board and the chief of the police or fire department are considered to be the final order; and
 - (B) for purposes of section ~~13.5(d)~~ **13.5(f)** of this chapter, the fund member is considered to be totally impaired.
- (2) In the case of an appeal submitted under subsection (a)(2), the statements made by the fund member under section 12.7(o) of this chapter are considered to be the final order.
- (3) In the case of a review initiated under subsection (b), the impairment determined under section 12.7(i) of this chapter is considered to be the final order.

(f) If the system board approves the director's initial determination, then the system board shall issue a final order adopting the initial determination. The local board and the chief of the police or fire department shall comply with the initial determination. If the system board does not approve the initial determination, the system board may receive additional evidence on the matter before issuing a final order.

(g) Appeals of the system board's final order may be made under IC 4-21.5.

(h) The transcripts, records, reports, and other materials compiled under this section must be retained in accordance with the procedures specified in section 12.7(p) of this chapter.

SECTION 13. IC 36-8-8-17.2, AS AMENDED BY P.L.35-2012, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 17.2. (a) Notwithstanding any other provision of this chapter, a person receiving a disability, retirement, or survivor monthly benefit under this chapter may, after June 30, 2004, authorize the system board to make a deduction from the benefit.

(b) An authorization for a deduction from a disability, retirement, or survivor monthly benefit paid under this chapter is valid only if all the following requirements are met:

- (1) The authorization is:
 - (A) in writing;
 - (B) signed personally by the person receiving the benefit;
 - (C) revocable at any time by the person receiving the benefit upon written notice to the system board; and
 - (D) agreed to in writing by the system board.
- (2) An executed copy of the authorization is delivered to the system board within ten (10) days after its execution.
- (3) The deduction is made for a purpose described in subsection (c).



(c) A deduction under this section may be made for the purpose of paying any of the following:

(1) A premium on a policy of insurance for medical, surgical, hospitalization, dental, vision, long term care, or Medicare supplement coverage offered to retired fund members by the fund member's former employer, the state, or the system board.

~~(2) A pledge or contribution to a charitable or nonprofit organization.~~

~~(3)~~ **(2)** Dues payable by the person receiving the benefit to a labor organization of which the person is a member.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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