

IC 5-10.2-3

Chapter 3. Creditable Service; Contributions; Withdrawals; Death Settlements

IC 5-10.2-3-1

Creditable service

Sec. 1. (a) Except as provided in IC 5-10.2-4-8(e), each member's creditable service, for the purpose of computing benefits under this article, consists of all service in a position covered by a retirement fund plus all other service for which the retirement fund law gives credit.

(b) No member may be required to pay any contributions for service before the member is covered by this article as a condition precedent to receiving benefits under this article. However, the member must furnish to the board proof of the service in a position covered by the fund under which the member claims service.

(c) A member who has past service as an employee of the state or a participating political subdivision in a position which was not covered by the retirement fund is entitled to credit for this service if the position becomes covered before January 1, 1985, by the Indiana state teachers' retirement fund, the public employees' retirement fund, or the retirement fund for the state board of accounts and if the member submits to the board proof of the service in a position covered by the fund in which the member claims service.

(d) A member who has past service in a position that was not covered by the retirement fund is entitled to credit for this service if the position becomes covered after December 31, 1984, by a fund while the member holds that position or another position with the same employer and if the member submits to the board proof of the service in a position covered by the fund in which the member claims service.

(e) The proof required by this section must:

- (1) be submitted in a form approved by the director;
- (2) contain dates and nature of service and other information required by the director; and
- (3) be certified by the governing body or its agent.

(f) A member who is a state employee is entitled to service credit for the time the member is receiving disability benefits under a disability plan established under IC 5-10-8-7.

(g) If a participant in the legislators' defined benefit plan does not become entitled to a benefit from that plan, the board shall include the participant's service in the general assembly in the determination of eligibility for, and computation of, benefits under PERF or TRF at the time the participant would be eligible to receive benefits under PERF or TRF. After benefits commence under PERF or TRF with the general assembly service included, the participant's general assembly service may not be used for the computation of benefits under IC 2-3.5-4.

(h) A member may receive service credit for all or a part of the member's creditable service in another governmental retirement plan

under IC 5-10.3-7-4.5 and IC 5-10.4-4-4. A member may not receive credit for service for which the member receives service credit in another retirement plan maintained by a state, a political subdivision, or an instrumentality of the state for service that PERF or TRF would otherwise give credit.

(i) A member may use all or a part of the member's creditable service under PERF or TRF in another governmental retirement plan under the terms of the other plan. Creditable service used under the other governmental retirement plan may not be used in PERF or TRF.

As added by Acts 1977, P.L.53, SEC.2. Amended by P.L.28-1984, SEC.1; P.L.5-1990, SEC.5; P.L.43-1991, SEC.1; P.L.22-1998, SEC.3; P.L.2-2006, SEC.23; P.L.72-2007, SEC.2; P.L.1-2009, SEC.17; P.L.35-2012, SEC.39; P.L.195-2013, SEC.3.

IC 5-10.2-3-1.2

Additional service credit purchase

Sec. 1.2. (a) A member who has earned at least ten (10) years of service in a position covered by PERF, TRF, or a combination of the two (2) funds may purchase one (1) year of service credit for each five (5) years of service that the member has completed in a position covered by PERF or TRF.

(b) Before a member retires, a member who desires to purchase additional service credit under subsection (a) must contribute to the fund as follows:

(1) Contributions that are equal to the product of the following:

(A) The member's salary at the time the member actually makes a contribution for the service credit.

(B) A rate, determined by the actuary for the fund, that is based on the age of the member at the time the member actually makes a contribution for the service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased.

(C) The number of years of service credit the member intends to purchase.

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

(c) The following apply to the purchase of service credit under this section:

(1) The board may allow a member to make periodic payments of the contributions required for the purchase of service credit. The board shall determine the length of the period during which the payments must be made.

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

(3) A member may not claim the service credit for the purpose

of computing benefits unless the member has made all payments required for the purchase of the service credit.

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

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

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

(C) An eligible plan that is 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.

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

(d) A member who terminates employment before satisfying the eligibility requirements necessary to receive a monthly benefit may withdraw the purchase amount, plus accumulated interest, after submitting a properly completed application for a refund to the fund. However, the member must also apply for a refund of the member's entire annuity savings account under section 6 or 6.5 of this chapter to be eligible for a refund of the member's rollover amount.

(e) For a member who is a state employee, the employer may pay all or a part of the member contributions required for the purchase of service credit under this section. In that event, the actuary shall determine the amortization, and subsections (c)(1), (c)(3), (c)(4), and (d) do not apply.

(f) For a member who is an employee of a participating political subdivision, the employer may adopt an ordinance to pay all or a part of the member contributions required for the purchase of service credit under this section. In that event, the actuary shall determine the amortization, and subsections (c)(1), (c)(3), (c)(4), and (d) do not apply.

As added by P.L. 61-2002, SEC.3. Amended by P.L. 115-2008, SEC. 6.

IC 5-10.2-3-2

Members' contributions; employers picking up

Sec. 2. (a) Subject to IC 5-10.2-2-1.5, as used in this section, "compensation" means:

(1) the basic salary earned by and paid to the member; plus

(2) the amount that would have been a part of the basic salary earned and paid except for the member's salary reduction agreement established under Section 125, 403(b), or 457 of the Internal Revenue Code.

(b) Except in cases where:

(1) the contribution is made on behalf of the member; or

(2) a retired member may not make contributions during a period of reemployment as provided in IC 5-10.2-4-8(e);

each member shall, as a condition of employment, contribute to the fund three percent (3%) of the member's compensation.

(c) Except as provided in IC 5-10.2-4-8(e), a member of a fund may make contributions to the member's annuity savings account in addition to the contributions required under subsection (b). The total amount of contributions that may be made to a member's annuity savings account with respect to a payroll period under this subsection may not exceed ten percent (10%) of the member's compensation for that payroll period. The contributions made under this subsection may be picked-up and paid by an employer as provided in subsection (d).

(d) In compliance with rules adopted by the board, an employer, under Section 414(h)(2) of the Internal Revenue Code, may pick-up and pay the contributions under subsection (c), subject to approval of the board and to the board's receipt of a favorable private letter ruling from the Internal Revenue Service. The employer shall reduce the member's compensation by an amount equal to the amount of the member's contributions under subsection (c) that are picked-up by the employer. The board shall by rule establish the procedural requirements for employers to carry out the pick-up in compliance with Section 414(h)(2) of the Internal Revenue Code.

(e) A member's contributions and interest credits belong to the member and do not belong to the state or political subdivision.

As added by Acts 1977, P.L.53, SEC.2. Amended by P.L.35-1985, SEC.8; P.L.55-1989, SEC.13; P.L.53-2000, SEC.1; P.L.246-2001, SEC.4; P.L.72-2007, SEC.3; P.L.1-2009, SEC.18; P.L.35-2012, SEC.40; P.L.195-2013, SEC.4.

IC 5-10.2-3-3

Deduction of contributions

Sec. 3. (a) This section:

(1) does not apply to a retired member who begins a period of reemployment in a covered position more than thirty (30) days after the member's retirement, except as provided in subdivision (2); or

(2) applies to the entire period of reemployment for a retired member of the public employees' retirement fund who, before July 1, 2013, begins a period of reemployment in a covered position.

(b) Members' contributions, other than members' contributions paid on behalf of a member, shall be deducted from their compensation even if the net compensation to the member is less than the statutory minimum.

(c) The payment of a member's compensation minus the deduction constitutes a complete discharge of all claims for services rendered by the member during the period covered by the payment, except the claim for benefits under this article.

As added by Acts 1977, P.L.53, SEC.2. Amended by P.L.41-1983, SEC.5; P.L.35-1985, SEC.9; P.L.72-2007, SEC.4; P.L.76-2008, SEC.1; P.L.195-2013, SEC.5.

IC 5-10.2-3-4

Repealed

(Repealed by P.L.46-1988, SEC.14.)

IC 5-10.2-3-5

Suspension of membership

Sec. 5. (a) A member who is not eligible for retirement or disability retirement may suspend the member's membership if the member terminates employment.

(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) The board may suspend a member's membership in the fund if:

- (1) the member has not performed any service in a covered position during the past two (2) years;
- (2) the member has not attained vested status in the fund; and
- (3) the value of the member's annuity savings account is not more than one thousand dollars (\$1,000).

(d) On resuming service the member may claim as creditable service 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.

As added by Acts 1977, P.L.53, SEC.2. Amended by P.L.22-1998, SEC.4; P.L.195-1999, SEC.11; P.L.165-2009, SEC.5.

IC 5-10.2-3-6

Withdrawal of contributions

Sec. 6. (a) After a member suspends his membership, he is entitled to withdraw in a lump sum the amount of his contributions plus interest credited to him.

(b) Except as provided in subsection (c), if the member does not claim his moneys within five (5) years after the suspension, the moneys shall be credited to the retirement fund. Any reasonable costs of locating the member or the member's beneficiary may be charged against the member's or the beneficiary's money. The fund shall retain the moneys until the member claims them, with no further interest credits to the member after the moneys are credited to the fund.

(c) If a member suspends membership in the fund because the member is no longer in a covered position but does not separate from employment with the member's employer, money shall be credited to the retirement fund only if the member does not claim the member's money within forty-five (45) years after the suspension.

(d) If a member is suspended under section (5)(c) of this chapter, the board shall pay the member's annuity savings account in a lump sum.

As added by Acts 1977, P.L.53, SEC.2. Amended by P.L.25-1994, SEC.3; P.L.2-1995, SEC.15; P.L.195-1999, SEC.12.

IC 5-10.2-3-6.2

Withdrawal of contributions to purchase creditable service in another governmental retirement plan

Sec. 6.2. (a) This section applies to a member of the Indiana state teachers' retirement fund.

(b) A member who:

- (1) has attained vested status in the fund;
- (2) has terminated employment;
- (3) has not begun receiving benefits; and
- (4) is transferring creditable service earned under TRF to another governmental retirement plan under section 1(i) of this chapter;

may suspend the member's membership and withdraw the member's annuity savings account to purchase creditable service in the other governmental retirement plan.

As added by P.L.61-2002, SEC.4. Amended by P.L.115-2008, SEC.7.

IC 5-10.2-3-6.3

Suspension of membership; transfer of amount in annuity savings account to purchase service credit in sheriff's pension trust

Sec. 6.3. (a) Notwithstanding any other provision in this article, IC 5-10.3, or IC 5-10.4, a member who:

- (1) has not attained vested status in the fund;
- (2) is not an active participant in the fund; and
- (3) is an active participant in a retirement plan established under IC 36-8-10-12;

may suspend membership in the fund and transfer the entire amount in the member's annuity savings account in accordance with the member's purchase of service credit under IC 36-8-10-12.5.

(b) A member who makes a transfer under IC 36-8-10-12.5 from the member's annuity savings account shall provide notice of the transfer on a form provided by the board.

(c) A transfer under IC 36-8-10-12.5 is irrevocable.

(d) A member who makes a transfer under this section waives all credit for service in the fund.

As added by P.L.98-2009, SEC.1.

IC 5-10.2-3-6.5

Withdrawal of annuity savings account before retirement

Sec. 6.5. (a) A member who meets all of the following requirements may elect to withdraw the entire amount in the member's annuity savings account:

- (1) The member has attained vested status in the fund.
- (2) The member has terminated employment with the applicable fund and is not currently employed in a covered position.
- (3) The member has not performed any service in a position covered by the fund for at least thirty (30) days after the date the member terminates employment.
- (4) 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) 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) 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 the entire 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 the entire amount in the member's annuity savings account is irrevocable.

(e) The board shall pay the amount in the member's annuity savings account 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).

As added by P.L.115-2008, SEC.8. Amended by P.L.115-2009, SEC.1; P.L.99-2010, SEC.2; P.L.13-2011, SEC.4.

IC 5-10.2-3-7

Repealed

(Repealed by P.L.55-1989, SEC.67.)

IC 5-10.2-3-7.1

Repealed

(Repealed by P.L.4-1990, SEC.22.)

IC 5-10.2-3-7.2

Repealed

(Repealed by P.L.55-1989, SEC.67.)

IC 5-10.2-3-7.5

Survivor benefits; forfeiture

Sec. 7.5. (a) This subsection applies to members who die after March 31, 1990, and before January 1, 2007. A surviving dependent or surviving spouse of a member who dies in service is entitled to a survivor benefit if:

- (1) the member has:
 - (A) at least ten (10) years of creditable service, if the member died in service as a member of the general assembly;
 - (B) at least fifteen (15) years of creditable service, if the member died in service in any other position covered by the retirement fund; or
 - (C) at least ten (10) years but not more than fourteen (14) years of creditable service if the member:
 - (i) was at least sixty-five (65) years of age; and
 - (ii) died in service in a position covered by the teachers' retirement fund; and
- (2) the surviving dependent or surviving spouse qualifies for a survivor benefit under subsection (c) or (d).

(b) This subsection applies to members who die after December 31, 2006. A surviving dependent or surviving spouse of a member who dies is entitled to a survivor benefit if:

- (1) the member has:
 - (A) at least ten (10) years of creditable service, if the member died in service as a member of the general assembly;
 - (B) at least ten (10) years but not more than fourteen (14) years of creditable service if the member was at least sixty-five (65) years of age and died in service in a position covered by the fund (other than a position described in clause (A)); or
 - (C) at least fifteen (15) years of creditable service, if the member died in service in a position covered by the fund (other than a position described in clause (A)); and
- (2) the surviving dependent or surviving spouse qualifies for a survivor benefit under subsection (c) or (d).

(c) If a member described in subsection (a) or (b) dies with a surviving spouse who was married to the member for at least two (2) years, the surviving spouse is entitled to a survivor benefit equal to the monthly pension benefit that would have been payable to the spouse under the joint and survivor option of IC 5-10.2-4-7 upon the member's death following retirement at:

- (1) fifty (50) years of age; or
- (2) the actual date of death;

whichever is later. However, benefits payable under this subsection are subject to subsections (f) and (h).

(d) If a member described in subsection (a) or (b) dies without a surviving spouse who was married to the member for at least two (2) years, but with a surviving dependent, the surviving dependent is

entitled to a survivor benefit in a monthly amount equal to the actuarial equivalent of the monthly pension benefit that would have been payable to the spouse (assuming the spouse would have had the same birth date as the member) under the joint and survivor option of IC 5-10.2-4-7 upon the member's death following retirement at:

- (1) fifty (50) years of age; or
- (2) the actual date of death;

whichever is later. If there are two (2) or more surviving dependents, the actuarial equivalent of the benefit described in this subsection shall be calculated and, considering the dependents' attained ages, an equal dollar amount shall be determined as the monthly pension benefit to be paid to each dependent. Monthly pension benefits under this subsection are payable until the date the dependent becomes eighteen (18) years of age or dies, whichever is earlier. However, if a dependent has a permanent and total disability (using disability guidelines established by the Social Security Administration) at the date the dependent reaches eighteen (18) years of age, the monthly pension benefit is payable until the date the dependent no longer has a disability (using disability guidelines established by the Social Security Administration) or dies, whichever is earlier. Benefits payable under this subsection are subject to subsections (f) and (h).

(e) This subsection applies if a member did not designate a beneficiary or the designated beneficiary does not survive the member. Except as provided in subsections (f) and (i), the surviving spouse or surviving dependent of a member who is entitled to a survivor benefit under subsection (c) or (d) or section 7.6 of this chapter may elect to receive a lump sum payment of the total amount credited to the member in the member's annuity savings account or an amount equal to the member's federal income tax basis in the member's annuity savings account as of December 31, 1986. A surviving spouse or surviving dependent who makes such an election is not entitled to an annuity as part of the survivor benefit under subsection (c) or (d) or section 7.6 of this chapter to the extent of the lump sum payment.

(f) If a member is survived by a designated beneficiary, the following provisions apply:

- (1) If the member is survived by one (1) designated beneficiary, the designated beneficiary is entitled to receive in a lump sum or over a period of up to five (5) years, as elected by the designated beneficiary, the amount credited to the member's annuity savings account, less any disability benefits paid to the member.
- (2) If the member is survived by two (2) or more designated beneficiaries, the designated beneficiaries are entitled to receive in a lump sum or over a period of up to five (5) years, as elected by the designated beneficiary, equal shares of the amount credited to the member's annuity savings account unless the member has allocated the shares among the designated beneficiaries in a manner authorized under IC 5-10.3-8-15 or IC 5-10.4-4-10, less any disability benefits paid to the member.

(3) If the member is also survived by a spouse or dependent who is entitled to a survivor benefit under subsection (c) or (d) or section 7.6 of this chapter, the surviving spouse or dependent is not entitled to an annuity or a lump sum payment as part of the survivor benefit, unless the surviving spouse or dependent is also a designated beneficiary.

(g) If a member dies:

(1) without a surviving spouse or surviving dependent who qualifies for survivor benefits under subsection (c) or (d) or section 7.6 of this chapter; and

(2) without a surviving designated beneficiary who is entitled to receive the member's annuity savings account under subsection (f);

the amount credited to the member's annuity savings account, less any disability benefits paid to the member, shall be paid to the member's estate.

(h) Survivor benefits payable under this section or section 7.6 of this chapter shall be reduced by any disability benefits paid to the member.

(i) Additional annuity contributions, if any, shall not be included in determining survivor benefits under subsection (c) or (d) or section 7.6 of this chapter, but are payable in a lump sum payment to:

(1) the member's surviving designated beneficiary; or

(2) the member's estate, if there is no surviving designated beneficiary.

(j) Survivor benefits provided under this section or section 7.6 of this chapter are subject to IC 5-10.2-2-1.5.

(k) A benefit specified in this section shall be forfeited and credited to the member's retirement fund if no person entitled to the benefit claims it within three (3) years after the member's death. However, the board may honor a claim that is made more than three (3) years after the member's death if the board finds, in the board's discretion, that:

(1) the delay in making the claim was reasonable or other extenuating circumstances justify the award of the benefit to the claimant; and

(2) paying the claim would not cause a violation of the applicable Internal Revenue Service rules.

As added by P.L. 55-1989, SEC.14. Amended by P.L. 4-1990, SEC.5; P.L. 43-1991, SEC.2; P.L. 35-1996, SEC.1; P.L. 22-1998, SEC.5; P.L. 118-2000, SEC.2; P.L. 190-2003, SEC.1; P.L. 99-2007, SEC.15; P.L. 113-2009, SEC.1; P.L. 115-2009, SEC.2; P.L. 1-2010, SEC.18; P.L. 99-2010, SEC.3.

IC 5-10.2-3-7.6

Survivor benefits of member with 30 years creditable service

Sec. 7.6. (a) This section applies to the surviving spouse and the surviving dependent of a member who:

(1) dies after June 30, 1996;

(2) has at least thirty (30) years of creditable service; and

(3) dies in service in a position covered by the fund.

(b) If a member described in subsection (a) dies with a surviving spouse who was married to the member for at least two (2) years, the board may determine that the surviving spouse is entitled to a survivor benefit equal to the monthly benefit that would have been payable to the spouse under the joint and survivor option of IC 5-10.2-4-7 upon the member's death following retirement at:

- (1) fifty-five (55) years of age; or
- (2) the actual date of death;

whichever is later. However, benefits payable under this section are subject to section 7.5(f) and 7.5(h) of this chapter.

(c) If a member described in subsection (a) dies without a surviving spouse who was married to the member for at least two (2) years, but with a surviving dependent, the board may determine that the surviving dependent is entitled to a survivor benefit in a monthly amount equal to the actuarial equivalent of the monthly benefit that would have been payable to the spouse (assuming the spouse would have had the same birth date as the member) under the joint and survivor option of IC 5-10.2-4-7 upon the member's death following retirement at:

- (1) fifty-five (55) years of age; or
- (2) the actual date of death;

whichever is later. If there are two (2) or more surviving dependents, the actuarial equivalent of the benefit described in this subsection shall be calculated and, considering the dependents' attained ages, an equal dollar amount shall be determined as the monthly benefit to be paid to each dependent. Monthly benefits under this subsection are payable until the date the dependent becomes eighteen (18) years of age or dies, whichever is earlier. However, if a dependent has a permanent and total disability (using disability guidelines established by the Social Security Administration) on the date the dependent becomes eighteen (18) years of age, the monthly benefit is payable until the date the dependent no longer has a disability (using disability guidelines established by the Social Security Administration) or dies, whichever is earlier. Benefits payable under this section are subject to section 7.5(f) and 7.5(h) of this chapter.

As added by P.L. 35-1996, SEC.2. Amended by P.L. 99-2007, SEC.16; P.L. 113-2009, SEC.2.

IC 5-10.2-3-8

Survivor benefits; death while not in service

Sec. 8. (a) If a member dies:

- (1) after March 31, 1990;
- (2) while not in service in a position covered by the retirement fund; and
- (3) while eligible to receive retirement or disability benefits under IC 5-10.2-4-6, but before applying for those benefits;

the member's surviving spouse or surviving dependent is entitled to survivor benefits in the same amount and under the same conditions as provided in section 7.5 of this chapter.

(b) If a member dies while not in service and while not eligible for retirement or disability retirement, the sum payable upon suspension of membership shall be paid to the member's surviving designated beneficiary or to the member's estate if no beneficiary is designated.

(c) The sums specified in subsections (a) and (b) shall be forfeited and credited to the member's retirement fund if no beneficiary or other person entitled to the money under subsection (a) or (b) claims it within three (3) years after the member's death. However, the board may honor a claim made more than three (3) years after the member's death if the board finds, in the board's discretion, that:

(1) the member died after August 31, 1992; and

(2) either:

(A) the delay in making the claim was reasonable; or

(B) other extenuating circumstances justify the award of the benefit to the claimant.

(d) Survivor benefits payable under this section shall be reduced by any disability benefits paid to the member under the same conditions as provided in section 7.5 of this chapter.

As added by Acts 1977, P.L.53, SEC.2. Amended by P.L.35-1985, SEC.11; P.L.55-1989, SEC.15; P.L.4-1990, SEC.6; P.L.56-1993, SEC.1; P.L.22-1993, SEC.2; P.L.119-2006, SEC.1.

IC 5-10.2-3-9

Survivor benefits; death after July 1, 1991, while eligible for retirement benefits

Sec. 9. (a) This section applies if the following conditions are met. A member dies:

(1) after July 1, 1991; and

(2) while receiving or while eligible to receive retirement benefits under IC 5-10.2-4-1 from the fund.

(b) As used in this section, "minimum amount" means the entire amount credited to the member's annuity savings account at the time of:

(1) retirement; or

(2) death while entitled to retirement benefits;

minus all benefits paid to the member and the member's survivors.

(c) If the member dies without a survivor entitled to benefits and the member has not received payments equal to or more than the minimum amount, the difference shall be paid in a lump sum to the member's designated beneficiary or beneficiaries in equal shares. If the member dies without a surviving designated beneficiary, the difference shall be paid in a lump sum to the member's estate.

(d) If the member dies with a survivor entitled to benefits, no payment under this section shall be calculated until after all survivors die. If, at the time of death of the last survivor, the member and all survivors have not received payments equal to or more than the minimum amount, the difference shall be paid in a lump sum to the survivor's estate.

As added by P.L.43-1991, SEC.3.

IC 5-10.2-3-10

Rollover distributions

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 any alternative investment option that the board may make available to the member's rollover account under IC 5-10.2-2-3. However, the member may not invest the member's rollover account in the guaranteed fund.

(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.

As added by P.L.61-2002, SEC.5.