

Document: Final Rule

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**TITLE 35 BOARD OF TRUSTEES OF THE
PUBLIC EMPLOYEES' RETIREMENT
FUND**

LSA Document #99-259(F)

DIGEST

Adds 35 IAC 1.2-3-12 concerning the purchase of prior bureau of motor vehicles commission service. Effective 30 days after filing with the secretary of state.

35 IAC 1.2-3-12

SECTION 1. 35 IAC 1.2-3-12 IS ADDED TO READ AS FOLLOWS:

35 IAC 1.2-3-12 Purchase of prior bureau of motor vehicles commission service

Authority: IC 5-10.3-3-8

Affected: IC 5-10.2-3-1; IC 5-10.3-7

Sec. 12. (a) Under IC 5-10.2-3-1 and IC 5-10.3-7-2, employees of the bureau of motor vehicles commission (BMVC) are not entitled to automatic coverage or service credit prior to July 1, 1999, for service with the BMVC, because of their coverage in a retirement plan established by the BMVC. However, under IC 5-10.3-7-8, the board believes it would be reasonable to allow employees to purchase any BMVC service from the later of:

- (1) January 1, 1987, the date the BMVC established its retirement plan; or
- (2) the date the individual became an employee of the BMVC;

through June 30, 1999, the date the BMVC terminated its retirement plan. For purposes of this section, BMVC service does not include service in any license branch prior to becoming a BMVC employee, or service at a license branch prior to the conversion of that license branch to the BMVC. Service in a license branch that is not BMVC service shall not be eligible for service purchase under this rule nor shall it be credited to any employee without purchase.

(b) The cost to purchase such service shall be the total actuarial cost of the service. The board shall provide the employees with information with respect to the cost of such service.

(c) The employees may purchase such service subject to the following:

- (1) Any such purchase may be made via a direct cash payment, a direct rollover under IC 5-10.3-7-9.5, or a combination of both.
- (2) Any direct rollover may not exceed the actual cost of such service as established by the board.
- (3) Any direct cash payment may be made in a lump sum or in installments for a period not to exceed five (5) years. Any installment shall bear interest at the actuarial interest rate effective on the date of the first installment. Any payments are subject to applicable Internal Revenue Service limits, and the board may limit any payments in a manner necessary to comply with these limits.

(d) This section also applies to former employees of the BMVC with BMVC service who are employed in a PERF-covered position at the time they purchase such service.

(e) In no event shall any BMVC service prior to July 1, 1999, be credited under IC 5-10.3-7-7.5 because of the exclusion under IC 5-10.3-7-2(4) unless purchased in accordance with this section.

(f) The restriction contained in IC 5-10.3-7-4.5(d) does not apply to a purchase made under this section. *(Board of Trustees of the Public Employees' Retirement Fund; 35 IAC 1.2-3-12; filed Dec 11, 2000, 2:12 p.m.: 24 IR 946)*

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Approved by Governor: December 6, 2000

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