# HOUSE BILL No. 1028 

DIGEST OF HB 1028 (Updated February 13, 2023 2:12 pm - DI 144)


#### Abstract

Citations Affected: Noncode. Synopsis: Thirteenth check. Provides for a thirteenth check in 2023 and 2024 for certain members, participants, or beneficiaries of the: (1) Indiana state teachers' retirement fund; (2) Indiana public employees' retirement fund; (3) state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan; (4) state police pre-1987 benefit system; and (5) state police 1987 benefit system. Provides for a $\$ 50$ payment in 2023 and 2024 to members of the Indiana state teachers' retirement fund and Indiana public employees' retirement fund, and to participants of the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan.


Effective: July 1, 2023.

## Cherry, Karickhoff, Meltzer, Porter

[^0]First Regular Session of the 123rd General Assembly (2023)
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 ser
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 2022 Regular Session of the General Assembly.

## HOUSE BILL No. 1028

A BILL FOR AN ACT concerning pensions.

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

SECTION 1. [EFFECTIVE JULY 1, 2023] (a) As used in this SECTION, "fund" refers to the Indiana state teachers' retirement fund established by IC 5-10.4-2-1.
(b) As used in this SECTION, "supplemental allowance reserve account" refers to the supplemental allowance reserve account established by IC 5-10.2-2-2(c)(3).
(c) Not later than October 1, 2023, the supplemental allowance reserve account shall pay the amount determined under subsection (e) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2022, and who is entitled to receive a monthly benefit on July 1, 2023. The amount is not an increase in the pension portion of the monthly benefit.
(d) After June 30, 2024, and not later than October 1, 2024, the supplemental allowance reserve account shall pay the amount determined under subsection (e) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a
monthly benefit on July 1, 2024. The amount is not an increase in the pension portion of the monthly benefit.
(e) The amount paid under subsection (c) or (d) to a member of the fund (or to a survivor or beneficiary of a member) who meets the requirements of subsection (c) or (d) is determined as follows: If a Member's Creditable The Amount Is: Service Is:
At least 5 years, but less than 10 years $\$ 150$
(only in the case of a member receiving
disability retirement benefits)
At least 10 years, but less than 20 years $\$ 275$
At least 20 years, but less than 30 years $\$ 375$
At least 30 years $\$ 450$
(f) The creditable service used to determine the amount paid to a member (or to a survivor or beneficiary of a member) under subsection (c) or (d) is the creditable service that was used to compute the member's retirement benefit under IC 5-10.2-4-4, except that partial years of creditable service may not be used to determine the amount paid under subsection (c) or (d).
(g) If two (2) or more survivors or beneficiaries of a member are entitled to an amount paid under subsection (c) or (d), the amount shall be allocated to the survivors or beneficiaries in shares using the same percentages as the percentages determined under IC 5-10.2-3-7.5 or IC 5-10.4-4-10 to pay the monthly benefit to the survivors or beneficiaries.
(h) Not later than October 1, 2023, either the fund or the state general fund, or both, shall pay fifty dollars ( $\$ 50$ ) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1,2022, and who is entitled to receive a monthly benefit on July 1, 2023.
(i) After June 30, 2024, and not later than October 1, 2024, either the fund or the state general fund, or both, shall pay fifty dollars ( $\$ 50$ ) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a monthly benefit on July 1, 2024.
(j) This SECTION applies notwithstanding IC 5-10.2-12-4.
(k) This SECTION expires January 1, 2025.

SECTION 2. [EFFECTIVE JULY 1, 2023] (a) As used in this SECTION, "fund" refers to the Indiana public employees' retirement fund established by IC 5-10.3-2-1.
(b) As used in this SECTION, "supplemental allowance reserve
account" refers to the supplemental allowance reserve account established by IC 5-10.2-2-2(a)(3).
(c) Not later than October 1, 2023, the supplemental allowance reserve account shall pay the amount determined under subsection (e) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2022, and who is entitled to receive a monthly benefit on July 1 , 2023. The amount is not an increase in the pension portion of the monthly benefit.
(d) After June 30, 2024, and not later than October 1, 2024, the supplemental allowance reserve account shall pay the amount determined under subsection (e) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a monthly benefit on July $\mathbf{1 , 2 0 2 4}$. The amount is not an increase in the pension portion of the monthly benefit.
(e) The amount paid under subsection (c) or (d) to a member of the fund (or to a survivor or beneficiary of a member) who meets the requirements of subsection (c) or (d) is determined as follows:

If a Member's Creditable The Amount Is:
Service Is:
At least 5 years, but less than 10 years $\$ 150$
(only in the case of a member receiving disability retirement benefits)
At least 10 years, but less than 20 years $\$ 275$
At least 20 years, but less than 30 years $\$ 375$
At least 30 years $\$ 450$
(f) The creditable service used to determine the amount paid to a member (or to a survivor or beneficiary of a member) under subsection (c) or (d) is the creditable service that was used to compute the member's retirement benefit under IC 5-10.2-4-4, except that partial years of creditable service may not be used to determine the amount paid under subsection (c) or (d).
(g) If two (2) or more survivors or beneficiaries of a member are entitled to an amount paid under subsection (c) or (d), the amount shall be allocated to the survivors or beneficiaries in shares using the same percentages as the percentages determined under IC 5-10.2-3-7.5 or IC 5-10.3-8-15 to pay the monthly benefit to the survivors or beneficiaries.
(h) Not later than October 1, 2023, either the fund or the state general fund, or both, shall pay fifty dollars ( $\$ 50$ ) to a member of the fund (or to a survivor or beneficiary of a member) who retired
or was disabled on or before December 1,2022, and who is entitled to receive a monthly benefit on July 1, 2023.
(i) After June 30, 2024, and not later than October 1, 2024, either the fund or the state general fund, or both, shall pay fifty dollars ( $\mathbf{\$ 5 0}$ ) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December $\mathbf{1 , 2 0 2 3}$, and who is entitled to receive a monthly benefit on July 1, 2024.
(j) This SECTION applies notwithstanding IC 5-10.2-12-4.
(k) This SECTION expires January 1, 2025.

SECTION 3. [EFFECTIVE JULY 1, 2023] (a) As used in this SECTION, "participant" has the meaning set forth in IC 5-10-5.5-1.
(b) As used in this SECTION, "plan" refers to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan created by IC 5-10-5.5-2.
(c) As used in this SECTION, "supplemental allowance reserve account" refers to the supplemental allowance reserve account established by IC 5-10.2-2-2(a)(3).
(d) Not later than October 1, 2023, the supplemental allowance reserve account shall pay the amount determined under subsection (f) to a plan participant (or to a survivor or beneficiary of a plan participant) who retired or was disabled on or before December 1, 2022, and who is entitled to receive a monthly benefit on July 1 , 2023. The amount is not an increase in the annual retirement allowance.
(e) After June 30, 2024, and not later than October 1, 2024, the supplemental allowance reserve account shall pay the amount determined under subsection (f) to a plan participant (or to a survivor or beneficiary of a plan participant) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a monthly benefit on July 1,2024 . The amount is not an increase in the annual retirement allowance.
(f) The amount paid under subsection (d) or (e) to a plan participant (or to a survivor or beneficiary of a plan participant) who meets the requirements of subsection (d) or (e) is determined as follows:
If a Plan Participant's Creditable The Amount Is: Service Is:
At least 5 years, but less than 10 years \$150
(only in the case of a member receiving
disability retirement benefits)

At least 10 years, but less than 20 years $\$ 275$
At least 20 years, but less than 30 years $\$ 375$
At least 30 years $\$ 450$
(g) The creditable service used to determine the amount paid to a plan participant (or to a survivor or beneficiary of a plan participant) under subsection (d) or (e) is the creditable service that was used to compute the plan participant's retirement allowance under IC 5-10-5.5-10 and IC 5-10-5.5-12, except that partial years of creditable service may not be used to determine the amount paid under subsection (d) or (e).
(h) If two (2) or more survivors or beneficiaries of a plan participant are entitled to an amount paid under subsection (d) or (e), the amount shall be allocated to the survivors or beneficiaries in shares using the same percentages as the percentages determined under IC 5-10-5.5-16 to pay the monthly benefit to the survivors or beneficiaries.
(i) Not later than October 1, 2023, either the plan or the state general fund, or both, shall pay fifty dollars (\$50) to a plan participant (or to a survivor or beneficiary of a plan participant) who retired or was disabled on or before December 1, 2022, and who is entitled to receive a monthly benefit on July 1, 2023.
(j) After June 30, 2024, and not later than October 1, 2024, either the plan or the state general fund, or both, shall pay fifty dollars (\$50) to a plan participant (or to a survivor or beneficiary of a plan participant) who retired or was disabled on or before December 1,2023 , and who is entitled to receive a monthly benefit on July 1, 2024.
(k) This SECTION applies notwithstanding IC 5-10.2-12-4.
(l) This SECTION expires January 1, 2025.

SECTION 4. [EFFECTIVE JULY 1, 2023] (a) As used in this SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.
(b) As used in this SECTION, "trust fund" has the meaning set forth in IC 10-12-1-11.
(c) Not later than October 1, 2023, the trustee shall pay from the trust fund to each employee beneficiary of the state police pre-1987 benefit system covered by IC 10-12-3 who:
(1) retired or was disabled before July 2, 2022; and
(2) is entitled to receive a monthly benefit as of September 1, 2023;
an amount equal to one percent ( $1 \%$ ) of the maximum basic annual pension amount payable to a retired state police employee in the grade of trooper who has completed twenty (20) years of service as
of July 1, 2023, as calculated under IC 10-12-3-7.
(d) After September 1, 2024, and not later than October 1, 2024, the trustee shall pay from the trust fund to each employee beneficiary of the state police pre-1987 benefit system covered by IC 10-12-3 who:
(1) retired or was disabled before July 2, 2023; and
(2) is entitled to receive a monthly benefit as of September 1, 2024;
an amount equal to one percent ( $1 \%$ ) of the maximum basic annual pension amount payable to a retired state police employee in the grade of trooper who has completed twenty (20) years of service as of July 1, 2024, as calculated under IC 10-12-3-7.
(e) The amounts paid under this SECTION are not an increase in the monthly pension amount of an employee beneficiary.
(f) This SECTION applies notwithstanding IC 5-10.2-12-4.
(g) This SECTION expires January 1, 2025.

SECTION 5. [EFFECTIVE JULY 1, 2023] (a) As used in this SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.
(b) As used in this SECTION, "trust fund" has the meaning set forth in IC 10-12-1-11.
(c) Not later than October 1, 2023, the trustee shall pay from the trust fund to each employee beneficiary of the state police 1987 benefit system covered by IC 10-12-4 who:
(1) retired or was disabled after June 30, 1987, and before July 2, 2022; and
(2) is entitled to receive a monthly benefit as of September 1, 2023;
an amount equal to one percent ( $1 \%$ ) of the maximum basic annual pension amount payable to a retired state police employee in the grade of trooper who has completed twenty-five (25) years of service as of July 1, 2023, as calculated under IC 10-12-4-7.
(d) After September 1, 2024, and not later than October 1, 2024, the trustee shall pay from the trust fund to each employee beneficiary of the state police 1987 benefit system covered by IC 10-12-4 who:
(1) retired or was disabled after June 30, 1987, and before July 2, 2023; and
(2) is entitled to receive a monthly benefit as of September 1, 2024;
an amount equal to one percent ( $1 \%$ ) of the maximum basic annual pension amount payable to a retired state police employee in the grade of trooper who has completed twenty-five (25) years of
service as of July 1, 2024, as calculated under IC 10-12-4-7.
(e) The amount paid under this SECTION is not an increase in the monthly pension amount of an employee beneficiary.
(f) This SECTION applies notwithstanding IC 5-10.2-12-4.
(g) This SECTION expires January 1, 2025.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1028, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.
(Reference is to HB 1028 as introduced.)
VANNATTER
Committee Vote: Yeas 13, Nays 0

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1028, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 7, delete "either the fund or the state" and insert "the supplemental allowance reserve account".

Page 1 , line 8 , delete "general fund, or both,".
Page 1 , line 15 , delete "either the fund or the state general fund, or both," and insert "the supplemental allowance reserve account".

Page 2, line 33, delete "the supplemental allowance" and insert "either the fund or the state general fund, or both,".

Page 2, line 34, delete "reserve account".
Page 2, line 38, delete "the".
Page 2, line 39, delete "supplemental allowance reserve account" and insert "either the fund or the state general fund, or both,".

Page 3, line 10, delete "either the fund or the state" and insert "the supplemental allowance reserve account".

Page 3, line 11, delete "general fund, or both,".
Page 3, line 18, delete "either the fund or the state general fund, or both," and insert "the supplemental allowance reserve account".

Page 4, line 12, delete "the supplemental allowance" and insert "either the fund or the state general fund, or both,".

Page 4, line 13, delete "reserve account".
Page 4, line 17, delete "the".
Page 4, line 18, delete "supplemental allowance reserve account" and insert "either the fund or the state general fund, or both,".

Page 4, line 34, delete "either the plan or the state" and insert "the supplemental allowance reserve account".

Page 4, line 35, delete "general fund, or both,".
Page 4, line 42, delete "either the plan or the state general fund, or both," and insert "the supplemental allowance reserve account".

Page 5, line 38, delete "the supplemental allowance" and insert "either the plan or the state general fund, or both,".

Page 5, line 39, delete "reserve account".
Page 6, line 1, delete "the" and insert "either the plan or the state general fund, or both,".

Page 6, line 2, delete "supplemental allowance reserve account". and when so amended that said bill do pass.
(Reference is to HB 1028 as printed February 2, 2023.)
THOMPSON
Committee Vote: yeas 17 , nays 0 .

## HOUSE MOTION

Mr. Speaker: I move that House Bill 1028 be amended to read as follows:

Page 2, delete lines 26 through 32.
Page 2, line 33, delete "(i)" and insert "(h)".
Page 2, line 38, delete "(j)" and insert "(i)".
Page 3, line 2, delete "(k)" and insert "(j)".
Page 3, line 3, delete "(l)" and insert "(k)".
Page 4, delete lines 5 through 11.
Page 4, line 12, delete "(i)" and insert "(h)".
Page 4, line 17, delete "(j)" and insert "(i)".
Page 4, line 23, delete "(k)" and insert "(j)".
Page 4, line 24, delete "(l)" and insert "(k)".
Page 5, delete lines 31 through 37.
Page 5, line 38, delete "(j)" and insert "(i)".
Page 6, line 1, delete "(k)" and insert "(j)".
Page 6, line 7, delete "(l)" and insert "(k)".
Page 6, line 8 , delete "(m)" and insert "(l)".
Page 6, delete lines 36 through 42.
Page 7, line 1, delete "(g)" and insert "(f)".
Page 7, line 2, delete "(h)" and insert "(g)".
Page 7, delete lines 32 through 38 .

Page 7, line 39, delete "(g)" and insert "(f)".
Page 7, line 40, delete "(h)" and insert "(g)".
(Reference is to HB 1028 as printed February 9, 2023.)
CHERRY


[^0]:    January 9, 2023, read first time and referred to Committee on Employment, Labor and Pensions.

    February 2, 2023, reported - Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

    February 9, 2023, amended, reported - Do Pass.
    February 13, 2023, read second time, amended, ordered engrossed.

