

HOUSE BILL No. 1098

DIGEST OF INTRODUCED BILL

Citations Affected: Noncode.

Synopsis: Pension thirteenth checks. Provides for a thirteenth check in 2017 for certain members of the: (1) Indiana state teachers' retirement fund; (2) 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. (The introduced version of this bill was prepared by the interim study committee on pension management oversight.)

Effective: July 1, 2017.

Burton, Forestal

January 5, 2017, read first time and referred to Committee on Employment, Labor and Pensions.



First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1098

A BILL FOR AN ACT concerning pensions.

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

1 SECTION 1. [EFFECTIVE JULY 1, 2017] (a) As used in this
2 SECTION, "fund" refers to the Indiana state teachers' retirement
3 fund established by IC 5-10.4-2-1.
4 (b) Not later than October 1, 2017, the fund shall pay the
5 amount determined under subsection (c) to a member of the fund
6 (or to a survivor or beneficiary of a member) who retired or was
7 disabled on or before December 1, 2016, and who is entitled to
8 receive a monthly benefit on July 1, 2017. The amount is not an
9 increase in the pension portion of the monthly benefit.
10 (c) The amount paid under this SECTION to a member of the
11 fund (or to a survivor or beneficiary of a member) who meets the
12 requirements of subsection (b) is equal to the sum of:
13 (1) the amount determined under subsection (d); and
14 (2) the amount determined under subsection (e).
15 (d) The amount determined under this subsection for a member
16 of the fund (or to a survivor or beneficiary of a member) who
17 meets the requirements of subsection (b) is equal to the following:
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If a Member's Creditable	The Amount Is:
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- 1 **Service Is:**
- 2 **At least 5 years, but less than 10 years \$150**
- 3 **(only in the case of a member receiving**
- 4 **disability retirement benefits)**
- 5 **At least 10 years, but less than 20 years \$275**
- 6 **At least 20 years, but less than 30 years \$375**
- 7 **At least 30 years \$450**
- 8 **(e) The amount determined under this subsection for a member**
- 9 **of the fund (or to a survivor or beneficiary of a member) who**
- 10 **meets the requirements of subsection (b) is equal to either:**
- 11 **(1) fifty dollars (\$50), if the member's monthly benefit is less**
- 12 **than five hundred dollars (\$500); or**
- 13 **(2) twenty-five dollars (\$25), if the member's monthly benefit**
- 14 **equals or exceeds five hundred dollars (\$500).**
- 15 **(f) The creditable service used to determine the amount paid to**
- 16 **a member (or to a survivor or beneficiary of a member) under this**
- 17 **SECTION is the creditable service that was used to compute the**
- 18 **member's retirement benefit under IC 5-10.2-4-4, except that**
- 19 **partial years of creditable service may not be used to determine the**
- 20 **amount paid under this SECTION.**
- 21 **(g) If two (2) or more survivors or beneficiaries of a member are**
- 22 **entitled to an amount paid under this SECTION, the amount shall**
- 23 **be allocated to the survivors or beneficiaries in shares using the**
- 24 **same percentages as the percentages determined under**
- 25 **IC 5-10.2-3-7.5 or IC 5-10.4-4-10 to pay the monthly benefit to the**
- 26 **survivors or beneficiaries.**
- 27 **(h) The fund may not use employer contributions to make the**
- 28 **payments required under subsection (b) unless, and only to the**
- 29 **extent that, the amounts necessary to make the payments required**
- 30 **under subsection (b) exceed the amounts appropriated in the state**
- 31 **budget for the biennium beginning July 1, 2017, for the purposes**
- 32 **described in subsection (b).**
- 33 **(i) This SECTION expires January 1, 2018.**
- 34 **SECTION 2. [EFFECTIVE JULY 1, 2017] (a) As used in this**
- 35 **SECTION, "fund" refers to the public employees' retirement fund**
- 36 **established by IC 5-10.3-2-1.**
- 37 **(b) Not later than October 1, 2017, the fund shall pay the**
- 38 **amount determined under subsection (c) to a member of the fund**
- 39 **(or to a survivor or beneficiary of a member) who retired or was**
- 40 **disabled on or before December 1, 2016, and who is entitled to**
- 41 **receive a monthly benefit on July 1, 2017. The amount is not an**
- 42 **increase in the pension portion of the monthly benefit.**



1 (c) The amount paid under this SECTION to a member of the
 2 fund (or to a survivor or beneficiary of a member) who meets the
 3 requirements of subsection (b) is equal to the sum of:

4 (1) the amount determined under subsection (d); and

5 (2) the amount determined under subsection (e).

6 (d) The amount determined under this subsection for a member
 7 of the fund (or to a survivor or beneficiary of a member) who
 8 meets the requirements of subsection (b) is equal to the following:

9 If a Member's Creditable Service Is: The Amount Is:

10 Service Is:

11 At least 5 years, but less than 10 years \$150

12 (only in the case of a member receiving
 13 disability retirement benefits)

14 At least 10 years, but less than 20 years \$275

15 At least 20 years, but less than 30 years \$375

16 At least 30 years \$450

17 (e) The amount determined under this subsection for a member
 18 of the fund (or to a survivor or beneficiary of a member) who
 19 meets the requirements of subsection (b) is equal to either:

20 (1) fifty dollars (\$50), if the member's monthly benefit is less
 21 than five hundred dollars (\$500); or

22 (2) twenty-five dollars (\$25), if the member's monthly benefit
 23 equals or exceeds five hundred dollars (\$500).

24 (f) The creditable service used to determine the amount paid to
 25 a member (or to a survivor or beneficiary of a member) under this
 26 SECTION is the creditable service that was used to compute the
 27 member's retirement benefit under IC 5-10.2-4-4, except that
 28 partial years of creditable service may not be used to determine the
 29 amount paid under this SECTION.

30 (g) If two (2) or more survivors or beneficiaries of a member are
 31 entitled to an amount paid under this SECTION, the amount shall
 32 be allocated to the survivors or beneficiaries in shares using the
 33 same percentages as the percentages determined under
 34 IC 5-10.2-3-7.5 or IC 5-10.3-8-15 to pay the monthly benefit to the
 35 survivors or beneficiaries.

36 (h) The fund may not use employer contributions to make the
 37 payments required under subsection (b) unless, and only to the
 38 extent that, the amounts necessary to make the payments required
 39 under subsection (b) exceed the amounts appropriated in the state
 40 budget for the biennium beginning July 1, 2017, for the purposes
 41 described in subsection (b).

42 (i) This SECTION expires January 1, 2018.



1 SECTION 3. [EFFECTIVE JULY 1, 2017] (a) As used in this
2 SECTION, "participant" has the meaning set forth in
3 IC 5-10-5.5-1.

4 (b) As used in this SECTION, "plan" refers to the state excise
5 police, gaming agent, gaming control officer, and conservation
6 enforcement officers' retirement plan created by IC 5-10-5.5-2.

7 (c) Not later than October 1, 2017, the board of trustees of the
8 Indiana public retirement system established by IC 5-10.5-3-1 shall
9 pay the amount determined under subsection (d) to a plan
10 participant (or to a survivor or beneficiary of a plan participant)
11 who retired or was disabled on or before December 1, 2016, and
12 who is entitled to receive a monthly benefit on July 1, 2017. The
13 amount is not an increase in the annual retirement allowance.

14 (d) The amount paid under this SECTION to a plan participant
15 (or to a survivor or beneficiary of a plan participant) who meets
16 the requirements of subsection (c) is equal to the sum of:

- 17 (1) the amount determined under subsection (e); and
18 (2) the amount determined under subsection (f).

19 (e) The amount determined under this subsection for a plan
20 participant (or to a survivor or beneficiary of a plan participant)
21 who meets the requirements of subsection (c) is equal to the
22 following:

If a Plan Participant's Creditable Service Is:	The Amount Is:
At least 5 years, but less than 10 years (only in the case of a member receiving disability retirement benefits)	\$125
At least 10 years, but less than 20 years	\$235
At least 20 years, but less than 30 years	\$325
At least 30 years	\$400

31 (f) The amount determined under this subsection for a plan
32 participant (or to a survivor or beneficiary of a plan participant)
33 who meets the requirements of subsection (c) is equal to either:

- 34 (1) fifty dollars (\$50), if the plan participant's monthly benefit
35 is less than five hundred dollars (\$500); or
36 (2) twenty-five dollars (\$25), if the plan participant's monthly
37 benefit equals or exceeds five hundred dollars (\$500).

38 (g) The creditable service used to determine the amount paid to
39 a plan participant (or to a survivor or beneficiary of a plan
40 participant) under this SECTION is the creditable service that was
41 used to compute the plan participant's retirement allowance under
42 IC 5-10-5.5-10 and IC 5-10-5.5-12, except that partial years of



1 creditable service may not be used to determine the amount paid
2 under this SECTION.

3 (h) If two (2) or more survivors or beneficiaries of a plan
4 participant are entitled to an amount paid under this SECTION,
5 the amount shall be allocated to the survivors or beneficiaries in
6 shares using the same percentages as the percentages determined
7 under IC 5-10-5.5-16 to pay the monthly benefit to the survivors or
8 beneficiaries.

9 (i) The board of trustees of the Indiana public retirement system
10 established by IC 5-10.5-3-1 may not use employer contributions
11 to make the payments required under subsection (c) unless, and
12 only to the extent that, the amounts required to make the payments
13 under subsection (c) exceed the appropriations in the state budget
14 for the biennium beginning July 1, 2017, for the purposes described
15 in subsection (c).

16 (j) This SECTION expires January 1, 2018.

17 SECTION 4. [EFFECTIVE JULY 1, 2017] (a) As used in this
18 SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.

19 (b) As used in this SECTION, "trust fund" has the meaning set
20 forth in IC 10-12-1-11.

21 (c) Not later than October 1, 2017, the trustee shall pay the
22 amount determined under subsection (d) from the trust fund to
23 each employee beneficiary of the state police pre-1987 benefit
24 system covered by IC 10-12-3 who:

25 (1) retired or was disabled before July 2, 2016; and

26 (2) is entitled to receive a monthly benefit as of September 1,
27 2017.

28 (d) The amount paid under this SECTION to an employee
29 beneficiary who meets the requirements of subsection (c) is equal
30 to the sum of:

31 (1) an amount equal to one percent (1%) of the maximum
32 basic annual pension amount payable to a retired state police
33 employee in the grade of trooper who has completed twenty
34 (20) years of service as of July 1, 2017, as calculated under
35 IC 10-12-3-7; and

36 (2) either:

37 (A) fifty dollars (\$50), if the employee beneficiary's
38 monthly benefit is less than five hundred dollars (\$500); or

39 (B) twenty-five dollars (\$25), if the employee beneficiary's
40 monthly benefit equals or exceeds five hundred dollars
41 (\$500).

42 (e) The amounts paid under this SECTION are not an increase



1 in the monthly pension amount of an employee beneficiary.

2 (f) The trustee may not use employer contributions to make the
3 payments required under subsection (c) unless, and only to the
4 extent that, the amounts required to make the payments under
5 subsection (c) exceed the appropriations in the state budget for the
6 biennium beginning July 1, 2017, for the purposes described in
7 subsection (c).

8 (g) This SECTION expires January 1, 2018.

9 SECTION 5. [EFFECTIVE JULY 1, 2017] (a) As used in this
10 SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.

11 (b) As used in this SECTION, "trust fund" has the meaning set
12 forth in IC 10-12-1-11.

13 (c) Not later than October 1, 2017, the trustee shall pay the
14 amount determined under subsection (d) from the trust fund to
15 each employee beneficiary of the state police 1987 benefit system
16 covered by IC 10-12-4 who:

17 (1) retired or was disabled after June 30, 1987, and before
18 July 2, 2016; and

19 (2) is entitled to receive a monthly benefit as of September 1,
20 2017.

21 (d) The amount paid under this SECTION to an employee
22 beneficiary who meets the requirements of subsection (c) is equal
23 to the sum of:

24 (1) an amount equal to one percent (1%) of the maximum
25 basic annual pension amount payable to a retired state police
26 employee in the grade of trooper who has completed
27 twenty-five (25) years of service as of July 1, 2017, as
28 calculated under IC 10-12-4-7; and

29 (2) either:

30 (A) fifty dollars (\$50), if the employee beneficiary's
31 monthly benefit is less than five hundred dollars (\$500); or

32 (B) twenty-five dollars (\$25), if the employee beneficiary's
33 monthly benefit equals or exceeds five hundred dollars
34 (\$500).

35 (e) The amount paid under this SECTION is not an increase in
36 the monthly pension amount of an employee beneficiary.

37 (f) The trustee may not use employer contributions to make the
38 payments required under subsection (c) unless, and only to the
39 extent that, the amounts required to make the payments under
40 subsection (c) exceed the appropriations in the state budget for the
41 biennium beginning July 1, 2017, for the purposes described in
42 subsection (c).



1 **(g) This SECTION expires January 1, 2018.**

