March 13, 2015

ENGROSSED HOUSE BILL No. 1109

DIGEST OF HB 1109 (Updated March 11, 2015 11:10 am - DI 102)

Citations Affected: IC 5-10.2; IC 5-10.5.

Synopsis: Payment of monthly pension benefits. Provides that members and beneficiaries of any public pension fund administered by the Indiana public retirement system may receive monthly benefits only by direct deposit or another method approved by the board of trustees of the Indiana public retirement system. Repeals a similar but more narrowly applicable section concerning methods of paying monthly benefits to members and beneficiaries of the public employees' retirement fund and the teachers' retirement fund.

Effective: July 1, 2015.

Burton, Niezgodski, Gutwein, Moseley

(SENATE SPONSOR — BOOTS)

January 8, 2015, read first time and referred to Committee on Employment, Labor and Pensions.
January 22, 2015, reported — Do Pass.
January 26, 2015, read second time, ordered engrossed. Engrossed.
January 27, 2015, read third time, passed. Yeas 98, nays 0.

SENATE ACTION

February 24, 2015, read first time and referred to Committee on Pensions & Labor.
March 12, 2015, reported favorably — Do Pass.

March 13, 2015

First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1109

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

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

SECTION 1. IC 5-10.2-4-1.2 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 1.2. (a) Each fund shall adopt a policy that requires direct deposit or another method approved by the board as the preferred way for members and beneficiaries to receive monthly benefits.~~

~~(b) A member or beneficiary who does not wish to have payments to the person deposited by direct deposit or another method approved by the board under subsection (a) may request the board or a designee of the board to grant a waiver of the requirement of direct deposit or another method approved by the board. The member or beneficiary must:~~

~~(1) state the reason to the board for requesting the waiver; and~~

~~(2) sign a waiver form.~~

~~(c) The board or a designee of the board shall grant the member's or beneficiary's request for a waiver, approval of which shall not be unreasonably denied, if any of the following apply:~~

~~(1) The member or beneficiary currently does not have a savings or checking account.~~

~~(2) The member or beneficiary is unable to establish a savings or checking account within the geographic area of the home of the member or beneficiary without payment of a service fee. In support of this reason, the member or beneficiary must submit a written statement of the inability to establish the account without the payment of a fee with the waiver request.~~

~~(3) The home of the member or beneficiary is too remote to have access to a financial institution where direct deposit or another method approved by the board may be made.~~

~~(4) The financial institution of the member or beneficiary is unable to:~~

~~(A) accept direct deposit or another method approved by the board; or~~

~~(B) process electronic withdrawal.~~

~~The member or beneficiary must submit with the waiver a written statement from the financial institution of the member or beneficiary that the financial institution is unable to accept direct deposit or another method approved by the board or process electronic withdrawal.~~

~~(5) The board determines that the facts of the particular case warrant a waiver of the requirement of direct deposit or another method approved by the board.~~

~~(d) The policy of the board must provide that a member or beneficiary who is in pay status as of July 1, 2009, and is receiving monthly benefits in a manner other than direct deposit or another method approved by the board shall not have the monthly benefits stopped for receiving monthly benefits in a manner other than direct deposit or another method approved by the board.~~

SECTION 2. IC 5-10.5-4-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 4. Members and beneficiaries of the public pension and retirement funds of the system may receive monthly benefits only by direct deposit or another method approved by the board.**

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1109, 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 1109 as introduced.)

GUTWEIN

Committee Vote: Yeas 10, Nays 0

COMMITTEE REPORT

Madam President: The Senate Committee on Pensions & Labor, to which was referred House Bill No. 1109, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to HB 1109 as printed January 23, 2015.)

BOOTS, Chairperson

Committee Vote: Yeas 10, Nays 0