

HOUSE BILL No. 1147

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-8.

Synopsis: Police officer and firefighter pensions. Increases from \$12,000 to \$18,000 the lump sum death benefit for a member of the 1925 police pension fund (1925 fund), the 1937 firefighters' pension fund (1937 fund), the 1953 police pension fund (1953 fund), or the 1977 police officers' and firefighters' pension and disability fund (1977 fund). Increases from \$150,000 to \$225,000 the special death benefit for a member of the 1925 fund, the 1937 fund, the 1953 fund, or the 1977 fund who dies in the line of duty. Removes the 3% cap on cost of living increases for members of the 1977 fund.

Effective: July 1, 2018.

Harris

January 8, 2018, read first time and referred to Committee on Veterans Affairs and Public Safety.



Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1147

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

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

1 SECTION 1. IC 36-8-6-9.8, AS AMENDED BY P.L.28-2008,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2018]: Sec. 9.8. (a) Benefits paid under this section are
4 subject to section 1.5 of this chapter.

5 (b) The 1925 fund shall be used to pay funeral benefits to the heirs
6 or estate of an active or a retired member of the police department who
7 has died from any cause, in an amount fixed by ordinance, but at least
8 ~~twelve~~ **eighteen** thousand dollars ~~(\$12,000)~~. **(\$18,000)**.

9 SECTION 2. IC 36-8-6-20, AS AMENDED BY P.L.40-2017,
10 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2018]: Sec. 20. (a) As used in this section, "dies in the line of
12 duty" has the meaning set forth in section 10.1 of this chapter.

13 (b) A special death benefit of ~~seventy-five thousand dollars~~
14 ~~(\$75,000)~~ for a fund member who dies in the line of duty before
15 ~~January 1, 1998, and~~ one hundred fifty thousand dollars (\$150,000) for
16 a fund member who dies in the line of duty ~~after December 31, 1997,~~
17 **before July 1, 2018, and two hundred twenty-five thousand dollars**



1 **(\$225,000) for a fund member who dies in the line of duty after**
 2 **June 30, 2018**, shall be paid in a lump sum by the Indiana public
 3 retirement system from the special death benefit fund established under
 4 IC 5-10-9.8 to the following relative of a fund member who dies in the
 5 line of duty:

6 (1) To the surviving spouse.

7 (2) If there is no surviving spouse, to the surviving children (to be
 8 shared equally).

9 (3) If there is no surviving spouse and there are no surviving
 10 children, to the parent or parents in equal shares.

11 (c) The benefit provided by this section is in addition to any other
 12 benefits provided under this chapter.

13 SECTION 3. IC 36-8-7-13, AS AMENDED BY P.L.28-2008,
 14 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2018]: Sec. 13. (a) Benefits paid under this section are subject
 16 to section 2.5 of this chapter.

17 (b) Upon the death of a disabled, retired, or discharged member of
 18 the fire department who was receiving or entitled to receive a pension
 19 at the time of the member's death, or upon the death of a member in
 20 active service at the time of the member's death, the local board shall
 21 authorize and pay out of the 1937 fund at least ~~twelve~~ **eighteen**
 22 thousand dollars (~~\$12,000~~) **(\$18,000)** as death benefits.

23 (c) The death benefit described under this section shall be paid:

24 (1) to the surviving spouse;

25 (2) if there is no surviving spouse, to the surviving children; and

26 (3) if there is no surviving spouse, and if there are no surviving
 27 children, to the estate;

28 of the deceased member and is in addition to other benefits paid to a
 29 member or survivor under this chapter.

30 SECTION 4. IC 36-8-7-26, AS AMENDED BY P.L.40-2017,
 31 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2018]: Sec. 26. (a) As used in this section, "dies in the line of
 33 duty" has the meaning set forth in section 12.4 of this chapter.

34 (b) A special death benefit of ~~seventy-five thousand dollars~~
 35 (~~\$75,000~~) **for a fund member who dies in the line of duty before**
 36 ~~January 1, 1998, and one hundred fifty thousand dollars (\$150,000) for~~
 37 ~~a fund member who dies in the line of duty after December 31, 1997,~~
 38 **before July 1, 2018, and two hundred twenty-five thousand dollars**
 39 **(\$225,000) for a fund member who dies in the line of duty after**
 40 **June 30, 2018**, shall be paid in a lump sum by the Indiana public
 41 retirement system from the special death benefit fund established under
 42 IC 5-10-9.8 to the following relative of a fund member who dies in the



1 line of duty:

2 (1) To the surviving spouse.

3 (2) If there is no surviving spouse, to the surviving children (to be
4 shared equally).

5 (3) If there is no surviving spouse and there are no surviving
6 children, to the parent or parents in equal shares.

7 (c) The benefit provided by this section is in addition to any other
8 benefits provided under this chapter.

9 SECTION 5. IC 36-8-7.5-13.8, AS AMENDED BY P.L.28-2008,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2018]: Sec. 13.8. (a) Benefits paid under this section are
12 subject to section 1.5 of this chapter.

13 (b) The 1953 fund shall be used to pay ~~twelve~~ **eighteen** thousand
14 dollars ~~(\$12,000)~~ **(\$18,000)** to the beneficiary or estate of a member of
15 the fund, active or retired, who:

16 (1) dies from any cause after having served for one (1) year or
17 more as an active member of the police department; or

18 (2) dies from any cause while in the actual discharge of the
19 member's duties as a police officer after having served less than
20 one (1) year as an active member of the police department.

21 Any member of the fund may name a beneficiary to receive the amount
22 provided for upon the member's death by designating in writing in such
23 form as is prescribed by the local board and delivered to the board. The
24 beneficiary may be changed from time to time by the member by
25 canceling the designation and delivering a new designation to the local
26 board. If the member makes no designation of beneficiary, the sum
27 provided for shall be paid to the member's estate.

28 SECTION 6. IC 36-8-7.5-22, AS AMENDED BY P.L.40-2017,
29 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2018]: Sec. 22. (a) As used in this section, "dies in the line of
31 duty" has the meaning set forth in section 14.1 of this chapter.

32 (b) A special death benefit of ~~seventy-five thousand dollars~~
33 ~~(\$75,000)~~ for a fund member who dies in the line of duty before
34 ~~January 1, 1998,~~ and one hundred fifty thousand dollars (\$150,000) for
35 a fund member who dies in the line of duty after ~~December 31, 1997,~~
36 **before July 1, 2018, and two hundred twenty-five thousand dollars**
37 **(\$225,000) for a fund member who dies in the line of duty after**
38 **June 30, 2018,** shall be paid in a lump sum by the Indiana public
39 retirement system from the special death benefit fund established under
40 IC 5-10-9.8 to the following relative of a fund member who dies in the
41 line of duty:

42 (1) To the surviving spouse.



- 1 (2) If there is no surviving spouse, to the surviving children (to be
2 shared equally).
- 3 (3) If there is no surviving spouse and there are no surviving
4 children, to the parent or parents in equal shares.
- 5 (c) The benefit provided by this section is in addition to any other
6 benefits provided under this chapter.
- 7 SECTION 7. IC 36-8-8-15, AS AMENDED BY P.L.35-2012,
8 SECTION 134, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2018]: Sec. 15. Each year the system board
10 shall determine if there has been an increase or decrease in the
11 consumer price index (United States city average) prepared by the
12 United States Department of Labor by comparing the arithmetic mean
13 of the consumer price index for January, February, and March of that
14 year with the arithmetic mean for the same three (3) months of the
15 preceding year. If there has been an increase, or a decrease, it shall be
16 stated as a percentage of the arithmetic mean for the preceding three
17 (3) month period. The percentage shall be rounded to the nearest
18 one-tenth of one percent (0.1%). ~~and may not exceed three percent~~
19 ~~(3%)~~. If there is a percentage increase of the arithmetic mean for the
20 preceding three (3) month period, a fund member's or survivor's
21 monthly benefit, beginning with the July payment, shall be increased
22 by an amount equal to the June payment times the percentage increase.
23 However, a fund member's or survivor's monthly benefit may not be
24 increased under this section until July of the year following the year of
25 the first monthly benefit payment to the fund member or survivor. In
26 computing a fund member's benefit, the increase is based only on those
27 years for which the fund member was eligible for benefit payments
28 under this chapter. A monthly benefit may not be reduced if there is a
29 percentage decrease of the arithmetic mean for the preceding three (3)
30 month period.
- 31 SECTION 8. IC 36-8-8-16, AS AMENDED BY P.L.28-2008,
32 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2018]: Sec. 16. (a) Benefits paid under this section are subject
34 to section 2.5 of this chapter.
- 35 (b) The heirs or estate of a fund member is entitled to receive at
36 least ~~twelve~~ **eighteen** thousand dollars ~~(\$12,000)~~ **(\$18,000)** upon the
37 fund member's death.
- 38 SECTION 9. IC 36-8-8-20, AS AMENDED BY P.L.40-2017,
39 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2018]: Sec. 20. (a) As used in this section, "dies in the line of
41 duty" has the meaning set forth in section 14.1 of this chapter.
- 42 (b) Benefits paid under this section are subject to section 2.5 of this



- 1 chapter.
- 2 (c) A special death benefit of ~~seventy-five thousand dollars~~
3 ~~(\$75,000) for a fund member who dies in the line of duty before~~
4 ~~January 1, 1998, and one hundred fifty thousand dollars (\$150,000) for~~
5 ~~a fund member who dies in the line of duty after December 31, 1997,~~
6 **before July 1, 2018, and two hundred twenty-five thousand dollars**
7 **(\$225,000) for a fund member who dies in the line of duty after**
8 **June 30, 2018**, shall be paid in a lump sum by the Indiana public
9 retirement system from the special death benefit fund established under
10 IC 5-10-9.8 to the following relative of a fund member who dies in the
11 line of duty:
- 12 (1) To the surviving spouse.
- 13 (2) If there is no surviving spouse, to the surviving children (to be
14 shared equally).
- 15 (3) If there is no surviving spouse and there are no surviving
16 children, to the parent or parents in equal shares.
- 17 (d) The benefit provided by this section is in addition to any other
18 benefits provided under this chapter.

