

# HOUSE BILL No. 1227

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** Noncode.

**Synopsis:** Thirteenth check and \$50 increase payment. Provides for a thirteenth check in 2021 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. Provides for a \$50 payment to members of the Indiana state teachers' retirement fund and 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, 2021.

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## Karickhoff

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January 14, 2021, read first time and referred to Committee on Employment, Labor and Pensions.

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First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

# HOUSE BILL No. 1227

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, 2021] (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) As used in this SECTION, "supplemental allowance reserve**  
5 **account" refers to the supplemental allowance reserve account**  
6 **established by IC 5-10.2-2-2(c)(3).**  
7           **(c) Not later than October 1, 2021, either the fund or the state**  
8 **general fund, or both, shall pay the amount determined under**  
9 **subsection (e) to a member of the fund (or to a survivor or**  
10 **beneficiary of a member) who retired or was disabled on or before**  
11 **December 1, 2020, and who is entitled to receive a monthly benefit**  
12 **on July 1, 2021. The amount is not an increase in the pension**  
13 **portion of the monthly benefit.**  
14           **(d) After June 30, 2022, and not later than October 1, 2022,**  
15 **either the fund or the state general fund, or both, shall pay the**  
16 **amount determined under subsection (e) to a member of the fund**  
17 **(or to a survivor or beneficiary of a member) who retired or was**  
18 **disabled on or before December 1, 2021, and who is entitled to**



1 receive a monthly benefit on July 1, 2022. The amount is not an  
2 increase in the pension portion of the monthly benefit.

3 (e) The amount paid under subsection (c) or (d) to a member of  
4 the fund (or to a survivor or beneficiary of a member) who meets  
5 the requirements of subsection (c) or (d) is determined as follows:

6 If a Member's Creditable 7 Service Is:	The Amount Is:
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8 At least 5 years, but less than 10 years 9 (only in the case of a member receiving 10 disability retirement benefits)	\$150
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11 At least 10 years, but less than 20 years	\$275
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12 At least 20 years, but less than 30 years	\$375
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13 At least 30 years	\$450
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14 (f) The creditable service used to determine the amount paid to  
15 a member (or to a survivor or beneficiary of a member) under  
16 subsection (c) or (d) is the creditable service that was used to  
17 compute the member's retirement benefit under IC 5-10.2-4-4,  
18 except that partial years of creditable service may not be used to  
19 determine the amount paid under subsection (c) or (d).

20 (g) If two (2) or more survivors or beneficiaries of a member are  
21 entitled to an amount paid under subsection (c) or (d), the amount  
22 shall be allocated to the survivors or beneficiaries in shares using  
23 the same percentages as the percentages determined under  
24 IC 5-10.2-3-7.5 or IC 5-10.4-4-10 to pay the monthly benefit to the  
25 survivors or beneficiaries.

26 (h) The fund may not use employer contributions to make the  
27 payments required under subsection (c) or (d), as applicable,  
28 unless, and only to the extent that, the amounts necessary to make  
29 the payments required under subsection (c) or (d), as applicable,  
30 exceed the amounts appropriated in the state budget for the  
31 biennium beginning July 1, 2021, for the purposes described in  
32 subsection (c) or (d), as applicable.

33 (i) Not later than October 1, 2021, the supplemental allowance  
34 reserve account shall pay fifty dollars (\$50) to a member of the  
35 fund (or to a survivor or beneficiary of a member) who retired or  
36 was disabled on or before December 1, 2020, and who is entitled to  
37 receive a monthly benefit on July 1, 2021.

38 (j) After June 30, 2022, and not later than October 1, 2022, the  
39 supplemental allowance reserve account shall pay fifty dollars  
40 (\$50) to a member of the fund (or to a survivor or beneficiary of a  
41 member) who retired or was disabled on or before December 1,  
42 2021, and who is entitled to receive a monthly benefit on July 1,



- 1       **2022.**
- 2       (k) This SECTION expires January 1, 2023.
- 3       SECTION 2. [EFFECTIVE JULY 1, 2021] (a) As used in this
- 4       SECTION, "fund" refers to the public employees' retirement fund
- 5       established by IC 5-10.3-2-1.
- 6       (b) As used in this SECTION, "supplemental allowance reserve
- 7       account" refers to the supplemental allowance reserve account
- 8       established by IC 5-10.2-2-2(a)(3).
- 9       (c) Not later than October 1, 2021, either the fund or the state
- 10      general fund, or both, shall pay the amount determined under
- 11      subsection (e) to a member of the fund (or to a survivor or
- 12      beneficiary of a member) who retired or was disabled on or before
- 13      December 1, 2020, and who is entitled to receive a monthly benefit
- 14      on July 1, 2021. The amount is not an increase in the pension
- 15      portion of the monthly benefit.
- 16      (d) After June 30, 2022, and not later than October 1, 2022,
- 17      either the fund or the state general fund, or both, shall pay the
- 18      amount determined under subsection (e) to a member of the fund
- 19      (or to a survivor or beneficiary of a member) who retired or was
- 20      disabled on or before December 1, 2021, and who is entitled to
- 21      receive a monthly benefit on July 1, 2022. The amount is not an
- 22      increase in the pension portion of the monthly benefit.
- 23      (e) The amount paid under subsection (c) or (d) to a member of
- 24      the fund (or to a survivor or beneficiary of a member) who meets
- 25      the requirements of subsection (c) or (d) is determined as follows:
- | If a Member's Creditable<br>Service Is:  | The Amount Is: |
|--|----------------|
| At least 5 years, but less than 10 years<br>(only in the case of a member receiving<br>disability retirement benefits) | \$150          |
| 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          |
- 34      (f) The creditable service used to determine the amount paid to
- 35      a member (or to a survivor or beneficiary of a member) under
- 36      subsection (c) or (d) is the creditable service that was used to
- 37      compute the member's retirement benefit under IC 5-10.2-4-4,
- 38      except that partial years of creditable service may not be used to
- 39      determine the amount paid under subsection (c) or (d).
- 40      (g) If two (2) or more survivors or beneficiaries of a member are
- 41      entitled to an amount paid under subsection (c) or (d), the amount
- 42      shall be allocated to the survivors or beneficiaries in shares using



1 the same percentages as the percentages determined under  
 2 IC 5-10.2-3-7.5 or IC 5-10.3-8-15 to pay the monthly benefit to the  
 3 survivors or beneficiaries.

4 (h) The fund may not use employer contributions to make the  
 5 payments required under subsection (c) or (d), as applicable,  
 6 unless, and only to the extent that, the amounts necessary to make  
 7 the payments required under subsection (c) or (d), as applicable,  
 8 exceed the amounts appropriated in the state budget for the  
 9 biennium beginning July 1, 2021, for the purposes described in  
 10 subsection (c) or (d), as applicable.

11 (i) Not later than October 1, 2021, the supplemental allowance  
 12 reserve account shall pay fifty dollars (\$50) to a member of the  
 13 fund (or to a survivor or beneficiary of a member) who retired or  
 14 was disabled on or before December 1, 2020, and who is entitled to  
 15 receive a monthly benefit on July 1, 2021.

16 (j) After June 30, 2022, and not later than October 1, 2022, the  
 17 supplemental allowance reserve account shall pay fifty dollars  
 18 (\$50) to a member of the fund (or to a survivor or beneficiary of a  
 19 member) who retired or was disabled on or before December 1,  
 20 2021, and who is entitled to receive a monthly benefit on July 1,  
 21 2022.

22 (k) This SECTION expires January 1, 2023.

23 SECTION 3. [EFFECTIVE JULY 1, 2021] (a) As used in this  
 24 SECTION, "participant" has the meaning set forth in  
 25 IC 5-10-5.5-1.

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

29 (c) As used in this SECTION, "supplemental allowance reserve  
 30 account" refers to the supplemental allowance reserve account  
 31 established by IC 5-10.2-2-2(a)(3).

32 (d) Not later than October 1, 2021, either the plan or the state  
 33 general fund, or both, shall pay the amount determined under  
 34 subsection (f) to a plan participant (or to a survivor or beneficiary  
 35 of a plan participant) who retired or was disabled on or before  
 36 December 1, 2020, and who is entitled to receive a monthly benefit  
 37 on July 1, 2021. The amount is not an increase in the annual  
 38 retirement allowance.

39 (e) After June 30, 2022, and not later than October 1, 2022,  
 40 either the plan or the state general fund, or both, shall pay the  
 41 amount determined under subsection (f) to a plan participant (or  
 42 to a survivor or beneficiary of a plan participant) who retired or



1 was disabled on or before December 1, 2021, and who is entitled to  
 2 receive a monthly benefit on July 1, 2022. The amount is not an  
 3 increase in the annual retirement allowance.

4 (f) The amount paid under subsection (d) or (e) to a plan  
 5 participant (or to a survivor or beneficiary of a plan participant)  
 6 who meets the requirements of subsection (d) or (e) is determined  
 7 as follows:

8 If a Plan Participant's Creditable	The Amount Is:
9 Service Is:	
10 At least 5 years, but less than 10 years	\$150
11 (only in the case of a member receiving	
12 disability retirement benefits)	
13 At least 10 years, but less than 20 years	\$275
14 At least 20 years, but less than 30 years	\$375
15 At least 30 years	\$450

16 (g) The creditable service used to determine the amount paid to  
 17 a plan participant (or to a survivor or beneficiary of a plan  
 18 participant) under subsection (d) or (e) is the creditable service  
 19 that was used to compute the plan participant's retirement  
 20 allowance under IC 5-10-5.5-10 and IC 5-10-5.5-12, except that  
 21 partial years of creditable service may not be used to determine the  
 22 amount paid under subsection (d) or (e).

23 (h) If two (2) or more survivors or beneficiaries of a plan  
 24 participant are entitled to an amount paid under subsection (d) or  
 25 (e), the amount shall be allocated to the survivors or beneficiaries  
 26 in shares using the same percentages as the percentages  
 27 determined under IC 5-10-5.5-16 to pay the monthly benefit to the  
 28 survivors or beneficiaries.

29 (i) The plan may not use employer contributions to make the  
 30 payments required under subsection (d) or (e), as applicable,  
 31 unless, and only to the extent that, the amounts necessary to make  
 32 the payments required under subsection (d) or (e), as applicable,  
 33 exceed the amounts appropriated in the state budget for the  
 34 biennium beginning July 1, 2021, for the purposes described in  
 35 subsection (d) or (e), as applicable.

36 (j) Not later than October 1, 2021, the supplemental allowance  
 37 reserve account shall pay fifty dollars (\$50) to a plan participant  
 38 (or to a survivor or beneficiary of a plan participant) who retired  
 39 or was disabled on or before December 1, 2020, and who is entitled  
 40 to receive a monthly benefit on July 1, 2021.

41 (k) After June 30, 2022, and not later than October 1, 2022, the  
 42 supplemental allowance reserve account shall pay fifty dollars



1 (\$50) to a plan participant (or to a survivor or beneficiary of a plan  
2 participant) who retired or was disabled on or before December 1,  
3 2021, and who is entitled to receive a monthly benefit on July 1,  
4 2022.

5 (l) This SECTION expires January 1, 2023.

6 SECTION 4. [EFFECTIVE JULY 1, 2021] (a) As used in this  
7 SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.

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

10 (c) Not later than October 1, 2021, the trustee shall pay from the  
11 trust fund to each employee beneficiary of the state police pre-1987  
12 benefit system covered by IC 10-12-3 who:

13 (1) retired or was disabled before July 2, 2020; and

14 (2) is entitled to receive a monthly benefit as of September 1,  
15 2021;

16 an amount equal to one percent (1%) of the maximum basic annual  
17 pension amount payable to a retired state police employee in the  
18 grade of trooper who has completed twenty (20) years of service as  
19 of July 1, 2021, as calculated under IC 10-12-3-7.

20 (d) After September 1, 2022, and not later than October 1, 2022,  
21 the trustee shall pay from the trust fund to each employee  
22 beneficiary of the state police pre-1987 benefit system covered by  
23 IC 10-12-3 who:

24 (1) retired or was disabled before July 2, 2021; and

25 (2) is entitled to receive a monthly benefit as of September 1,  
26 2022;

27 an amount equal to one percent (1%) of the maximum basic annual  
28 pension amount payable to a retired state police employee in the  
29 grade of trooper who has completed twenty (20) years of service as  
30 of July 1, 2022, as calculated under IC 10-12-3-7.

31 (e) The amounts paid under this SECTION are not an increase  
32 in the monthly pension amount of an employee beneficiary.

33 (f) The trustee may not use employer contributions to make the  
34 payments required under subsection (c) or (d), as applicable,  
35 unless, and only to the extent that, the amounts required to make  
36 the payments under subsection (c) or (d), as applicable, exceed the  
37 appropriations in the state budget for the biennium beginning July  
38 1, 2021, for the purposes described in subsection (c) or (d), as  
39 applicable.

40 (g) This SECTION expires January 1, 2023.

41 SECTION 5. [EFFECTIVE JULY 1, 2021] (a) As used in this  
42 SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.



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

3           (c) Not later than October 1, 2021, the trustee shall pay from the  
4 trust fund to each employee beneficiary of the state police 1987  
5 benefit system covered by IC 10-12-4 who:

6               (1) retired or was disabled after June 30, 1987, and before  
7 July 2, 2020; and

8               (2) is entitled to receive a monthly benefit as of September 1,  
9 2021;

10           an amount equal to one percent (1%) of the maximum basic annual  
11 pension amount payable to a retired state police employee in the  
12 grade of trooper who has completed twenty-five (25) years of  
13 service as of July 1, 2021, as calculated under IC 10-12-4-7.

14           (d) After September 1, 2022, and not later than October 1, 2022,  
15 the trustee shall pay from the trust fund to each employee  
16 beneficiary of the state police 1987 benefit system covered by  
17 IC 10-12-4 who:

18               (1) retired or was disabled after June 30, 1987, and before  
19 July 2, 2021; and

20               (2) is entitled to receive a monthly benefit as of September 1,  
21 2022;

22           an amount equal to one percent (1%) of the maximum basic annual  
23 pension amount payable to a retired state police employee in the  
24 grade of trooper who has completed twenty-five (25) years of  
25 service as of July 1, 2022, as calculated under IC 10-12-4-7.

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

28           (f) The trustee may not use employer contributions to make the  
29 payments required under subsection (c) or (d), as applicable,  
30 unless, and only to the extent that, the amounts required to make  
31 the payments under subsection (c) or (d), as applicable, exceed the  
32 appropriations in the state budget for the biennium beginning July  
33 1, 2021, for the purposes described in subsection (c) or (d), as  
34 applicable.

35           (g) This SECTION expires January 1, 2023.

