

HOUSE BILL No. 1249

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10.2-5-44.

Synopsis: Teachers' retirement fund benefit adjustment. Provides that a member of the Indiana state teachers' retirement fund (or the survivor or beneficiary of a member) may receive a benefit adjustment that is either: (1) a 2% cost of living adjustment; or (2) a thirteenth check; whichever is greater.

Effective: July 1, 2017.

Karickhoff

January 10, 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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1249

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 5-10.2-5-44 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2017]: **Sec. 44. (a) As used in this section, "fund" refers to the**
4 **Indiana state teachers' retirement fund established by**
5 **IC 5-10.4-2-1.**

6 **(b) A member of the fund (or a survivor or beneficiary of a**
7 **member) who retired or was disabled before January 1, 2017, is**
8 **entitled to receive either the benefit adjustment described in**
9 **subsection (c) or the benefit adjustment described in subsection (f).**
10 **The member shall receive the benefit adjustment that provides the**
11 **greater benefit to the member, but a member is not entitled to**
12 **receive both benefit adjustments.**

13 **(c) The pension portion (plus postretirement increases to the**
14 **pension portion) provided by employer contributions of the**
15 **monthly benefit payable after December 31, 2017, to a member of**
16 **the fund (or to a survivor or beneficiary of a member) who retired**
17 **or was disabled before December 1, 2016, and for whom the benefit**



1 adjustment described in this subsection provides a greater benefit
 2 than the benefit adjustment described under subsection (f), shall be
 3 increased by two percent (2%).

4 (d) The increase specified in subsection (c):

5 (1) is based on the date of the member's latest retirement or
 6 disability;

7 (2) does not apply to benefits payable in a lump sum; and

8 (3) is in addition to any other increase provided by law.

9 (e) Not later than October 1, 2017, the fund shall pay the
 10 amount determined under subsection (f) to a member of the fund
 11 (or to a survivor or beneficiary of a member) who retired or was
 12 disabled before December 1, 2016, who is entitled to receive a
 13 monthly benefit on July 1, 2017, and for whom the benefit
 14 adjustment described in subsection (f) provides a greater benefit
 15 than the benefit adjustment described under subsection (c). The
 16 amount is not an increase in the pension portion of the monthly
 17 benefit.

18 (f) The amount paid under this subsection to a member of the
 19 fund (or to a survivor or beneficiary of a member) who meets the
 20 requirements of subsection (e) is determined as follows:

21 If a Member's Creditable Service Is:	The Amount Is:
22 At least 5 years, but less than 10 years	
23 (only in the case of a member receiving	
24 disability retirement benefits)	\$150
25 At least 10 years, but less than 20 years	\$275
26 At least 20 years, but less than 30 years	\$375
27 At least 30 years	\$450

28 (g) The creditable service used to determine the amount paid to
 29 a member (or to a survivor or beneficiary of a member) under
 30 subsection (f) is the creditable service that was used to compute the
 31 member's retirement benefit under IC 5-10.2-4-4, except that
 32 partial years of creditable service may not be used to determine the
 33 amount paid under subsection (f).

34 (h) If two (2) or more survivors or beneficiaries of a member are
 35 entitled to an amount paid under subsection (f), the amount shall
 36 be allocated to the survivors or beneficiaries in shares using the
 37 same percentages as the percentages determined under
 38 IC 5-10.4-4-10 to pay the monthly benefit to the survivors or
 39 beneficiaries.

