

HOUSE BILL No. 1537

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.

Effective: July 1, 2017.

Gutwein, Burton, GiaQuinta

January 18, 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. 1537

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 determined as follows:

13	If a Member's Creditable	The Amount Is:
14	Service Is:	
15	At least 5 years, but less than 10 years	\$150
16	(only in the case of a member receiving	
17	disability retirement benefits)	
18	At least 10 years, but less than 20 years	\$275



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

2 At least 30 years \$450

3 (d) The creditable service used to determine the amount paid to
4 a member (or to a survivor or beneficiary of a member) under this
5 SECTION is the creditable service that was used to compute the
6 member's retirement benefit under IC 5-10.2-4-4, except that
7 partial years of creditable service may not be used to determine the
8 amount paid under this SECTION.

9 (e) If two (2) or more survivors or beneficiaries of a member are
10 entitled to an amount paid under this SECTION, the amount shall
11 be allocated to the survivors or beneficiaries in shares using the
12 same percentages as the percentages determined under
13 IC 5-10.2-3-7.5 or IC 5-10.4-4-10 to pay the monthly benefit to the
14 survivors or beneficiaries.

15 (f) The fund may not use employer contributions to make the
16 payments required under subsection (b) unless, and only to the
17 extent that, the amounts necessary to make the payments required
18 under subsection (b) exceed the amounts appropriated in the state
19 budget for the biennium beginning July 1, 2017, for the purposes
20 described in subsection (b).

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

22 SECTION 2. [EFFECTIVE JULY 1, 2017] (a) As used in this
23 SECTION, "fund" refers to the public employees' retirement fund
24 established by IC 5-10.3-2-1.

25 (b) Not later than October 1, 2017, the fund shall pay the amount
26 determined under subsection (c) to a member of the fund (or to a
27 survivor or beneficiary of a member) who retired or was disabled
28 on or before December 1, 2016, and who is entitled to receive a
29 monthly benefit on July 1, 2017. The amount is not an increase in
30 the pension portion of the monthly benefit.

31 (c) The amount paid under this SECTION to a member of the
32 fund (or to a survivor or beneficiary of a member) who meets the
33 requirements of subsection (b) is determined as follows:

If a Member's Creditable Service Is:	The Amount Is:
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At least 5 years, but less than 10 years	\$150
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(only in the case of a member receiving
disability retirement benefits)

At least 10 years, but less than 20 years	\$275
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At least 20 years, but less than 30 years	\$375
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At least 30 years	\$450
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42 (d) The creditable service used to determine the amount paid to



1 a member (or to a survivor or beneficiary of a member) under this
 2 SECTION is the creditable service that was used to compute the
 3 member's retirement benefit under IC 5-10.2-4-4, except that
 4 partial years of creditable service may not be used to determine the
 5 amount paid under this SECTION.

6 (e) If two (2) or more survivors or beneficiaries of a member are
 7 entitled to an amount paid under this SECTION, the amount shall
 8 be allocated to the survivors or beneficiaries in shares using the
 9 same percentages as the percentages determined under
 10 IC 5-10.2-3-7.5 or IC 5-10.3-8-15 to pay the monthly benefit to the
 11 survivors or beneficiaries.

12 (f) The fund may not use employer contributions to make the
 13 payments required under subsection (b) unless, and only to the
 14 extent that, the amounts necessary to make the payments required
 15 under subsection (b) exceed the amounts appropriated in the state
 16 budget for the biennium beginning July 1, 2017, for the purposes
 17 described in subsection (b).

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

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

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

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

32 (d) The amount paid under this SECTION to a plan participant
 33 of the fund (or to a survivor or beneficiary of a plan participant)
 34 who meets the requirements of subsection (c) is determined as
 35 follows:

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

(e) The creditable service used to determine the amount paid to a plan participant (or to a survivor or beneficiary of a plan participant) under this SECTION is the creditable service that was used to compute the plan participant's retirement allowance under IC 5-10-5.5-10 and IC 5-10-5.5-12, except that partial years of creditable service may not be used to determine the amount paid under this SECTION.

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

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

(h) This SECTION expires January 1, 2018.

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

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

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

- (1) retired or was disabled before July 2, 2016; and
- (2) is entitled to receive a monthly benefit as of September 1, 2017;

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

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

(e) The trustee may not use employer contributions to make the payments required under subsection (c) unless, and only to the extent that, the amounts required to make the payments under subsection (c) exceed the appropriations in the state budget for the



1 biennium beginning July 1, 2017, for the purposes described in
2 subsection (c).

3 (f) This SECTION expires January 1, 2018.

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

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

8 (c) Not later than October 1, 2017, the trustee shall pay from the
9 trust fund to each employee beneficiary of the state police 1987
10 benefit system covered by IC 10-12-4 who:

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

13 (2) is entitled to receive a monthly benefit as of September 1,
14 2017;

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

19 (d) The amount paid under this SECTION is not an increase in
20 the monthly pension amount of an employee beneficiary.

21 (e) The trustee may not use employer contributions to make the
22 payments required under subsection (c) unless, and only to the
23 extent that, the amounts required to make the payments under
24 subsection (c) exceed the appropriations in the state budget for the
25 biennium beginning July 1, 2017, for the purposes described in
26 subsection (c).

27 (f) This SECTION expires January 1, 2018.

