



March 21, 2017

ENGROSSED SENATE BILL No. 80

DIGEST OF SB 80 (Updated March 21, 2017 9:00 am - DI 84)

Citations Affected: IC 36-8.

Synopsis: Deferred retirement option plan disability benefit. Revises, for a member of the 1925 police pension fund, the 1937 firefighters' pension fund, the 1953 police pension fund, or the 1977 police officers' and firefighters' pension and disability fund who retires after June 30, 2017, because of a disability at least 12 months after the date the member enters the deferred retirement option plan (DROP), the calculation of the retirement benefit paid to the member. Allows a member who retired after January 1, 2015, and before July 1, 2017, because of a disability at least 12 months after the date the member entered the DROP to elect to have the member's retirement benefit recalculated under the new provision.

Effective: July 1, 2017.

**Boots, Niezgodski, Tallian,
Randolph Lonnie M, Eckerty**
(HOUSE SPONSORS — CARBAUGH, TAYLOR J, FRYE R)

January 3, 2017, read first time and referred to Committee on Pensions and Labor.
January 12, 2017, amended, reported favorably — Do Pass.
January 17, 2017, read second time, ordered engrossed. Engrossed.
January 23, 2017, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

February 28, 2017, read first time and referred to Committee on Employment, Labor and Pensions.
March 21, 2017, reported — Do Pass.

ES 80—LS 6203/DI 102



March 21, 2017

First Regular Session 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.

ENGROSSED SENATE BILL No. 80

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 36-8-8.5-16.5, AS ADDED BY P.L.148-2007,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]: Sec. 16.5. (a) This section applies to a member of the
4 1977 fund who becomes disabled after June 1, 2005, while the member
5 is in the DROP, because of a disability that arose either in the line of
6 duty or other than in the line of duty.
7 (b) The retirement benefit for a member who retires because of a
8 disability while in the DROP is determined under this chapter rather
9 than under the provisions of the applicable fund. Determinations as to
10 whether:
11 (1) the member is disabled; and
12 (2) a disability is in the line of duty;
13 under this chapter are made under the provisions of the applicable
14 fund.
15 (c) If the member retires because of a disability less than twelve (12)
16 months after the date the member enters the DROP, the benefits for the
17 member are calculated under the provisions of the applicable fund as

ES 80—LS 6203/DI 102



- 1 if the member had never entered the DROP.
- 2 (d) If the member retires **before July 1, 2017**, because of a
3 disability at least twelve (12) months after the date the member enters
4 the DROP, the benefits for the member are calculated under section 12
5 of this chapter, and the member's retirement date is the date the
6 member retires because of a disability rather than the member's DROP
7 retirement date.
- 8 (e) **If a member retires after June 30, 2017, because of a**
9 **disability at least twelve (12) months after the date the member**
10 **enters the DROP, the benefits for the member are as follows:**
- 11 (1) **A retirement benefit paid by and calculated under the**
12 **provisions of the applicable fund as if the member had never**
13 **entered the DROP.**
- 14 (2) **An additional, separate amount that is not calculated as a**
15 **part of a disability benefit from the applicable fund and that**
16 **is:**
- 17 (A) **calculated under section 12(b)(2)(B) of this chapter;**
18 **and**
- 19 (B) **paid to the member in accordance with the member's**
20 **election under section 12(c) of this chapter.**
- 21 **For purposes of paying the additional amount calculated under this**
22 **subsection, the member's retirement date is the date the member**
23 **retires because of a disability as determined under the provisions**
24 **of the applicable fund rather than the member's DROP retirement**
25 **date.**
- 26 (f) **A member who retired after January 1, 2015, and before**
27 **July 1, 2017, because of a disability at least twelve (12) months**
28 **after the date the member entered the DROP may elect to have the**
29 **member's benefit actuarially adjusted, reconciled, and recalculated**
30 **under subsection (e). An election under this subsection:**
- 31 (1) **must be made in writing on a form prescribed by the**
32 **board; and**
- 33 (2) **is irrevocable.**



COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 80, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 14, after "additional" insert ", **separate**".

Page 2, line 14, delete ":" and insert "**that is not calculated as a part of a disability benefit from the applicable fund and that is:**".

and when so amended that said bill do pass.

(Reference is to SB 80 as introduced.)

BOOTS, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred Senate Bill 80, 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 SB 80 as printed January 13, 2017.)

VANNATTER

Committee Vote: Yeas 8, Nays 0

