

SENATE BILL No. 164

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-5.5.

Synopsis: Survivors' benefits. Eliminates the requirement that a participant in the state excise police, gaming agent, gaming control officer, and conservation officers' retirement plan must have at least 15 years of creditable service in the plan at the time of the participant's death in order for the nominated survivor of the participant to be entitled to survivors' benefits.

Effective: July 1, 2019.

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January 3, 2019, read first time and referred to Committee on Pensions and Labor.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 164

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 5-10-5.5-15, AS AMENDED BY P.L.136-2018,
2 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 15. **Only** surviving mothers, fathers, surviving
4 spouses, or unmarried children under the age of eighteen (18) years of
5 participants ~~who have accrued at least fifteen (15) years of creditable~~
6 ~~service and who die shall be entitled~~ **are eligible** to receive survivors'
7 benefits in the amount provided in this chapter. ~~Survivor's~~ **Survivors'**
8 benefits shall be paid to such of the above enumerated persons **as**
9 **whom** the participant ~~shall nominate~~ **nominates** by written direction
10 duly acknowledged and filed with the board.

11 SECTION 2. IC 5-10-5.5-16 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 16. (a) Benefits
13 provided under this section are subject to section 2.5 of this chapter.

14 (b) A surviving mother or father nominated by the participant to
15 receive survivors' benefits under the provisions of this chapter shall be
16 entitled to an annual survivors' allowance for life equal to fifty percent
17 (50%) of the amount the participant would have been entitled to if ~~he~~



1 **the participant** had retired.

2 (c) A surviving spouse nominated by the participant to receive
3 survivors' benefits under the provisions of this chapter shall be entitled
4 to an annual survivors' allowance equal to fifty percent (50%) of the
5 amount the participant would have been entitled to if ~~he or she~~ **the**
6 **participant** had retired. In the case of a surviving spouse who is more
7 than five (5) years younger than the deceased participant at the time of
8 the participant's death, the amount of the annual survivors' allowance
9 shall be reduced actuarially, without regard to the sex of the spouse or
10 the participant. In all cases the survivors' allowance to a surviving
11 spouse shall cease with the last payment prior to the surviving spouse's
12 death.

13 (d) A surviving child eligible and nominated by the participant to
14 receive survivors' benefits under the provisions of this chapter shall be
15 entitled to an annual survivors' allowance equal to fifty percent (50%)
16 of the amount the participant would have been entitled to if ~~he~~ **the**
17 **participant** had retired. If more than one (1) surviving child is eligible
18 and nominated to receive survivors' benefits, the annual allowance shall
19 be divided equally between or among such children. In all cases, the
20 survivors' allowance to a child shall cease when the child attains the
21 age of eighteen (18) years or marries, whichever occurs first. Where a
22 survivors' allowance is divided between or among more than one (1)
23 child, and payments to one (1) or more children cease, the total annual
24 allowance payable shall be divided evenly among or between such of
25 the remaining children who are eligible therefor.

26 ~~(e) In the event that no nomination is made by an eligible~~
27 ~~participant, or in the event that the nominated survivor predeceases the~~
28 ~~participant and no contingent survivor is nominated and an eligible~~
29 ~~participant dies, no survivors' allowance shall be payable. In such case,~~
30 ~~the board shall make a lump sum payment to the estate of the deceased~~
31 ~~participant equal to the total of all funds standing to the credit of the~~
32 ~~participant in the participant's savings fund plus accumulated interest~~
33 ~~thereon.~~

34 ~~(f)~~ **(e)** A survivor's **survivors'** allowance under this section that was
35 terminated because of a surviving spouse's remarriage shall be
36 reinstated on July 1, 1997, and continue during the life of the surviving
37 spouse.

38 SECTION 3. IC 5-10-5.5-17 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17. **(a)** Any participant
40 whose employment as an officer is terminated before accumulating
41 fifteen (15) years of creditable service and before attaining the age of
42 forty-five (45) years ~~shall be~~ **is** entitled to a lump-sum refund of all



1 contributions standing to ~~his~~ **the participant's** credit in the
2 participants' savings fund plus accumulated interest thereon.

3 (b) If a participant dies before accumulating fifteen (15) years of
4 creditable service, all contributions standing to his credit in the
5 participants' savings fund plus the accumulated interest thereon shall
6 be paid by the board to the person the participant shall nominate by
7 written direction duly acknowledged and filed with the board. The
8 payment may be in the form of a lump sum or a series of payments, at
9 the discretion of the board.

10 (c) (b) If a participant dies before accumulating fifteen (15) years of
11 creditable service and has nominated no beneficiary, or in the event
12 that the participant's nominee predeceases ~~him~~, **the participant**, all
13 contributions standing to ~~his~~ **the participant's** credit in the
14 participants' savings fund, plus accumulated interest thereon shall be
15 paid by the board to the estate of the deceased participant. The payment
16 may be in the form of a lump sum or a series of payments, at the
17 discretion of the board.

18 (d) (c) If a participant terminates ~~his~~ **the participant's** employment
19 after accumulating fifteen (15) years of creditable service, but before
20 becoming eligible for any benefits under this chapter, no refund of
21 contributions and interest shall be allowed. In ~~such~~ **this** case, the
22 participant's contributions shall be retained by the board until the
23 participant becomes eligible for benefits. At that time, benefits shall be
24 paid to, or on behalf of the participant in the same manner and in the
25 same amount as all similar benefits are paid.

