



**CONFERENCE COMMITTEE REPORT  
DIGEST FOR HB 1986**

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

**Synopsis:** Public pension benefits. Provides a cost of living adjustment (COLA) in 1999 to members of the public employees' retirement fund (PERF) and members of the Indiana state teachers' retirement fund (TRF) (or their survivors or beneficiaries) who retired or were disabled before July 2, 1995. Provides a COLA in 2000 to members of PERF or TRF (or their survivors or beneficiaries) who retired or were disabled before July 2, 1996. Provides a supplemental "thirteenth check" benefit to retired teachers and certain retired public employees (or their survivors or beneficiaries) on November 1, 1999, and on November 1, 2000. Provides an additional cost of living adjustment (COLA) in 1999 and 2000 to retired or disabled members of the public employees' retirement fund (PERF) and members of the Indiana state teachers' retirement fund (TRF). Provides that the additional COLA is equal to the amount necessary to provide: (1) members who retired or were disabled before July 2, 1960, with pension benefits having at least 50% of the purchasing power of the pension benefits received by those members when they first retired (payable in 1999); and (2) members who retired or were disabled before July 2, 1975, with pension benefits having at least 57.4% of the purchasing power of the pension benefits received by the those members when they first retired (payable in 2000). (This conference committee report: (1) extends the cutoff date for those who will be eligible for the COLAs from July 2, 1994, to July 2, 1995 (in 1999), and to July 2, 1996 (in 2000); (2) provides that the COLA payable to those who retired after July 1, 1990, is 1.25% (in 1999) and 1% (in 2000); and (3) adds the provisions concerning the additional COLAs to ensure 50% (in 1999) and 57.4% (in 2000) of pension purchasing power.)

**Effective:** July 1, 1999; July 1, 2000.



Adopted	Rejected
---------	----------

# CONFERENCE COMMITTEE REPORT

**MR. SPEAKER:**

*Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1986 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1           Page 1, line 11, delete "1994" and insert "**1995**".
- 2           Page 1, line 12, delete "one-half" and insert "**one-quarter**".
- 3           Page 1, line 12, delete "(1.5%);" and insert "**(1.25%);**".
- 4           Page 2, line 20, delete "1994" and insert "**1996**".
- 5           Page 2, line 21, delete "and one-half".
- 6           Page 2, line 21, delete "(1.5%);" and insert "**(1%);**".
- 7           Page 2, between lines 34 and 35, begin a new paragraph and insert:
- 8           "SECTION 3. IC 5-10.2-5-29 IS ADDED TO THE INDIANA
- 9           CODE AS A NEW SECTION TO READ AS FOLLOWS
- 10          [EFFECTIVE JULY 1, 1999]: **Sec. 29. (a) In addition to any other**
- 11          **cost of living provided under this chapter, the pension portion (plus**
- 12          **postretirement increases to the pension portion) provided by**
- 13          **employer contributions of the monthly benefit payable after June**
- 14          **30, 1999, to a member of the public employees' retirement fund or**
- 15          **the Indiana state teachers' retirement fund (or to a survivor or**
- 16          **beneficiary of a member of the public employees' retirement fund**
- 17          **or the Indiana state teachers' retirement fund) who retired or was**
- 18          **disabled before July 2, 1960, shall be increased by the amount**
- 19          **necessary to ensure that the purchasing power (as determined by**
- 20          **the PERF or TRF board, based on changes in the consumer price**
- 21          **index and postretirement increases to the pension portion) of the**
- 22          **member's pension portion is at least equal to fifty percent (50%)**
- 23          **of the purchasing power of the member's pension portion at the**
- 24          **time the member retired, as determined on July 1, 1999.**

1           **(b) The increases specified in this section:**

- 2           **(1) are based upon the date of the member's latest retirement**  
 3           **or disability;**  
 4           **(2) do not apply to benefits payable in a lump sum; and**  
 5           **(3) are in addition to any other increase provided by law.**

6           SECTION 4. IC 5-10.2-5-30 IS ADDED TO THE INDIANA CODE  
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 8 1, 2000]: **Sec. 30. (a) In addition to any other cost of living provided**  
 9 **under this chapter, the pension portion (plus postretirement**  
 10 **increases to the pension portion) provided by employer**  
 11 **contributions of the monthly benefit payable after June 30, 2000,**  
 12 **to a member of the public employees' retirement fund or the**  
 13 **Indiana state teachers' retirement fund (or to a survivor or**  
 14 **beneficiary of a member of the public employees' retirement fund**  
 15 **or the Indiana state teachers' retirement fund) who retired or was**  
 16 **disabled before July 2, 1975, shall be increased by the amount**  
 17 **necessary to ensure that the purchasing power (as determined by**  
 18 **the PERF or TRF board, based on changes in the consumer price**  
 19 **index and postretirement increases to the pension portion) of the**  
 20 **member's pension portion is at least equal to fifty-seven and**  
 21 **four-tenths percent (57.4%) of the purchasing power of the**  
 22 **member's pension portion at the time the member retired, as**  
 23 **determined on July 1, 2000.**

24           **(b) The increases specified in this section:**

- 25           **(1) are based upon the date of the member's latest retirement**  
 26           **or disability;**  
 27           **(2) do not apply to benefits payable in a lump sum; and**  
 28           **(3) are in addition to any other increase provided by law."**

29           Renumber all SECTIONS consecutively.

(Reference is to EHB 1986 as printed March 30, 1999.)

**Conference Committee Report**  
**on**  
**House Bill 1986**

**S**igned by:

---

Senator Ford

---

Representative Tincher

---

Senator Hume

---

Representative Buell

**Senate Conferees**

**House Conferees**