



Reprinted
February 5, 2004

HOUSE BILL No. 1039

DIGEST OF HB 1039 (Updated February 4, 2004 2:40 pm - DI 102)

Citations Affected: IC 36-8.

Synopsis: Pension base for police officers and firefighters. Provides that, for contracts or agreements entered into, modified, renewed, or extended after June 30, 2004, the pension base for a police officer or firefighter includes the part of the officer's clothing allowance that exceeds \$600.

Effective: July 1, 2004.

Cochran, Kromkowski, Oxley

January 13, 2004, read first time and referred to Committee on Ways and Means.
January 29, 2004, reported — Do Pass.
February 4, 2004, read second time, amended, ordered engrossed.

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HB 1039—LS 6469/DI 44+



Second Regular Session 113th General Assembly (2004)

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 2003 Regular Session of the General Assembly.

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HOUSE BILL No. 1039



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 36-8-1-11 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 11. (a) "Salary of a first
3 class patrolman or first class firefighter" means the base salary of a
4 patrolman or firefighter plus:
5 (1) all longevity increases, if provided by the employer, for
6 service of twenty (20) years or less; **and**
7 (2) **an amount equal to the greater of zero (0) or:**
8 (A) **the total remuneration or allowances for clothing that**
9 **are paid to the patrolman or firefighter; minus**
10 **(B) six hundred dollars (\$600);**
11 but does not include remuneration or allowances for fringe benefits,
12 incentive pay, holiday pay, insurance, clothing **(except to the extent**
13 **allowed under subdivision (2))**, automobiles, firearms, education,
14 overtime, or compensatory time off.
15 (b) With respect to the 1925, 1937, and 1953 funds, "salary of a first
16 class patrolman or firefighter" may include longevity increases for
17 more than twenty (20) years of service at the option of the employer but



1 only if these longevity increases had taken effect before January 1,
2 1983.

3 SECTION 2. IC 36-8-6-19 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 19. (a) Remuneration
5 or allowances for fringe benefits, incentive pay, holiday pay, insurance,
6 ~~clothing~~, automobiles, firearms, education, overtime, or compensatory
7 time off may not be used in the computation of benefits under this
8 chapter.

9 (b) If the remuneration or allowances described in subsection (a)
10 were used to compute benefits for a recipient who began receiving
11 benefits before May 2, 1977, this computation may continue only for
12 that recipient and only during the eligibility period for benefits. The
13 municipality and the official involved are not liable for making the
14 overpayment, and a recipient is not required to repay the overpayment.

15 **(c) Remuneration or allowances for clothing may be used in the**
16 **computation of benefits under this chapter to the extent allowed**
17 **under IC 36-8-1-11.**

18 SECTION 3. IC 36-8-7-25 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 25. (a) Remuneration
20 or allowances for fringe benefits, incentive pay, holiday pay, insurance,
21 ~~clothing~~, automobiles, firearms, education, overtime, or compensatory
22 time off may not be used in the computation of benefits under this
23 chapter.

24 (b) If the remuneration or allowances described in subsection (a)
25 were used to compute benefits for a recipient who began receiving
26 benefits before May 2, 1977, this computation may continue only for
27 that recipient and only during the eligibility period for benefits. The
28 unit and the official involved are not liable for making the
29 overpayment, and a recipient is not required to repay the overpayment.

30 **(c) Remuneration or allowances for clothing may be used in the**
31 **computation of benefits under this chapter to the extent allowed**
32 **under IC 36-8-1-11.**

33 SECTION 4. IC 36-8-7.5-21 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 21. (a) Remuneration
35 or allowances for fringe benefits, incentive pay, holiday pay, insurance,
36 ~~clothing~~, automobiles, firearms, education, overtime, or compensatory
37 time off may not be used in the computation of benefits under this
38 chapter.

39 (b) If the remuneration or allowances described in subsection (a)
40 were used to compute benefits for a recipient who began receiving
41 benefits before May 2, 1977, this computation may continue only for
42 that recipient and only during the eligibility period for benefits. The

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1 city and the official involved are not liable for making the
 2 overpayment, and a recipient is not required to repay the overpayment.
 3 **(c) Remuneration or allowances for clothing may be used in the**
 4 **computation of benefits under this chapter to the extent allowed**
 5 **under IC 36-8-1-11.**
 6 SECTION 5. [EFFECTIVE JULY 1, 2004] (a) IC 5-10.3-11-7, as
 7 added by this act, and IC 36-8-1-11, IC 36-8-6-19, IC 36-8-7-25,
 8 and IC 36-8-7.5-21, all as amended by this act, do not apply to or
 9 abrogate a contract or an agreement in effect on June 30, 2004.
 10 (b) IC 5-10.3-11-7, as added by this act, and IC 36-8-1-11,
 11 IC 36-8-6-19, IC 36-8-7-25, and IC 36-8-7.5-21, all as amended by
 12 this act, apply to a contract or an agreement entered into,
 13 modified, renewed, or extended after June 30, 2004.
 14 (c) This SECTION expires July 1, 2007.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1039, 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.

CRAWFORD, Chair

Committee Vote: yeas 24, nays 1.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1039 be amended to read as follows:

"SECTION 6. [EFFECTIVE JULY 1, 2004] (a) IC 5-10.3-11-7, as added by this act, and IC 36-8-1-11, IC 36-8-6-19, IC 36-8-7-25, and IC 36-8-7.5-21, all as amended by this act, do not apply to or abrogate a contract or an agreement in effect on June 30, 2004.

(b) IC 5-10.3-11-7, as added by this act, and IC 36-8-1-11, IC 36-8-6-19, IC 36-8-7-25, and IC 36-8-7.5-21, all as amended by this act, apply to a contract or an agreement entered into, modified, renewed, or extended after June 30, 2004.

(c) This SECTION expires July 1, 2007."

Renumber all SECTIONS consecutively.

(Reference is to HB 1039 as printed January 30, 2004.)

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