



January 29, 2010

HOUSE BILL No. 1205

DIGEST OF HB 1205 (Updated January 26, 2010 12:07 pm - DI 92)

Citations Affected: IC 5-10.2; noncode.

Synopsis: Pensions. Provides for a cost of living adjustment (COLA) and thirteenth check for public employees' retirement fund (PERF) and teachers' retirement fund (TRF) members, survivors, and beneficiaries. Provides for a one-time "thirteenth check" for employee beneficiaries of the state police 1987 benefit system who retired or were disabled after June 30, 1987, and before July 2, 2008, and were entitled to receive a monthly benefit as of June 1, 2010. Provides that the amount of the thirteenth check equals 1% of the maximum basic annual pension amount payable to a retired state police employee in the grade of trooper who has completed 25 years of service as of July 1, 2009.

Effective: Upon passage; July 1, 2010.

Niezgodski, Kersey, Pelath, Koch

January 7, 2010, read first time and referred to Committee on Labor and Employment.
January 12, 2010, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
January 28, 2010, amended, reported — Do Pass.

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January 29, 2010

Second Regular Session 116th General Assembly (2010)

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 2009 Regular and Special Sessions of the General Assembly.

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HOUSE BILL No. 1205

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 5-10.2-5-44 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2010]: **Sec. 44. (a) The pension portion (plus post retirement
4 increases to the pension portion) provided by employer
5 contributions of the monthly benefit payable after June 30, 2010,
6 to a member of the Indiana state teachers' retirement fund (or to
7 a survivor or beneficiary of a member of the Indiana state
8 teachers' retirement fund) who retired or was disabled on or
9 before December 1, 2009, shall be increased by one percent (1%).**

10 **(b) The increase specified in this section:**
11 **(1) is based on the date of the member's latest retirement or**
12 **disability;**
13 **(2) does not apply to benefits payable in a lump sum; and**
14 **(3) is in addition to any other increase provided by law.**

15 SECTION 2. IC 5-10.2-5-45 IS ADDED TO THE INDIANA CODE
16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
17 1, 2010]: **Sec. 45. (a) The pension portion (plus post retirement**

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1 increases to the pension portion) provided by employer
2 contributions of the monthly benefit payable after June 30, 2010,
3 to a member of the public employees' retirement fund (or to a
4 survivor or beneficiary of a member of the public employees'
5 retirement fund) who retired or was disabled on or before
6 December 1, 2009, shall be increased by one percent (1%).

- 7 (b) The increase specified in this section:
- 8 (1) is based on the date of the member's latest retirement or
- 9 disability;
- 10 (2) does not apply to benefits payable in a lump sum; and
- 11 (3) is in addition to any other increase provided by law.

12 SECTION 3. [EFFECTIVE JULY 1, 2010] (a) As used in this
13 SECTION, "fund" refers to the Indiana state teachers' retirement
14 fund established by IC 5-10.4-2-1.

15 (b) Not later than October 1, 2010, the fund shall pay the
16 amount determined under subsection (c) to a member of the fund
17 (or to a survivor or beneficiary of a member) who retired or was
18 disabled on or before December 1, 2009, and who is entitled to
19 receive a monthly benefit on July 1, 2010. The amount is not an
20 increase in the pension portion of the monthly benefit.

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

| 24 If a Member's Creditable | The Amount Is: |
|--|----------------|
| 25 Service Is: | |
| 26 At least 5 years, but less than 10 years | \$125 |
| 27 (only in the case of a member receiving | |
| 28 disability retirement benefits) | |
| 29 At least 10 years, but less than 20 years | \$235 |
| 30 At least 20 years, but less than 30 years | \$325 |
| 31 At least 30 years | \$400 |

32 (d) The creditable service used to determine the amount paid to
33 a member (or a survivor or beneficiary of a member) under this
34 SECTION is the creditable service that was used to compute the
35 member's retirement benefit under IC 5-10.2-4-4 except that
36 partial years of creditable service may not be used to determine the
37 amount paid under this SECTION.

38 (e) This SECTION expires January 1, 2011.

39 SECTION 4. [EFFECTIVE JULY 1, 2010] (a) As used in this
40 SECTION, "fund" refers to the public employees' retirement fund
41 established by IC 5-10.3-2-1.

42 (b) Not later than October 1, 2010, the fund shall pay the

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1 amount determined under subsection (c) to a member of the fund
2 (or to a survivor or beneficiary of a member) who retired or was
3 disabled on or before December 1, 2009, and who is entitled to
4 receive a monthly benefit on July 1, 2010. The amount is not an
5 increase in the pension portion of the monthly benefit.

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

| 9 If a Member's Creditable 10 Service Is: | The Amount Is: |
|---|----------------|
| 11 At least 5 years, but less than 10 years 12 (only in the case of a member receiving 13 disability retirement benefits) | \$125 |
| 14 At least 10 years, but less than 20 years | \$235 |
| 15 At least 20 years, but less than 30 years | \$325 |
| 16 At least 30 years | \$400 |

17 (d) The creditable service used to determine the amount paid to
18 a member (or a survivor or beneficiary of a member) under this
19 SECTION is the creditable service that was used to compute the
20 member's retirement benefit under IC 5-10.2-4-4 except that
21 partial years of creditable service may not be used to determine the
22 amount paid under this SECTION.

23 (e) This SECTION expires January 1, 2011.

24 SECTION 5. [EFFECTIVE UPON PASSAGE] (a) As used in this
25 SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.

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

28 (c) Not later than July 1, 2010, the trustee shall pay from the
29 trust fund to each employee beneficiary of the state police 1987
30 benefit system covered by IC 10-12-4 who:

31 (1) retired or was disabled after June 30, 1987, and before
32 July 2, 2008; and

33 (2) is entitled to receive a monthly benefit as of June 1, 2010;
34 an amount equal to one percent (1%) of the maximum basic annual
35 pension amount payable to a retired state police employee in the
36 grade of trooper who has completed twenty-five (25) years of
37 service as of July 1, 2009, as calculated under IC 10-12-4-7.

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

40 (e) This SECTION expires June 30, 2011.

41 SECTION 6. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1205, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 8, after "disabled" insert "**on or**".

Page 1, line 9, delete "January 1, 2010," and insert "**December 1, 2009,**".

Page 2, line 5, after "disabled" insert "**on or**".

Page 2, line 5, delete "January 1," and insert "**December 1, 2009,**".

Page 2, line 6, delete "2010,".

Page 2, line 18, after "disabled" insert "**on or**".

Page 2, line 18, delete "January 1, 2010," and insert "**January 1, 2009,**".

Page 3, line 3, after "disabled" insert "**on or**".

Page 3, line 3, delete "January 1, 2010," and insert "**December 1, 2009,**".

and when so amended that said bill do pass.

(Reference is to HB 1205 as introduced.)

NIEZGODSKI, Chair

Committee Vote: yeas 9, nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1205, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 18, delete "January 1," and insert "**December 1,**".

Page 3, after line 23, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE UPON PASSAGE] (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 July 1, 2010, the trustee shall pay from the trust fund to each employee beneficiary of the state police 1987 benefit system covered by IC 10-12-4 who:

(1) retired or was disabled after June 30, 1987, and before



July 2, 2008; and

(2) is entitled to receive a monthly benefit as of June 1, 2010; 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-five (25) years of service as of July 1, 2009, as calculated under IC 10-12-4-7.

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

(e) This SECTION expires June 30, 2011.

SECTION 6. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1205 as printed January 12, 2010.)

CRAWFORD, Chair

Committee Vote: yeas 19, nays 0.

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