

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 172, 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:

- 1 Replace the effective date in SECTION 1 with "[EFFECTIVE JULY
2 1, 2009 (RETROACTIVE)]".
- 3 Page 1, between the enacting clause and line 1, begin a new
4 paragraph and insert:
- 5 "SECTION 1. IC 36-8-8-13.8, AS AMENDED BY P.L.1-2007,
6 SECTION 242, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE UPON PASSAGE]: Sec. 13.8. (a) This section applies
8 to an active or retired member who dies other than in the line of duty
9 (as defined in section 14.1 of this chapter) after August 31, 1982.
- 10 (b) If a fund member dies while receiving retirement or disability
11 benefits, the following apply:
- 12 (1) Except as otherwise provided in this subsection, each of the
13 member's surviving children is entitled to a monthly benefit equal
14 to twenty percent (20%) of the fund member's monthly benefit:
- 15 (A) until the child becomes eighteen (18) years of age; or
16 (B) until the child becomes twenty-three (23) years of age if
17 the child is enrolled in and regularly attending a secondary
18 school or is a full-time student at an accredited college or
19 university;

1 whichever period is longer. However, if the board finds upon the
2 submission of satisfactory proof that a child who is at least
3 eighteen (18) years of age is mentally or physically incapacitated,
4 is not a ward of the state, and is not receiving a benefit under
5 clause (B), the child is entitled to receive an amount each month
6 that is equal to the greater of thirty percent (30%) of the monthly
7 pay of a first class patrolman or first class firefighter or fifty-five
8 percent (55%) of the monthly benefit the deceased member was
9 receiving or was entitled to receive on the date of the member's
10 death as long as the mental or physical incapacity of the child
11 continues. Benefits paid for a child shall be paid to the surviving
12 parent as long as the child resides with and is supported by the
13 surviving parent. If the surviving parent dies, the benefits shall be
14 paid to the legal guardian of the child.

15 (2) The member's surviving spouse is entitled to a monthly benefit
16 equal to sixty percent (60%) of the fund member's monthly
17 benefit during the spouse's lifetime. If the spouse remarried before
18 September 1, 1983, and benefits ceased on the date of remarriage,
19 the benefits for the surviving spouse shall be reinstated on July 1,
20 1997, and continue during the life of the surviving spouse.

21 If a fund member dies while receiving retirement or disability benefits,
22 there is no surviving eligible child or spouse, and there is proof
23 satisfactory to the local board, subject to review in the manner
24 specified in section 13.1(c) of this chapter, that the parent was wholly
25 dependent on the fund member, the member's surviving parent is
26 entitled, or both surviving parents if qualified are entitled jointly, to
27 receive fifty percent (50%) of the fund member's monthly benefit
28 during the parent's or parents' lifetime. **As used in this subsection, a**
29 **parent is wholly dependent on a fund member if the fund member**
30 **claimed the parent as a dependent on the federal income tax return**
31 **filed by the fund member in the year before the year in which the**
32 **fund member died.**

33 (c) Except as otherwise provided in this subsection, if a fund
34 member dies while on active duty or while retired and not receiving
35 benefits, the member's children and the member's spouse, or the
36 member's parent or parents are entitled to receive a monthly benefit
37 determined under subsection (b). If the fund member did not have at
38 least twenty (20) years of service or was not at least fifty-two (52) years

1 of age, the benefit is computed as if the member:

- 2 (1) did have twenty (20) years of service; and
 3 (2) was fifty-two (52) years of age.

4 SECTION 2. IC 36-8-8-13.9, AS AMENDED BY P.L.1-2007,
 5 SECTION 243, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: Sec. 13.9. (a) This section applies
 7 to an active member who died in the line of duty (as defined in section
 8 14.1 of this chapter) before September 1, 1982.

9 (b) Except as otherwise provided in this subsection, if a fund
 10 member dies in the line of duty, the following apply:

11 (1) Each of the member's surviving children is entitled to a
 12 monthly benefit equal to twenty percent (20%) of the fund
 13 member's monthly benefit:

- 14 (A) until the child becomes eighteen (18) years of age; or
 15 (B) until the child becomes twenty-three (23) years of age if
 16 the child is enrolled in and regularly attending a secondary
 17 school or is a full-time student at an accredited college or
 18 university;

19 whichever period is longer. However, if the board finds upon the
 20 submission of satisfactory proof that a child who is at least
 21 eighteen (18) years of age is mentally or physically incapacitated,
 22 is not a ward of the state, and is not receiving a benefit under
 23 clause (B), the child is entitled to receive an amount each month
 24 that is equal to the greater of thirty percent (30%) of the monthly
 25 pay of a first class patrolman or first class firefighter or fifty-five
 26 percent (55%) of the monthly benefit the deceased member was
 27 receiving or was entitled to receive on the date of the member's
 28 death as long as the mental or physical incapacity of the child
 29 continues. Benefits paid for a child shall be paid to the surviving
 30 parent as long as the child resides with and is supported by the
 31 surviving parent. If the surviving parent dies, the benefits shall be
 32 paid to the legal guardian of the child.

33 (2) The member's surviving spouse is entitled to a monthly benefit
 34 equal to sixty percent (60%) of the fund member's monthly
 35 benefit during the spouse's lifetime. If the spouse remarried before
 36 September 1, 1983, and benefits ceased on the date of remarriage,
 37 the benefits for the surviving spouse shall be reinstated on July 1,
 38 1997, and continue during the life of the surviving spouse.

1 If there is no surviving eligible child or spouse, and there is proof
 2 satisfactory to the local board, subject to review in the manner
 3 specified in section 13.1(c) of this chapter, that the parent was wholly
 4 dependent on the fund member, the member's surviving parent is
 5 entitled, or both surviving parents if qualified are entitled jointly, to
 6 receive fifty percent (50%) of the fund member's monthly benefit
 7 during the parent's or parents' lifetime. **As used in this subsection, a**
 8 **parent is wholly dependent on a fund member if the fund member**
 9 **claimed the parent as a dependent on the federal income tax return**
 10 **filed by the fund member in the year before the year in which the**
 11 **fund member died.**

12 (c) If the fund member did not have at least twenty (20) years of
 13 service or was not at least fifty-two (52) years of age, the benefit under
 14 subsection (b) is computed as if the member:

- 15 (1) did have twenty (20) years of service; and
- 16 (2) was fifty-two (52) years of age.

17 (d) The unit of local government that employed the deceased
 18 member shall after December 31, 2003, offer to provide and pay for
 19 health insurance coverage for the member's surviving spouse and for
 20 each natural child, stepchild, or adopted child of the member:

- 21 (1) until the child becomes eighteen (18) years of age;
- 22 (2) until the child becomes twenty-three (23) years of age if the
 23 child is enrolled in and regularly attending a secondary school or
 24 is a full-time student at an accredited college or university; or
- 25 (3) during the entire period of the child's physical or mental
 26 disability;

27 whichever period is longest. If health insurance coverage is offered by
 28 the unit to active members, the health insurance provided to a surviving
 29 spouse and child under this subsection must be equal in coverage to
 30 that offered to active members. The offer to provide and pay for health
 31 insurance coverage shall remain open for as long as there is a surviving
 32 spouse or as long as a natural child, stepchild, or adopted child of the
 33 member is eligible for coverage under subdivision (1), (2), or (3).

34 SECTION 3. IC 36-8-8-14.1, AS AMENDED BY P.L.1-2007,
 35 SECTION 244, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE UPON PASSAGE]: Sec. 14.1. (a) Benefits paid under
 37 this section are subject to section 2.5 of this chapter.

38 (b) This section applies to an active member who dies in the line of

1 duty after August 31, 1982.

2 (c) If a fund member dies in the line of duty after August 31, 1982,
3 the member's surviving spouse is entitled to a monthly benefit during
4 the spouse's lifetime, equal to the benefit to which the member would
5 have been entitled on the date of the member's death, but not less than
6 the benefit payable to a member with twenty (20) years service at
7 fifty-two (52) years of age. If the spouse remarried before September
8 1, 1983, and benefits ceased on the date of remarriage, the benefits for
9 the surviving spouse shall be reinstated on July 1, 1997, and continue
10 during the life of the surviving spouse.

11 (d) If a fund member dies in the line of duty, each of the member's
12 surviving children is entitled to a monthly benefit equal to twenty
13 percent (20%) of the fund member's monthly benefit:

- 14 (1) until the child reaches eighteen (18) years of age; or
15 (2) until the child reaches twenty-three (23) years of age if the
16 child is enrolled in and regularly attending a secondary school or
17 is a full-time student at an accredited college or university;

18 whichever period is longer. However, if the board finds upon the
19 submission of satisfactory proof that a child who is at least eighteen
20 (18) years of age is mentally or physically incapacitated, is not a ward
21 of the state, and is not receiving a benefit under subdivision (2), the
22 child is entitled to receive an amount each month that is equal to the
23 greater of thirty percent (30%) of the monthly pay of a first class
24 patrolman or first class firefighter or fifty-five percent (55%) of the
25 monthly benefit the deceased member was receiving or was entitled to
26 receive on the date of the member's death as long as the mental or
27 physical incapacity of the child continues. Benefits paid for a child
28 shall be paid to the surviving parent as long as the child resides with
29 and is supported by the surviving parent. If the surviving parent dies,
30 the benefits shall be paid to the legal guardian of the child.

31 (e) If there is no surviving eligible child or spouse, and there is
32 proof satisfactory to the local board, subject to review in the manner
33 specified in section 13.1(c) of this chapter, that the parent was wholly
34 dependent on the fund member, the member's surviving parent is
35 entitled, or both surviving parents if qualified are entitled jointly, to
36 receive fifty percent (50%) of the fund member's monthly benefit
37 during the parent's or parents' lifetime. **As used in this subsection, a**
38 **parent is wholly dependent on a fund member if the fund member**

1 **claimed the parent as a dependent on the federal income tax return**
 2 **filed by the fund member in the year before the year in which the**
 3 **fund member died.**

4 (f) If the fund member did not have at least twenty (20) years of
 5 service or was not at least fifty-two (52) years old, the benefit is
 6 computed as if the member:

7 (1) did have twenty (20) years of service; and

8 (2) was fifty-two (52) years of age.

9 (g) For purposes of this section, "dies in the line of duty" means
 10 death that occurs as a direct result of personal injury or illness caused
 11 by incident, accident, or violence that results from:

12 (1) any action that the member, in the member's capacity as a
 13 police officer:

14 (A) is obligated or authorized by rule, regulation, condition of
 15 employment or service, or law to perform; or

16 (B) performs in the course of controlling or reducing crime or
 17 enforcing the criminal law; or

18 (2) any action that the member, in the member's capacity as a
 19 firefighter:

20 (A) is obligated or authorized by rule, regulation, condition of
 21 employment or service, or law to perform; or

22 (B) performs while on the scene of an emergency run
 23 (including false alarms) or on the way to or from the scene.

24 The term includes a death presumed incurred in the line of duty under
 25 IC 5-10-13.

26 (h) The unit of local government that employed the deceased
 27 member shall after December 31, 2003, offer to provide and pay for
 28 health insurance coverage for the member's surviving spouse and for
 29 each natural child, stepchild, or adopted child of the member:

30 (1) until the child becomes eighteen (18) years of age;

31 (2) until the child becomes twenty-three (23) years of age if the
 32 child is enrolled in and regularly attending a secondary school or
 33 is a full-time student at an accredited college or university; or

34 (3) during the entire period of the child's physical or mental
 35 disability;

36 whichever period is longest. If health insurance coverage is offered by
 37 the unit to active members, the health insurance provided to a surviving
 38 spouse and child under this subsection must be equal in coverage to

1 that offered to active members. The offer to provide and pay for health
 2 insurance coverage shall remain open for as long as there is a surviving
 3 spouse or as long as a natural child, stepchild, or adopted child of the
 4 member is eligible for coverage under subdivision (1), (2), or (3)."

5 Page 2, between lines 4 and 5, begin a new paragraph and insert:

6 **"(d) Whenever a fund member does not designate a beneficiary**
 7 **under this section and has no survivors entitled to receive a benefit**
 8 **under section 13.8, 13.9, or 14.1 of this chapter, the PERF board**
 9 **shall refund to the fund member's estate:**

10 **(1) the fund member's contributions; plus**

11 **(2) interest at a rate determined by the PERF board."**

12 Renumber all SECTIONS consecutively.

(Reference is to SB 172 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

Boots

Chairperson