

HOUSE BILL No. 1176

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10.2-5.

Synopsis: PERF and TRF COLAs; 13th checks. 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.

Effective: July 1, 2011.

Burton, Niezgodski

January 10, 2011, read first time and referred to Committee on Employment, Labor and Pensions.

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First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1176



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, 2011]: **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, 2011,
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 before
9 January 1, 2011, 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, 2011]: **Sec. 45. (a) The pension portion (plus post retirement**



1 increases to the pension portion) provided by employer
2 contributions of the monthly benefit payable after June 30, 2011,
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 before January 1,
6 2011, 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, 2011] (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, 2011, 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 before January 1, 2011, and who is entitled to receive a
19 monthly benefit on July 1, 2011. The amount is not an increase in
20 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	\$150
27 (only in the case of a member receiving	
28 disability retirement benefits)	
29 At least 10 years, but less than 20 years	\$275
30 At least 20 years, but less than 30 years	\$375
31 At least 30 years	\$450

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, 2012.

39 SECTION 4. [EFFECTIVE JULY 1, 2011] (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, 2011, 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 before January 1, 2011, and who is entitled to receive a
4 monthly benefit on July 1, 2011. The amount is not an increase in
5 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	The Amount Is:
10	Service Is:	
11	At least 5 years, but less than 10 years (only in the case of a member receiving disability retirement benefits)	\$150
12		
13		
14	At least 10 years, but less than 20 years	\$275
15	At least 20 years, but less than 30 years	\$375
16	At least 30 years	\$450

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, 2012.

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