IC 10-12-4

Chapter 4. The State Police 1987 Benefit System

IC 10-12-4-1

Application of chapter; election of coverage

Sec. 1. (a) This chapter applies only to an employee beneficiary who:

(1) is hired for the first time after June 30, 1987; or

(2) chooses coverage by this chapter under subsection (b).

(b) Subject to subsection (c), an employee beneficiary who is hired for the first time before July 1, 1987, may choose to be covered by this chapter instead of IC 10-12-3 if the employee files an election with the trustee before July 1, 1988. An election filed under this subsection is irrevocable and, except as provided in subsection (d), takes effect after twelve (12) months of service as an eligible employee following the filing of the election.

(c) This chapter is applicable only if the general assembly provides sufficient funding for the increased cost of the benefits provided by this chapter. If this chapter is not applicable, then IC 10-12-3 applies to all employee beneficiaries regardless of when hired for the first time.

(d) If an employee beneficiary's mandatory retirement date occurs during the twelve (12) months following the filing of an election under subsection (b), the election takes effect only if:

(1) the employee beneficiary serves as an eligible employee until the mandatory retirement date; and

(2) the employee beneficiary pays to the trust fund a lump sum equal to the remaining deductions that would have been made from the employee beneficiary's wages under this chapter during the twelve (12) months following the election if the employee beneficiary had not retired.

The election takes effect on the mandatory retirement date or the date when the lump sum payment is made, whichever is later.

As added by P.L.2-2003, SEC.3.

IC 10-12-4-2

Limitations on trust

Sec. 2. The pension trust for employee beneficiaries covered by this chapter is subject to limitations specified in this chapter.

As added by P.L.2-2003, SEC.3.

IC 10-12-4-3

Retirement age

Sec. 3. The normal retirement age for an employee beneficiary must be established by the pension trust.

As added by P.L.2-2003, SEC.3.

IC 10-12-4-4

Deductions from wages

Sec. 4. An employee beneficiary shall contribute to the trust fund,

by monthly deduction, six percent (6%) of the employee beneficiary's wages (excluding payments for overtime and determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code).
As added by P.L.2-2003, SEC.3.

IC 10-12-4-5
Years of service for full pension amount; proportionate amount; beginning of payments

Sec. 5. (a) An employee beneficiary who has completed twenty-five (25) years of service with the department is entitled to the full amount of the basic pension amount specified in section 7 of this chapter.

(b) An employee beneficiary who has completed less than twenty-five (25) years of service is entitled to a proportionate amount of the basic pension amount specified in section 7 of this chapter, based upon the employee beneficiary's years of service to the department. However, benefit payments to an employee beneficiary with less than twenty-five (25) years of service may not begin until the first day of the month on or after the date on which:

(1) the employee beneficiary becomes fifty (50) years of age; or
(2) the employee beneficiary retires;

whichever is later.
As added by P.L.2-2003, SEC.3.

IC 10-12-4-6
Right to net amount paid into fund from wages

Sec. 6. If an employee beneficiary ends employment for any reason before qualifying for a benefit under this chapter, the trustee shall pay to:

(1) the employee beneficiary;
(2) the employee beneficiary's beneficiary; or
(3) the employee beneficiary's estate;

the net amount paid into the trust fund from the employee beneficiary's wages. This amount may be paid in a lump sum or in monthly installments not less than the basic pension amount.
As added by P.L.2-2003, SEC.3.

IC 10-12-4-7
Basic monthly pension amount; additional benefits

Sec. 7. (a) Benefits provided under this section are subject to IC 10-12-2-3.

(b) Except as provided in subsection (c), the basic monthly pension amount of an employee beneficiary may not exceed one-half (1/2) of the employee beneficiary's average monthly wage (excluding payments for overtime and determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code) received during the highest paid consecutive thirty-six (36) months before retirement.

(c) For an employee beneficiary who retires after June 30, 1987, and before July 1, 1988, the basic monthly pension may not exceed the lesser of:

(1) the pension under subsection (b); or

(2) one-half (1/2) the maximum salary of a first sergeant.

(d) For an employee beneficiary who retires after June 30, 1988, and before July 1, 1989, the basic monthly pension may not exceed the lesser of:

(1) the pension under subsection (b); or

(2) one-half (1/2) the maximum salary of a captain.

(e) An employee beneficiary in the active service of the department who has completed twenty-five (25) years of service after July 1, 1937, and who continues after July 1, 1937, in the service of the department is entitled to add to the basic monthly pension amount, at retirement, the following:

(1) Five percent (5%) of the basic amount for each of the next three (3) full years over twenty-five (25) years.

(2) Six percent (6%) of the basic amount for each of the next two (2) full years over twenty-eight (28) years.

(3) Seven percent (7%) of the basic amount for each of the next two (2) full years over thirty (30) years.

(4) Eight percent (8%) of the basic amount for each of the next two (2) full years over thirty-two (32) years.

However, the total of these additional amounts may not exceed seventy percent (70%) of the basic pension amount. These additional benefits are subject to any compulsory retirement age provided by the pension trust.

As added by P.L.2-2003, SEC.3.

IC 10-12-4-8

Increase in pension to certain individuals

Sec. 8. (a) The basic monthly pension payable under section 7 of this chapter after June 30, 1995, to a member of the pension trust who retired after June 30, 1987, and before July 1, 1990, shall be increased by thirty-nine dollars ($39).

(b) The department shall pay into the trust fund an amount sufficient to pay the increased benefits granted under this section. The trustee shall pay the increase in the monthly benefit required by this section from money in the trust fund.

As added by P.L.2-2003, SEC.3.

IC 10-12-4-9

Benefit increase payable after June 30, 2007

Sec. 9. (a) The basic monthly pension amount (plus postretirement increases) payable after June 30, 2007, to an employee beneficiary of the state police 1987 benefit system who retired or was disabled after June 30, 1987, and before July 2, 2005, shall be increased by one percent (1%) of the maximum basic monthly pension amount payable to a retired state police employee in the grade of a trooper who has completed twenty-five (25) years of service as of July 1, 2007, as calculated under section 7 of this chapter.

(b) The increases specified in this section:

(1) shall be based on the date of the employee beneficiary's latest retirement or disability;

(2) do not apply to the benefits payable in a lump sum; and

(3) are in addition to any other increase provided by law.

As added by P.L.189-2007, SEC.2.

IC 10-12-4-10

Benefit increase payable after June 30, 2008

Sec. 10. (a) The basic monthly pension amount (plus postretirement increases) payable after June 30, 2008, to an employee beneficiary of the state police 1987 benefit system who retired or was disabled after June 30, 1987, and before July 2, 2006, shall be increased by one percent (1%) of the maximum basic monthly 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, 2007, as calculated under section 7 of this chapter.

(b) The increases specified in this section:

(1) shall be based on the date of the employee beneficiary's latest retirement or disability;

(2) do not apply to the benefits payable in a lump sum; and

(3) are in addition to any other increase provided by law.

As added by P.L.189-2007, SEC.3.