

IC 5-10.4-5

Chapter 5. Benefits

IC 5-10.4-5-0.2

Application of certain amendments to chapter

Sec. 0.2. The amendments made to IC 21-6.1-5-9 (before its repeal, now codified at section 9 of this chapter) by P.L.190-2003 apply to retirement benefits payable by the Indiana state teachers' retirement fund after June 30, 2003.

As added by P.L.220-2011, SEC.90.

IC 5-10.4-5-0.3

Validation of certain actions taken by public schools

Sec. 0.3. Actions taken by the public schools after December 31, 1986, and before March 5, 1988, that would have been valid under IC 21-6.1-5-6 (before its repeal), as amended by P.L.46-1988, are validated.

As added by P.L.220-2011, SEC.91.

IC 5-10.4-5-1

Disability benefit

Sec. 1. (a) A member who becomes disabled after June 30, 1984, may receive a benefit under this section and sections 2 through 4 of this chapter. If the member qualifies for disability retirement under IC 5-10.2-4-6, the member may choose to receive a benefit under IC 5-10.2-4-6 instead of under this section and sections 2 through 4 of this chapter.

(b) A member who:

- (1) is an active teacher;
- (2) has earned at least five (5) service credits; and
- (3) suffers a temporary or permanent disability that continues for at least six (6) months;

may receive a classroom disability benefit for as long as the disability exists.

(c) Except as provided in subsection (d), a teacher must apply not later than one (1) year after the date of the disability to receive a classroom disability benefit under this chapter.

(d) The board may waive the requirement described in subsection (c) if the board finds extenuating circumstances that justifiably prevented the person from applying within the time required. The board shall adopt rules specifying the extenuating circumstances that must be shown before a waiver may be granted under this subsection.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-2

Calculation of disability benefit

Sec. 2. (a) The monthly classroom disability benefit paid under section 1 of this chapter is determined in STEP THREE of the following formula:

STEP ONE: Subtract five (5) from the total years of service

credit earned by the member before the date of the member's disability.

STEP TWO: Multiply the remainder determined under STEP ONE by five dollars (\$5).

STEP THREE: Add the STEP TWO result and one hundred twenty-five dollars (\$125).

(b) A classroom disability benefit payment is charged against the retirement allowance account.

(c) Classroom disability benefits may not begin until ordered by the board after the member undergoes a medical examination by a physician selected by the board. If the medical examination conducted by a physician selected and paid by the board establishes to the board's satisfaction that the disability no longer exists, the member may not receive a classroom disability benefit.

(d) If a member on a classroom disability benefit refuses to submit at least annually to a medical examination by a physician selected by the board, the board shall discontinue the member's benefits until the member withdraws the refusal. If the refusal continues for at least one (1) year, the member may forfeit the right to receive classroom disability benefits.

(e) To the extent required by the federal Americans with Disabilities Act, the transcripts, reports, records, and other material compiled to determine the existence of a disability shall be:

(1) kept in separate medical files for each member; and

(2) treated as confidential medical records.

(f) This section shall be administered in a manner that is consistent with the federal Americans with Disabilities Act, to the extent required by the Act.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-3

Deduction from death benefits

Sec. 3. (a) If a member dies while on a classroom disability benefit, the member's total classroom disability benefit payments are deducted from the funds that are paid to the member's estate or designated beneficiary.

(b) If a member stops receiving a classroom disability benefit, returns to teaching, and dies before retirement, the member's total classroom disability benefit payments are deducted from any death benefit payable to the member's estate or designated beneficiary.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-4

Election to terminate disability benefit at retirement age

Sec. 4. After reaching sixty-five (65) years of age or an earlier retirement date selected by the member, the member may request that the member's classroom disability benefit payments cease and the member's retirement benefits begin. A member's retirement benefits may not be reduced because the member received classroom disability benefits.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-5

Prohibition against mandatory retirement age

Sec. 5. The state or a school corporation may not enforce a mandatory retirement age against members employed in the public schools.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-6

Eligibility for retirement benefits

Sec. 6. A member is eligible for retirement benefits as specified in IC 5-10.2-4.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-7

Member-legislators

Sec. 7. (a) As used in this section, "member-legislator" means a member who has at least:

- (1) twenty (20) years of service credit as a teacher; and
- (2) ten (10) years of service in the general assembly.

(b) Notwithstanding IC 5-10.2-4-3 or IC 5-10.2-4-3.1, in computing the pension for a member-legislator, the average of the annual compensation is the sum of the salaries in any one (1) year for a member-legislator's:

- (1) position covered by the fund; and
- (2) service in the general assembly.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-8

Designation of retirement date

Sec. 8. (a) A member who:

- (1) has ceased employment in the public schools; and
- (2) is eligible for retirement benefits;

shall designate a retirement date as described in IC 5-10.2-4-1.

(b) A member who chooses to begin receiving retirement benefits at the time the member ceases employment is entitled to receive the proportionate amount of the member's monthly benefit for the month in which the cessation occurred.

(c) Annually the board may require a member to execute an affidavit stating the member's eligibility for a retirement benefit.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-9

Schedule; initial pension benefit

Sec. 9. (a) The fund shall make a member's first pension benefit payment not more than ninety (90) days after the date the member completes and files an application for retirement benefits.

(b) After the first pension benefit payment and except as provided under IC 5-10.2-4-7(f), a person entitled to benefits shall receive a

retirement benefit payment by the tenth day of each month.
As added by P.L.2-2006, SEC.28. Amended by P.L.115-2009, SEC.17.

IC 5-10.4-5-10

Cancellation of uncashed benefit check

Sec. 10. (a) If a benefit check issued by the fund is outstanding and unpaid for more than six (6) months after the date the check is issued, the benefit check is canceled.

(b) A benefit check canceled under subsection (a) may not be honored, cashed, or accepted for payment or deposit by an individual, a bank, a trust company, a savings association, or any other financial institution or person.

(c) The cancellation of a benefit check under this section does not discharge the fund's obligation to pay the benefit for which the canceled benefit check was issued.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-11

Payment options

Sec. 11. A member may have the member's retirement benefits paid under the options specified in IC 5-10.2-4-7.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-12

Death before retirement; payment of benefits

Sec. 12. If a member dies before retirement, the member's benefits are paid as specified in IC 5-10.2-3-7.5, IC 5-10.2-3-7.6, and IC 5-10.2-3-8.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-13

Calculation of benefit; teaching after initial retirement

Sec. 13. IC 5-10.2-4-8 applies to the reemployment of a retired member.

As added by P.L.2-2006, SEC.28. Amended by P.L.72-2007, SEC.9; P.L.76-2008, SEC.6; P.L.115-2009, SEC.18.

IC 5-10.4-5-14

Benefits; exemption from legal process

Sec. 14. (a) The benefits payable from the fund are exempt from seizure or levy on attachment, supplemental process, and all other processes.

(b) A member's transfer of a benefit payment is void. However, a member may assign benefits for paying:

(1) premiums on a group, life, hospitalization, surgical, or medical insurance plan maintained in whole or in part by a state agency; and

(2) dues to any association that proves to the board's satisfaction that the association has as members at least twenty percent

(20%) of the number of retired members of the fund.
As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-15

Termination of benefits; grounds

Sec. 15. (a) The board may stop a member's benefit if the member does any of the following while receiving the benefit:

- (1) Fails to report for a required examination, unless excused by the board.
- (2) Disobeys the requirements of the board regarding the examination.
- (3) Refuses to repay an overpayment of benefits.

(b) The board also may stop a member's benefit if the board has reasonable cause to believe that:

- (1) the member has died; or
- (2) in the case of a member receiving disability benefits under IC 5-10.2-4-6 or classroom disability benefits under section 1 of this chapter, the member no longer has a disability.

As added by P.L.2-2006, SEC.28. Amended by P.L.99-2007, SEC.18.

IC 5-10.4-5-16

Retirement before July 1, 1975; limitations on reductions in benefits

Sec. 16. The computation of benefits described in section 2 of this chapter applies to benefits payable on and after July 1, 1975, and includes benefits payable to members who retired or whose employment was terminated before that date. However, a member's benefits may not be reduced below the amount paid to the member before July 1, 1975. The benefits for a member who retired before January 1, 1956, shall be computed by multiplying fifteen dollars (\$15) by the member's years of service and then actuarially adjusting the product obtained to take into account a member's early retirement and the retirement option selected by a member using the factors in effect on July 1, 1975.

As added by P.L.2-2006, SEC.28.

IC 5-10.4-5-17

Claims of error

Sec. 17. A member may petition the board to correct an error in the determination of the member's:

- (1) creditable service; or
- (2) benefit;

at any time. The petition must contain the necessary information to sustain the member's claim of error. The board shall investigate the claim and, if an error is found, shall order the member's records corrected. If no error is found and the member petitioned the board to correct the error within six (6) years after the determination of the member's creditable service or benefit, the member may appeal the board's decision under IC 4-21.5.

As added by P.L.99-2010, SEC.8.

