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# HOUSE BILL No. 1506

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-8-8-15.

**Synopsis:** 1977 fund cost of living adjustments. Provides that cost of living adjustments (COLAs) for fund members and survivors under the 1977 police officers' and firefighters' pension and disability fund shall be based on increases or decreases in the Consumer Price Index plus 1%. (Under current law, the COLAs are based on increases or decreases in the Consumer Price Index.) Retains the current overall limit of 3% on these increases or decreases.

**Effective:** Upon passage.

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January 11, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

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 2000 General Assembly.

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## HOUSE BILL No. 1506



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 36-8-8-15 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. Each year the  
 3 PERF board shall determine if there has been an increase or decrease  
 4 in the Consumer Price Index (United States city average) prepared by  
 5 the United States Department of Labor by comparing the arithmetic  
 6 mean of the consumer price index for January, February, and March of  
 7 that year with the arithmetic mean for the same three (3) months of the  
 8 preceding year. If there has been an increase or a decrease, it shall be  
 9 stated as a percentage of the arithmetic mean for the preceding three  
 10 (3) month period. The percentage shall be rounded to the nearest  
 11 one-tenth of one percent (0.1%). ~~and may not exceed three percent~~  
 12 ~~(3%)~~. A fund member's or survivor's monthly benefit, beginning with  
 13 the July payment, shall be increased or decreased by an amount equal  
 14 to the June payment times the **lesser of:**  
 15 **(1) the sum of the percentage increase or decrease in the**  
 16 **Consumer Price Index plus one percent (1%); or**  
 17 **(2) three percent (3%).**



1       However, a fund member's or survivor's monthly benefit may not be  
2       increased or decreased under this section until July of the year  
3       following the year of the first monthly benefit payment to the fund  
4       member or survivor. In computing a fund member's benefit, the  
5       increase or decrease is based only on those years for which the fund  
6       member was eligible for benefit payments under this chapter. A  
7       monthly benefit may not be reduced below the amount of the first  
8       monthly benefit received by the fund member or survivor.

9       SECTION 2. **An emergency is declared for this act.**

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