
HOUSE BILL No. 1185

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-8-8.

Synopsis: 1977 Fund benefit enhancement. For a member of the 1977 police officers' and firefighters' pension and disability fund (1977 fund) who retires after June 30, 2009, increases from 1% to 1.25% the amount by which the retirement benefit increases for each six months of active service greater than 20 years and less than 32 years. Increases from 6% to 8.3% the percentage of the salary of a first class patrolman or firefighter contributed by or on behalf of a 1977 fund member or converted member to pay for the benefit increase.

Effective: July 1, 2009.

Murphy

January 12, 2009, read first time and referred to Committee on Labor and Employment.

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Introduced

First Regular Session 116th General Assembly (2009)

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 2008 Regular Session of the General Assembly.

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HOUSE BILL No. 1185



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 36-8-8-8, AS AMENDED BY P.L.180-2007,
 2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2009]: Sec. 8. (a) **For contributions payable to the PERF**
 4 **board before July 1, 2009**, each fund member shall contribute during
 5 the period of the fund member's employment or for thirty-two (32)
 6 years, whichever is shorter, an amount equal to six percent (6%) of the
 7 salary of a first class patrolman or firefighter. **For contributions**
 8 **payable to the PERF board after June 30, 2009**, each fund member
 9 **shall contribute during the period of the member's employment or**
 10 **for thirty-two (32) years, whichever is shorter, an amount equal to**
 11 **eight and three-tenths percent (8.3%) of the salary of a first class**
 12 **patrolman or firefighter.** However, the employer may pay all or a part
 13 of the contribution for the member. The amount of the contribution,
 14 other than contributions paid on behalf of a member, shall be deducted
 15 each pay period from each fund member's salary by the disbursing
 16 officer of the employer. The employer shall send to the PERF board
 17 each year on March 31, June 30, September 30, and December 31, for



1 the calendar quarters ending on those dates, a certified list of fund
2 members and a warrant issued by the employer for the total amount
3 deducted for fund members' contributions.

4 (b) Except as provided in section 7.2 of this chapter, if a fund
5 member ends the fund member's employment other than by death or
6 disability before the fund member completes twenty (20) years of
7 active service, the PERF board shall return to the fund member in a
8 lump sum the fund member's contributions plus interest as determined
9 by the PERF board. If the fund member returns to service, the fund
10 member is entitled to credit for the years of service for which the fund
11 member's contributions were refunded if the fund member repays the
12 amount refunded to the fund member in either a lump sum or a series
13 of payments determined by the PERF board.

14 SECTION 2. IC 36-8-8-9 IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) This section applies to all
16 police officers and firefighters who converted their benefits under
17 IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed
18 September 1, 1981).

19 (b) A police officer or firefighter who converted ~~his~~ benefits from
20 a 1925, 1937, or 1953 fund to the benefits and conditions of this
21 chapter is not entitled to receive any benefits from the original fund.
22 However, ~~he~~ **the police officer or firefighter** is entitled to credit for
23 all years of service for which ~~he~~ **the police officer or firefighter** would
24 have received credit before ~~his~~ **the** conversion in that original fund.

25 (c) A police officer or firefighter who:

- 26 (1) converted ~~his~~ benefits from a 1925, 1937, or 1953 fund;
27 (2) retired or became disabled on or before June 30, 1998; and
28 (3) is entitled to receive benefits provided under this chapter
29 based on the eligibility requirements of this chapter;

30 shall be treated as a member of this fund for purposes of paying ~~his~~
31 benefits from the 1977 fund effective for benefits paid on or after
32 October 1, 1998. Prior to October 1, 1998, ~~he~~ **the police officer or**
33 **firefighter** remains a member of the original fund entitled to receive
34 only the benefits provided under this chapter based on the eligibility
35 requirements of this chapter.

36 (d) A police officer or firefighter who:

- 37 (1) converted ~~his~~ benefits from a 1925, 1937, or 1953 fund;
38 (2) ~~who~~ did not retire or become disabled on or before June 30,
39 1998; and
40 (3) ~~who~~ is entitled to receive benefits provided under this chapter
41 based on the eligibility requirements of this chapter;

42 remains a member of that original fund but is entitled to receive only

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1 the benefits provided under this chapter and based on the eligibility
2 requirements of this chapter.

3 (e) **For contributions payable before July 1, 2009**, a police officer
4 or firefighter who converted shall contribute six percent (6%) of the
5 salary of a first class patrolman or firefighter to the 1925, 1937, or 1953
6 fund. **For contributions payable after June 30, 2009, a police officer
7 or firefighter who converted shall contribute eight and three-tenths
8 percent (8.3%) of the salary of a first class patrolman or firefighter
9 to the 1925, 1937, or 1953 fund.** This amount shall be deducted from
10 ~~his~~ **the police officer's or firefighter's** salary each pay period by the
11 disbursing officer of the employer. Contributions under this subsection
12 may not be refunded.

13 SECTION 3. IC 36-8-8-11 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. (a) Benefits paid
15 under this section are subject to section 2.5 of this chapter.

16 (b) Each fund member who qualifies for a retirement benefit
17 payment under section 10(b) of this chapter is entitled to receive a
18 monthly benefit equal to fifty percent (50%) of the monthly salary of
19 a first class patrolman or firefighter in the year the member ended ~~his~~
20 active service, plus:

- 21 (1) for a member who retires before January 1, 1986, two percent
- 22 (2%) of that salary for each full year of active service; ~~or~~
- 23 (2) for a member who retires after December 31, 1985, **and**
- 24 **before July 1, 2009**, one percent (1%) of that salary for each six
- 25 (6) months of active service; **or**
- 26 **(3) for a member who retires after June 30, 2009, one and**
- 27 **twenty-five hundredths percent (1.25%) of that salary for**
- 28 **each six (6) months of active service;**

29 over twenty (20) years, to a maximum of twelve (12) years.

30 (c) Each fund member who qualifies for a retirement benefit
31 payment under section 10(c) of this chapter is entitled to receive a
32 monthly benefit equal to fifty percent (50%) of the monthly salary of
33 a first class patrolman or firefighter in the year the member ended ~~his~~
34 active service, plus:

- 35 **(1) for a member who retires before July 1, 2009**, one percent
- 36 (1%) of that salary; **or**
- 37 **(2) for a member who retires after June 30, 2009, one and**
- 38 **twenty-five hundredths percent (1.25%) of that salary;**

39 for each six (6) months of active service over twenty (20) years, to a
40 maximum of twelve (12) years, all actuarially reduced for each month
41 (if any) of benefit payments prior to fifty-two (52) years of age, by a
42 factor established by the fund's actuary from time to time.

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