

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1004

AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-10-1.1-3.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies to an individual who becomes an employee of the state after June 30, 2007.

(b) Unless an employee notifies the state that the employee does not want to enroll in the deferred compensation plan **or makes an affirmative election under subsection (h)**, on day thirty-one (31) of the employee's employment:

- (1) the employee is automatically enrolled in the deferred compensation plan; and
- (2) the state is authorized to begin deductions as otherwise allowed under this chapter.

(c) The ~~auditor~~ of state **comptroller** shall provide notice to an employee of the provisions of this chapter. The notice provided under this subsection must:

- (1) contain a statement concerning:
 - (A) the purposes of;
 - (B) procedures for notifying the state that the employee does not want to enroll in;
 - (C) the tax consequences of; and
 - (D) the details of the state match for employee contribution to;

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the deferred compensation plan; and

(2) list the telephone number, electronic mail address, and other contact information for the plan administrator.

(d) This subsection applies to contributions made before July 1, 2011. Notwithstanding IC 22-2-6, except as provided by subsection (h), the state shall deduct from an employee's compensation as a contribution to the deferred compensation plan established by the state under this chapter an amount equal to the maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(e) This subsection applies to contributions made after June 30, 2011, and before July 1, 2013. Notwithstanding IC 22-2-6 and except as provided by subsection (h), during the first year an employee is enrolled under subsection (b) in the deferred compensation plan, the state shall deduct each pay period from the employee's compensation as a contribution to the deferred compensation plan an amount equal to the greater of the following:

(1) The maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(2) One-half percent (0.5%) of the employee's base salary.

(f) This subsection applies to contributions made after June 30, 2013. Notwithstanding IC 22-2-6 and except as provided by subsection (h), during the first year an employee is enrolled under subsection (b) in the deferred compensation plan, the state shall deduct each pay period from the employee's compensation as a contribution to the deferred compensation plan an amount equal to the greater of the following:

(1) The maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(2) Two percent (2%) of the employee's base salary.

(g) This subsection applies to a year:

(1) after the first year in which an employee is enrolled in the deferred compensation plan; and

(2) in which the employee does not affirmatively choose a contribution amount under subsection (h).

The percentage of the employee's base salary used for the year in subsection (e)(2) or (f)(2) to determine the employee's contribution increases by one-half percent (0.5%) from the percentage determined in the immediately preceding year. The maximum percentage of an employee's base salary that may be deducted under this subsection is



five percent (5%). The contribution increase occurs on the anniversary date of the employee's enrollment in the deferred compensation plan.

(h) An employee may affirmatively elect to enroll in the deferred compensation plan in the amount described in subsections (d) through (g). An employee may contribute to the deferred compensation plan established by the state under this chapter an amount other than the amount described in subsections (d) through (g) by affirmatively choosing to contribute:

- (1) a higher amount;
- (2) a lower amount; or
- (3) zero (0).

SECTION 2. IC 5-10-5.5-22, AS AMENDED BY P.L.145-2020, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 22. (a) As used in this section, "DROP" refers to a deferred retirement option plan established under this section.

(b) As used in this section, "DROP entry date" means the date that a participant's election to enter a DROP becomes effective.

(c) As used in this section, "DROP frozen benefit" refers to an annual retirement allowance computed under section 10 of this chapter based on a participant's:

- (1) average annual salary; and
- (2) years of creditable service;

on the date the participant enters the DROP.

(d) As used in this section, "DROP retirement date" means the future retirement date selected by a participant at the time the participant elects to enter the DROP.

(e) Only a participant who is eligible to receive an unreduced annual retirement allowance immediately upon termination of employment may elect to enter a DROP. A participant who elects to enter the DROP **must shall do the following:**

(1) Agree to the following:

~~(1)~~ **(A)** The participant shall execute an irrevocable election to retire on the DROP retirement date and must remain in active service until that date.

~~(2)~~ **(B)** While in the DROP, the participant shall continue to make contributions under section 8 of this chapter.

~~(3)~~ **(C)** The participant shall select a DROP retirement date not less than twelve (12) months and not more than:

(i) thirty-six (36) months after the participant's DROP entry date, for a participant who executes an election described in clause (A) before July 1, 2024; or

(ii) sixty (60) months after the participant's DROP entry



date, for a participant who executes an election described in clause (A) after June 30, 2024.

~~(4)~~ **(D)** The participant may not remain in the DROP after the date the participant reaches the mandatory retirement age under section 9 of this chapter.

~~(5)~~ **(E)** The participant may make an election to enter the DROP only once in the participant's lifetime.

(2) Notify the participant's employer of the DROP election within thirty (30) days of the election.

(f) Notwithstanding subsection (e), a participant that entered the DROP before July 1, 2024, and that has not exited the DROP may elect to extend the participant's DROP retirement date up to sixty (60) months after the participant's DROP entry date.

(g) A participant that makes the election described in subsection (f) shall notify the participant's employer within thirty (30) days of the election.

~~(f)~~ **(h)** Contributions or payments provided by the general assembly under section 4(b)(4) of this chapter continue for a participant while the participant is in the DROP.

~~(g)~~ **(i)** A participant shall exit the DROP on the earliest of the following:

(1) The participant's DROP retirement date.

(2) **Either:**

(A) thirty-six (36) months after the participant's DROP entry date, if the participant:

(i) executes an election described in subsection (e) before July 1, 2024; and

(ii) does not execute an extension described in subsection (f); or

(B) sixty (60) months after the participant's DROP entry date, if the participant:

(i) executes an election described in subsection (e) after June 30, 2024; or

(ii) executes an extension described in subsection (f).

(3) The participant's mandatory retirement age.

(4) The date the participant retires because of a disability as provided by subsection ~~(k)~~ **(m)**.

~~(h)~~ **(j)** A participant who retires on the participant's DROP retirement date or on the date the participant retires because of a disability as provided by subsection ~~(k)~~ **(m)** may elect to receive an annual retirement allowance:

(1) computed under section 10 of this chapter as if the participant



had never entered the DROP; or

(2) consisting of:

(A) the DROP frozen benefit; plus

(B) an additional amount, paid as the participant elects under subsection ~~(i)~~; **(k)**, determined by multiplying:

(i) the DROP frozen benefit; by

(ii) the number of months the participant was in the DROP.

~~(i)~~ **(k)** The participant shall elect, at the participant's retirement, to receive the additional amount calculated under subsection ~~(h)(2)(B)~~ **(j)(2)(B)** in one (1) of the following ways:

(1) A lump sum paid on:

(A) the participant's DROP retirement date; or

(B) the date the participant retires because of a disability as provided by subsection ~~(k)~~; **(m)**.

(2) Three (3) equal annual payments:

(A) commencing on:

(i) the participant's DROP retirement date; or

(ii) the date the participant retires because of a disability as provided by subsection ~~(k)~~; **(m)**; and

(B) thereafter paid on:

(i) the anniversary of the participant's DROP retirement date; or

(ii) the date the participant retires because of a disability as provided by subsection ~~(k)~~; **(m)**.

~~(j)~~ **(l)** A cost of living increase determined under section 21(c) of this chapter does not apply to the additional amount calculated under subsection ~~(h)(2)(B)~~ **(j)(2)(B)** at the participant's DROP retirement date or the date the participant retires because of a disability as provided by subsection ~~(k)~~; **(m)**. No cost of living increase is applied to a DROP frozen benefit while the participant is in the DROP. After the participant's DROP retirement date or the date the participant retires because of a disability as provided by subsection ~~(k)~~; **(m)**, cost of living increases determined under section 21(c) of this chapter apply to the participant's annual retirement allowance computed under this section.

~~(k)~~ **(m)** If a participant becomes disabled, in the line of duty or other than in the line of duty while in the DROP, the participant's annual retirement allowance is computed as follows:

(1) If the participant retires because of a disability less than twelve (12) months after the date the participant enters the DROP, the participant's annual retirement allowance is calculated as if the participant had never entered the DROP.

(2) If the participant retires because of a disability at least twelve



(12) months after the date the participant enters the DROP, the participant's annual retirement allowance is calculated under this section, and the participant's retirement date is the date the member retires because of a disability rather than the participant's DROP retirement date.

~~(h)~~ **(n)** If, before payment of the participant's annual retirement allowance begins, the participant dies in the line of duty or other than in the line of duty, death benefits are payable to the participant's surviving spouse. If there is no surviving spouse, the death benefits must be divided equally among the participant's surviving children. If there are no surviving children, the death benefits are paid to the participant's parents. If there are no surviving parents, the death benefits are paid to the participant's estate. The death benefits are determined as follows:

(1) If the participant dies less than twelve (12) months after the date the participant enters the DROP, the death benefits are calculated as if the participant had never entered the DROP.

(2) If the participant dies at least twelve (12) months after the date the participant enters the DROP, the death benefits consist of both of the following:

(A) At the election of the survivor or survivors to whom the benefit is payable, the benefit calculated under subsection ~~(h)(2)(B)~~ **(j)(2)(B)** is paid in either:

(i) a lump sum; or

(ii) three (3) equal annual payments, the first as soon as practicable after the date of the participant's death, the second on the first anniversary of the participant's death, and the third on the second anniversary of the participant's death.

(B) A benefit is paid on the DROP frozen benefit under the terms of the retirement plan created by this chapter.

~~(m)~~ **(o)** Except as provided under subsections ~~(h)~~ **(m)** and ~~(j)~~ **(n)**, the annual retirement allowance for a participant who exits the DROP for any reason other than retirement on the participant's DROP retirement date is calculated as if the participant had never entered the DROP.

SECTION 3. IC 5-10.2-12-3, AS ADDED BY P.L.127-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) For 2019 and each year thereafter, the contribution rate established by the board for each employer shall include a surcharge determined by the board

~~(j)~~ that is paid to the supplemental allowance reserve account of the applicable fund or plan. ~~and~~



(2) that does not exceed one percent (1%) of the employer's payroll that is attributable to employees who are:

- (A) members of the public employees' retirement fund;
- (B) members of the 1996 account of the Indiana state teachers' retirement fund; and
- (C) participants in the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan.

The board shall determine an equivalent amount to be included in the general fund appropriations for the supplemental allowance reserve accounts of the legislators' defined benefit plan and, subject to IC 5-10.4-2-5, the pre-1996 account of the Indiana state teachers' retirement fund.

(b) The surcharge described in subsection (a) shall be paid in the same manner as other employer contributions required under IC 5-10-5.5-4, IC 5-10.2-2-12.5, IC 5-10.3-7-12.5, and IC 5-10.4-7-6.

SECTION 4. IC 5-10.5-4-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) For purposes of this section, "fund" means the Indiana public employees' retirement fund, Indiana state teachers' retirement fund, legislators' defined benefit plan, and state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan.**

(b) The board shall develop the technological and administrative capabilities sufficient to categorize fund members into separate groups in which:

- (1) certain members receive a service based thirteenth check; and
- (2) certain members receive a cost of living adjustment.

SECTION 5. IC 5-10.5-4-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 8. (a) The board shall set the surcharge rates under IC 5-10.2-12-3 at a level to actuarially prefund:**

- (1) annual indexed thirteenth checks for all current retired members and beneficiaries retired before July 1, 2025; and
- (2) one percent (1%) annual cost of living adjustments to future in-payment members and beneficiaries retired on or after July 1, 2025.

(b) The board shall not reduce the surcharge rates under IC 5-10.2-12-3 from the prior year.

(c) The board may increase the surcharge rates under IC 5-10.2-12-3 by not more than one-tenth percent (0.1%) of



payroll from the prior year.

(d) This section expires December 31, 2029.

SECTION 6. IC 5-11-20-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) As used in this chapter, "delinquent political subdivision" means a political subdivision offering an employee retirement plan described in section 3(b) of this chapter that:**

- (1) received less than the actuarially determined contribution for at least three (3) out of the last five (5) immediately preceding fiscal years, as determined by the system or its agent; or**
- (2) was less than fifty percent (50%) funded at any time during the immediately preceding fiscal year, as determined by the system or its agent.**

(b) As used in this chapter, "delinquent political subdivision" does not include a political subdivision offering an employee retirement plan described in section 3(b) of this chapter that:

- (1) satisfies subsection (a)(1) or (a)(2) but is subject to an existing court order requiring the political subdivision to fund the plan benefits; or**
- (2) satisfies subsection (a)(1) or (a)(2) but was established some time during the last five (5) immediately preceding fiscal years.**

(c) A police benefit fund qualifies as a delinquent political subdivision if it satisfies subsection (a)(1). A police benefit fund does not qualify as a delinquent political subdivision if it satisfies subsection (a)(2) but does not satisfy subsection (a)(1).

SECTION 7. IC 5-11-20-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. As used in this chapter, "system" refers to the Indiana public retirement system established by IC 5-10.5-2-1.**

SECTION 8. IC 5-11-20-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) On or before June 15 of each year, the system shall send a delinquency notice to a delinquent political subdivision. The delinquency notice must inform the delinquent political subdivision that:**

- (1) an employee retirement plan offered by the delinquent political subdivision:**
 - (A) received less than ninety-five percent (95%) of the**



actuarially determined contribution for the immediately preceding fiscal year, as determined by the system or its agent; or

(B) was less than fifty percent (50%) funded at any time during the immediately preceding fiscal year, as determined by the system or its agent; and

(2) the delinquent political subdivision must take the steps described in subsection (b).

(b) After receiving the notice described in subsection (a), a political subdivision shall make a presentation that includes a remediation plan to the interim study committee on pension management oversight (established by IC 2-5-1.3-4) regarding the delinquent employee retirement plan described in subsection (a).

SECTION 9. IC 10-12-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 7. Supplemental Allowance Reserve Account

Sec. 0.5. This chapter applies to the state police pre-1987 benefit system covered by IC 10-12-3 and the state police 1987 benefit system covered by IC 10-12-4.

Sec. 1. For purposes of this chapter, "account" means the supplemental allowance reserve account described in section 2 of this chapter.

Sec. 2. (a) The trustee shall maintain a separate supplemental allowance reserve account for both the state police pre-1987 benefit system under IC 10-12-3 and the state police 1987 benefit system under IC 10-12-4 for the purpose of paying postretirement benefit adjustments, including:

- (1) postretirement benefit increases; and
- (2) thirteenth checks;

granted by the general assembly to employee beneficiaries after June 30, 2025.

(b) For purposes of subsection (a), "postretirement benefit adjustments" does not include a supplemental pension benefit under IC 10-12-5.

Sec. 3. The account consists of amounts appropriated or transferred to the account by the general assembly.

Sec. 4. The trustee may not:

- (1) deposit money in the account; or
- (2) transfer money to the account.

SECTION 10. IC 36-8-8.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 10. A member who



elects to enter the DROP shall **do the following**:

(1) Agree to the following:

(1) **(A)** The member shall execute an irrevocable election to retire on the DROP retirement date and shall remain in active service until that date.

(2) **(B)** While in the DROP, the member shall continue to make contributions to the applicable fund under the provisions of that fund.

(3) **(C)** The member shall elect a DROP retirement date not less than twelve (12) months and not more than:

(i) thirty-six (36) months after the member's DROP entry date, **for a member who executes an election described in clause (A) before July 1, 2024; or**

(ii) sixty (60) months after the member's DROP entry date, **for a member who executes an election described in clause (A) after June 30, 2024.**

(4) **(D)** The member may not remain in the DROP after the date the member reaches any mandatory retirement age that may apply to the member.

(5) **(E)** The member may make an election to enter the DROP only once in the member's lifetime.

(2) **Notify the member's employer of the DROP election within thirty (30) days of the election.**

SECTION 11. IC 36-8-8.5-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 10.5. (a) Notwithstanding section 10 of this chapter, a member that entered the DROP before July 1, 2024, and that has not exited the DROP may elect to extend the member's DROP retirement date up to sixty (60) months after the member's DROP entry date.**

(b) A member that makes the election described in subsection (a) shall notify the member's employer within thirty (30) days of the election.

SECTION 12. IC 36-8-8.5-14, AS AMENDED BY P.L.156-2020, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 14. (a) Subject to subsection (b), a member who enters the DROP established by this chapter shall exit the DROP at the earliest of:**

(1) the member's DROP retirement date;

(2) **either:**

(A) thirty-six (36) months after the member's DROP entry date, if the member:



- (i) executes an election described in section 10 of this chapter before July 1, 2024; and
- (ii) does not execute an extension described in section 10.5 of this chapter; or

(B) sixty (60) months after the member's DROP entry date, if the member:

- (i) executes an election described in section 10 of this chapter after June 30, 2024; or
- (ii) executes an extension described in section 10.5 of this chapter;

(3) the mandatory retirement age applicable to the member, if any; or

(4) the date the member retires because of a disability as provided under section 16.5(d) of this chapter.

(b) A member of the 1925 fund, the 1937 fund, or the 1953 fund who enters the DROP established by this chapter must exit the DROP on the date the authority of the board of trustees of the Indiana public retirement system to distribute from the pension relief fund established under IC 5-10.3-11-1 to units of local government (described in IC 5-10.3-11-3) amounts determined under IC 5-10.3-11-4.7 expires.

SECTION 13. [EFFECTIVE JULY 1, 2024] (a) As used in this SECTION, "fund" refers to the Indiana state teachers' retirement fund established by IC 5-10.4-2-1.

(b) As used in this SECTION, "supplemental allowance reserve account" refers to the applicable supplemental allowance reserve account established by IC 5-10.2-2-2(c)(3).

(c) Not later than October 1, 2024, the supplemental allowance reserve account shall pay the amount determined under subsection (d) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a monthly benefit on July 1, 2024. The amount is not an increase in the pension portion of the monthly benefit.

(d) The amount paid under subsection (c) to a member of the fund (or to a survivor or beneficiary of a member) who meets the requirements of subsection (c) is determined as follows:

If a Member's Creditable Service Is:	The Amount Is:
At least 5 years, but less than 10 years	\$150
At least 10 years, but less than 20 years	\$275
At least 20 years, but less than 30 years	\$375
At least 30 years	\$450



(e) The creditable service used to determine the amount paid to a member (or to a survivor or beneficiary of a member) under subsection (c) is the creditable service that was used to compute the member's retirement benefit under IC 5-10.2-4-4, except that partial years of creditable service may not be used to determine the amount paid under subsection (c).

(f) If two (2) or more survivors or beneficiaries of a member are entitled to an amount paid under subsection (c), the amount shall be allocated to the survivors or beneficiaries in shares using the same percentages as the percentages determined under IC 5-10.2-3-7.5 or IC 5-10.4-4-10 to pay the monthly benefit to the survivors or beneficiaries.

(g) This SECTION applies notwithstanding IC 5-10.2-12-4(b).

(h) This SECTION expires July 1, 2025.

SECTION 14. [EFFECTIVE JULY 1, 2024] (a) As used in this SECTION, "fund" refers to the Indiana public employees' retirement fund established by IC 5-10.3-2-1.

(b) As used in this SECTION, "supplemental allowance reserve account" refers to the supplemental allowance reserve account established by IC 5-10.2-2-2(a)(3).

(c) Not later than October 1, 2024, the supplemental allowance reserve account shall pay the amount determined under subsection (d) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a monthly benefit on July 1, 2024. The amount is not an increase in the pension portion of the monthly benefit.

(d) The amount paid under subsection (c) to a member of the fund (or to a survivor or beneficiary of a member) who meets the requirements of subsection (c) is determined as follows:

If a Member's Creditable Service Is:	The Amount Is:
At least 5 years, but less than 10 years	\$150
At least 10 years, but less than 20 years	\$275
At least 20 years, but less than 30 years	\$375
At least 30 years	\$450

(e) The creditable service used to determine the amount paid to a member (or to a survivor or beneficiary of a member) under subsection (c) is the creditable service that was used to compute the member's retirement benefit under IC 5-10.2-4-4, except that partial years of creditable service may not be used to determine the amount paid under subsection (c).



(f) If two (2) or more survivors or beneficiaries of a member are entitled to an amount paid under subsection (c), the amount shall be allocated to the survivors or beneficiaries in shares using the same percentages as the percentages determined under IC 5-10.2-3-7.5 or IC 5-10.3-8-15 to pay the monthly benefit to the survivors or beneficiaries.

(g) This SECTION applies notwithstanding IC 5-10.2-12-4(b).

(h) This SECTION expires July 1, 2025.

SECTION 15. [EFFECTIVE JULY 1, 2024] (a) As used in this SECTION, "participant" has the meaning set forth in IC 5-10-5.5-1.

(b) As used in this SECTION, "plan" refers to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan created by IC 5-10-5.5-2.

(c) As used in this SECTION, "supplemental allowance reserve account" refers to the supplemental allowance reserve account established by IC 5-10-5.5-4(c).

(d) Not later than October 1, 2024, the supplemental allowance reserve account shall pay the amount determined under subsection (e) to a plan participant (or to a survivor or beneficiary of a plan participant) who retired or was disabled on or before December 1, 2023, and who is entitled to receive a monthly benefit on July 1, 2024. The amount is not an increase in the annual retirement allowance.

(e) The amount paid under subsection (d) to a plan participant (or to a survivor or beneficiary of a plan participant) who meets the requirements of subsection (d) is determined as follows:

If a Plan Participant's Creditable Service Is:	The Amount Is:
At least 5 years, but less than 10 years	\$150
At least 10 years, but less than 20 years	\$275
At least 20 years, but less than 30 years	\$375
At least 30 years	\$450

(f) The creditable service used to determine the amount paid to a plan participant (or to a survivor or beneficiary of a plan participant) under subsection (d) is the creditable service that was used to compute the plan participant's retirement allowance under IC 5-10-5.5-10 and IC 5-10-5.5-12, except that partial years of creditable service may not be used to determine the amount paid under subsection (d).

(g) If two (2) or more survivors or beneficiaries of a plan participant are entitled to an amount paid under subsection (d), the



amount shall be allocated to the survivors or beneficiaries in shares using the same percentages as the percentages determined under IC 5-10-5.5-16 to pay the monthly benefit to the survivors or beneficiaries.

(h) This SECTION applies notwithstanding IC 5-10.2-12-4(b).

(i) This SECTION expires July 1, 2025.

SECTION 16. [EFFECTIVE JULY 1, 2024] (a) As used in this SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.

(b) As used in this SECTION, "trust fund" has the meaning set forth in IC 10-12-1-11.

(c) Not later than October 1, 2024, the trustee shall pay from the trust fund to each employee beneficiary of the state police pre-1987 benefit system covered by IC 10-12-3 who:

(1) retired or was disabled before July 2, 2023; and

(2) is entitled to receive a monthly benefit as of September 1, 2024;

an amount equal to one percent (1%) of the maximum basic annual pension amount payable to a retired state police employee in the grade of trooper who has completed twenty (20) years of service as of July 1, 2024, as calculated under IC 10-12-3-7.

(d) The amount paid under this SECTION is not an increase in the monthly pension amount of an employee beneficiary.

(e) This SECTION applies notwithstanding IC 5-10.2-12-4(b).

(f) This SECTION expires July 1, 2025.

SECTION 17. [EFFECTIVE JULY 1, 2024] (a) As used in this SECTION, "trustee" has the meaning set forth in IC 10-12-1-10.

(b) As used in this SECTION, "trust fund" has the meaning set forth in IC 10-12-1-11.

(c) Not later than October 1, 2024, the trustee shall pay from the trust fund to each employee beneficiary of the state police 1987 benefit system covered by IC 10-12-4 who:

(1) retired or was disabled after June 30, 1987, and before July 2, 2023; and

(2) is entitled to receive a monthly benefit as of September 1, 2024;

an amount equal to one percent (1%) of the maximum basic annual 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, 2024, as calculated under IC 10-12-4-7.

(d) The amount paid under this SECTION is not an increase in the monthly pension amount of an employee beneficiary.

(e) This SECTION applies notwithstanding IC 5-10.2-12-4(b).



(f) This SECTION expires July 1, 2025.
SECTION 18. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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