
SENATE BILL No. 63

AM006301 has been incorporated into introduced printing.

Synopsis: Thirteenth check.

M
e
r
g
e
d

2026

IN 63—LS 6204/DI 153



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

Introduced

Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

SENATE BILL No. 63

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 5-10-5.5-10, AS AMENDED BY P.L.128-2008,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 10. (a) Benefits provided under this section are
4 subject to section 2.5 of this chapter.

5 (b) **Except as provided in section 10.5 of this chapter**, the
6 annual retirement allowance of a participant, payable in equal monthly
7 installments beginning on the participant's normal retirement date, shall
8 be a percentage of the participant's average annual salary, such
9 percentage to be twenty-five percent (25%) increased by one and
10 two-thirds percent (1 2/3%) of the participant's average annual salary
11 for each completed year of creditable service more than ten (10) years.
12 However, the annual retirement allowance computed under this
13 subsection may not exceed seventy-five percent (75%) of the
14 participant's average annual salary.

15 (c) The annual retirement allowance **under subsection (b)** shall

2026

IN 63—LS 6204/DI 153



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 cease with the last monthly payment prior to the death of the
 2 participant.

3 SECTION 2. IC 5-10-5.5-10.5 IS ADDED TO THE INDIANA
 4 CODE AS A NEW SECTION TO READ AS FOLLOWS
 5 [EFFECTIVE JULY 1, 2026]: Sec. 10.5. (a) This section applies to a
 6 participant who retires after June 30, 2026.

7 (b) A participant may elect a joint and survivor option for the
 8 payment of the participant's retirement allowance instead of the
 9 annual retirement allowance provided under section 10 of this
 10 chapter. The amount of the optional payments shall be determined
 11 under rules of the board and shall be the actuarial equivalent of the
 12 benefit payable under section 10 of this chapter.

13 (c) The following apply to the joint and survivor option under
 14 subsection (b):

15 (1) The participant receives a decreased retirement benefit
 16 during the participant's lifetime, and there is a benefit
 17 payable after the participant's death to a designated
 18 beneficiary during the lifetime of the beneficiary, which
 19 benefit equals, at the option of the participant, either the full
 20 decreased retirement benefit or two-thirds (2/3) or one-half
 21 (1/2) of that benefit.

22 (2) If the participant dies before retirement, the designated
 23 beneficiary may receive survivors' benefits if the individual
 24 is entitled to survivors' benefits under section 16.3 of this
 25 chapter.

26 (3) If the designated beneficiary dies before the participant
 27 retires, the election is automatically canceled and the
 28 participant may make a new beneficiary election. A
 29 participant described by this subdivision may elect the joint
 30 and survivor option after making a new beneficiary election.

31 SECTION 3. IC 5-10-5.5-16.3, AS ADDED BY P.L.6-2020,
 32 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2026]: Sec. 16.3. (a) This section applies to:

34 (1) an active participant, regardless of the participant's years of
 35 creditable service; and

36 (2) an inactive participant with at least fifteen (15) years of
 37 creditable service;

38 who dies other than in the line of duty after January 31, 2018. Except
 39 as provided in section 10.5(c)(2) of this chapter, this section does
 40 not apply to a participant who elects the joint and survivor option
 41 under section 10.5 of this chapter.

42 (b) Benefits provided under this section are subject to section 2.5



1 of this chapter.

2 (c) A surviving mother or father nominated by the participant to
 3 receive survivors' benefits under the provisions of this chapter is
 4 entitled to an annual survivors' allowance for life equal to fifty percent
 5 (50%) of the amount to which the participant would have been entitled
 6 if the participant had retired with twenty-five (25) years of service at
 7 fifty (50) years of age.

8 (d) A surviving spouse nominated by the participant to receive
 9 survivors' benefits under the provisions of this chapter is entitled to an
 10 annual survivors' allowance equal to fifty percent (50%) of the amount
 11 to which the participant would have been entitled if the participant had
 12 retired with twenty-five (25) years of service at fifty (50) years of age.
 13 A survivors' allowance payable to a surviving spouse under this
 14 subsection ends with the last payment before the surviving spouse's
 15 death.

16 (e) An eligible surviving child who is nominated by the participant
 17 to receive survivors' benefits under this chapter is entitled to an annual
 18 survivors' allowance equal to fifty percent (50%) of the amount to
 19 which the participant would have been entitled if the participant had
 20 retired with twenty-five (25) years of service at fifty (50) years of age.
 21 If more than one (1) eligible surviving child is nominated to receive
 22 survivors' benefits, the annual survivors' allowance shall be divided
 23 equally between or among the eligible surviving children who were
 24 nominated to receive survivors' benefits. A survivors' allowance to a
 25 child ends when the child attains the age of eighteen (18) years or
 26 marries, whichever occurs first. If a survivors' allowance is divided
 27 between or among more than one (1) child, and payments to one (1) or
 28 more children receiving the survivor's allowance cease because of the
 29 age, marriage, or death of the child, the total annual survivors'
 30 allowance payable under this subsection shall be divided evenly among
 31 or between the surviving children, if any, who remain eligible to
 32 receive the survivors' allowance.

33 SECTION 4. [EFFECTIVE JULY 1, 2026] **(a) As used in this**
 34 **SECTION, "fund" refers to the Indiana state teachers' retirement**
 35 **fund established by IC 5-10.4-2-1.**

36 **(b) As used in this SECTION, "supplemental allowance**
 37 **reserve account" refers to the supplemental allowance reserve**
 38 **account established under IC 5-10.2-2-2(c)(3).**

39 **(c) Not later than October 1, 2026, the supplemental allowance**
 40 **reserve account shall pay to a member of the fund (or to a survivor**
 41 **or beneficiary of a member) who retired or was disabled on or**
 42 **before December 1, 2025, and who is entitled to receive a monthly**



1 **benefit on July 1, 2026, the amount determined under subsection**
 2 **(d) for a member of the fund. The amount is not an increase in the**
 3 **pension portion of the monthly benefit.**

4 **(d) For purposes of determining the amount paid under**
 5 **subsection (c) to a member of the fund (or to a survivor or**
 6 **beneficiary of a member) who meets the requirements of**
 7 **subsection (c), the applicable amount is determined as follows:**

8 **If a Member's Creditable The Amount Is:**

9 **Service Is:**

10 At least 5 years, but less than 10 years	\$150
11 At least 10 years, but less than 20 years	\$275
12 At least 20 years, but less than 30 years	\$375
13 At least 30 years	\$450

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

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

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

27 **(h) This SECTION expires January 1, 2028.**

28 **SECTION 5. [EFFECTIVE JULY 1, 2026] (a) As used in this**
 29 **SECTION, "fund" refers to the Indiana public employees'**
 30 **retirement fund established by IC 5-10.3-2-1.**

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

34 **(c) Not later than October 1, 2026, the supplemental allowance**
 35 **reserve account shall pay to a member of the fund (or to a survivor**
 36 **or beneficiary of a member) who retired or was disabled on or**
 37 **before December 1, 2025, and who is entitled to receive a monthly**
 38 **benefit on July 1, 2026, the amount determined under subsection**
 39 **(d) for the member of the fund. The amount is not an increase in**
 40 **the pension portion of the monthly benefit.**

41 **(d) For purposes of determining the amount paid under**
 42 **subsection (c) to a member of the fund (or to a survivor or**



1 **beneficiary of a member) who meets the requirements of**
 2 **subsection (c), the applicable amount is determined as follows:**

3 **If a Member's Creditable The Amount Is:**

4 **Service Is:**

5 At least 5 years, but less than 10 years	\$150
6 At least 10 years, but less than 20 years	\$275
7 At least 20 years, but less than 30 years	\$375
8 At least 30 years	\$450

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

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

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

22 (h) This SECTION expires January 1, 2028.

23 SECTION 6. [EFFECTIVE JULY 1, 2026] (a) As used in this
 24 SECTION, "participant" has the meaning set forth in
 25 IC 5-10-5.5-1.

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

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

32 (d) Not later than October 1, 2026, the supplemental allowance
 33 reserve account shall pay to a plan participant (or to a survivor or
 34 beneficiary of a plan participant) who:

- 35 (1) retired or was disabled on or before July 2, 2025; and
- 36 (2) is entitled to receive a monthly benefit as of September 1,
 37 2026;

38 an amount equal to one percent (1%) of the maximum basic annual
 39 pension amount payable to a retired state police employee in the
 40 grade of trooper who has completed twenty-five (25) years of
 41 service as of July 1, 2026, as calculated under IC 10-12-4-7. The
 42 amount is not an increase in the pension portion of the monthly



benefit.

(e) 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 or IC 5-10-5.5-16.3 to pay the monthly benefit to the survivors or beneficiaries.

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

(g) This SECTION expires January 1, 2028.

SECTION 7. [EFFECTIVE JULY 1, 2026] (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, 2026, 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, 2025; and

(2) is entitled to receive a monthly benefit as of September 1, 2026;

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, 2026, as calculated under IC 10-12-3-7.

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

(e) This SECTION applies notwithstanding IC 10-12-7-2.

(f) This SECTION expires January 1, 2028.

SECTION 8. [EFFECTIVE JULY 1, 2026] (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, 2026, 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, 2025; and

(2) is entitled to receive a monthly benefit as of September 1, 2026;

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, 2026, as calculated under IC 10-12-4-7.

2026

IN 63—LS 6204/DI 153



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 (d) The amount paid under this SECTION is not an increase in
2 the monthly pension amount of an employee beneficiary.
3 (e) This SECTION applies notwithstanding IC 10-12-7-2.
4 (f) This SECTION expires January 1, 2028.

M
e
r
g
e
d

2026

IN 63—LS 6204/DI 153



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY