

Bond Case Briefs

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BENEFITS - INDIANA

Fishburn v. Indiana Public Retirement System

Court of Appeals of Indiana - February 4, 2014 - N.E.3d - 2014 WL 421329

City police officer who was injured in the line of duty, so as to entitle him to receive a monthly base disability benefit under 1977 Police Officers' and Firefighters' Pension and Disability Fund, sought review of a final order of the Indiana Public Retirement System (INPRS) affirming the order of the administrative law judge (ALJ), which determined police officer was entitled to "additional" monthly benefit amount of 34.85% of the monthly salary of a first class patrol officer, as calculated pursuant to INPRS's formula, as opposed to 45% of the monthly salary of a first class patrol officer, as calculated pursuant to officer's proposed formula. The Superior Court affirmed. Police officer appealed.

The Court of Appeals held that:

- INPRS's interpretation of statute governing additional monthly disability benefit amount to which police officer was entitled was reasonable interpretation of ambiguous statute, entitled to judicial deference, and
- Doctrine of legislative acquiescence supported INPRS's interpretation of statute governing additional monthly disability benefit amount to which police officer was entitled.

Pursuant to statute granting INPRS the power to establish rules for the administration and regulation of the Public Employees' Retirement Fund and INPRS's affairs, and to effectuate the powers and purposes of the agency, without undertaking a formal rulemaking action under the Administrative Rules and Procedures Act, Board had authority to establish a uniform manner or method of calculating the "additional monthly benefit" amount of disability benefits to which certain members of 1977 Police Officers' and Firefighters' Pension and Disability Fund were statutorily entitled without engaging in formal rulemaking.

INPRS' interpretation of statute providing that a member of the 1977 Police Officers' and Firefighters' Pension and Disability Fund who receives a monthly base disability benefit is also entitled to receive an "additional monthly amount" of between 10% and 45% of the monthly salary of a first class patrol officer, to be determined by the INPRS medical authority based on the fund member's degree of impairment, and INPRS's decision to use formula based upon mathematical method of linear interpolation to calculate fund members' additional monthly benefit amounts, was reasonable interpretation of an ambiguous statute. Thus, Court of Appeals would defer to INPRS's interpretation. INPRS was administrative agency charged with implementing statute, and formula-driven approach used by INPRS ensured that fund members who received disability base benefits received additional benefits proportionate with their respective degrees of impairment.