

## CHAPTER 72

## IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

## H. F. 140

AN ACT creating an Iowa public employees' retirement system, providing for the administration of such retirement system by the Iowa employment security commission; creating an Iowa public employees' retirement fund and providing for the investment and expenditure thereof; creating an Iowa advisory investment board and prescribing the appointment and duties thereof; imposing a tax of three and one-half percent (3½%) of the taxable wages paid to public employees who are members of the retirement system by public employers, the proceeds of such tax to be used for the payment of benefits or refunds provided by this Act; providing for the imposition of a tax upon public employers equal to three and one-half per cent (3½%) of all the wages paid by the employer to employees who are members of the Iowa public retirement system, the proceeds of such tax to be used for the payment of benefits or refunds provided by this Act; prescribing the duties of the Iowa employment security commission in relation to the administration of this Act; providing for the payment to employees who are members of this system, or to their beneficiaries, of retirement benefits provided by this Act; providing for refunds to Iowa public employees who are members of the system under certain conditions prescribed by this Act; making an appropriation of five hundred thousand dollars (\$500,000) from the special reserve fund of the state of Iowa for each year of the biennium beginning July 1, 1953, and ending June 30, 1955, or so much thereof as may be necessary, into the retirement fund for the maintenance of the retirement system upon a sound actuarial basis; transferring the assets of the old age and survivors' liquidation fund to the Iowa public employees' retirement fund—all relating to the establishment and administration of the Iowa public employees' retirement system.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. A public employees' retirement system is hereby creat-  
2 ed and established to become effective as of the effective date of this  
3 Act, and to be known as the "Iowa Public Employees' Retirement  
4 System" hereinafter called the "system".

1 SEC. 2. The purpose of this chapter is to promote economy and  
2 efficiency in the public service by providing an orderly means whereby  
3 employees who become superannuated may, without hardship or prej-  
4 udice, be replaced by more capable employees, and to that end provid-  
5 ing a retirement system which will provide for the payment of an-  
6 nuities to public employees, thereby enabling the employees to care for  
7 themselves in retirement, and which by its provisions will improve  
8 public employment within the state, reduce excessive personnel turn-  
9 over and offer suitable attraction to high-grade men and women to  
10 enter public service in the state.

1 SEC. 3. The Iowa employment security commission, hereinafter  
2 called the "commission", shall be vested with authority to administer  
3 the Iowa public employees' retirement system.

1 SEC. 4. It shall be the duty of the commission to administer this  
2 chapter; and it shall have power and authority to adopt, amend, or  
3 rescind such rules and regulations, to employ such persons, make such  
4 expenditures, require such reports, make such investigations, and  
5 take such other action as it deems necessary or suitable to that end.  
6 Such rules and regulations shall be effective upon complying with  
7 chapter fifty-one (51), Acts of the Fifty-fourth General Assembly.  
8 Not later than the fifteenth day of December of each year, the com-  
9 mission shall submit to the governor a report covering the adminis-  
10 tration and operation of this chapter during the preceding fiscal year

11 and shall make such recommendations for amendments to this chap-  
12 ter as the commission deems proper. Such report shall include a bal-  
13 ance sheet of the moneys in the Iowa public employees' retirement  
14 fund.

1 SEC. 5. Subject to other provisions of this chapter, the commission  
2 is authorized to appoint, fix the compensation, and prescribe the duties  
3 and powers of such officers, accountants, attorneys, experts, actuaries,  
4 and other persons as may be necessary in the performance of its duties.  
5 The commission shall classify its positions and shall establish salary  
6 schedules and minimum personnel standards for the positions so clas-  
7 sified. All positions shall be filled by persons selected and appointed  
8 on the basis of competency and fitness for the position to be filled. The  
9 commission shall not appoint or employ any person who is an officer or  
10 committee member of any political party organization or who holds  
11 or is a candidate for any elective public office. The commission shall  
12 establish and enforce fair and reasonable regulations based upon  
13 ratings of efficiency and fitness and for terminations for cause. The  
14 commission may delegate to any such person so appointed such power  
15 and authority as it deems reasonable and proper for the effective ad-  
16 ministration of this chapter, and may in its discretion bond any person  
17 handling moneys or signing checks hereunder. The commission is  
18 authorized to enter into arrangements with the federal bureau of em-  
19 ployment security whereby services performed by the commission and  
20 its employees both under this chapter and under the Iowa employment  
21 security chapter shall be equitably apportioned between the funds  
22 provided for the administration of said chapters. That money spent  
23 for rentals, supplies and equipment used by both agencies shall be  
24 equitably apportioned and charged against said funds.

1 SEC. 6. The commission may in its discretion destroy or dispose  
2 of such original reports or records as have been properly recorded or  
3 summarized in the permanent records of the commission and are  
4 deemed by the commission no longer necessary to the proper admin-  
5 istration of this chapter. Such destruction or disposition shall be made  
6 only by order of the commission and such order shall be spread on the  
7 minutes of the commission. Any moneys received from the disposition  
8 of such records shall be deposited to the credit of the public employees'  
9 retirement fund.

1 SEC. 7. 1. There is hereby created as a special fund, separate and  
2 apart from all other public moneys or funds of this state, the "Iowa  
3 Public Employees' Retirement Fund", hereafter called the "retirement  
4 fund". This fund shall consist of all moneys collected under this chap-  
5 ter, together with all interest, dividends and rents thereon, and shall  
6 also include all securities or investment income and other assets ac-  
7 quired by and through the use of the moneys belonging to this fund  
8 and any other moneys that have been paid into this fund.

9 2. The treasurer of the state of Iowa is hereby made the custodian  
10 and trustee of this fund and shall administer the same in accordance  
11 with the directions of the commission. It shall be the duty of the  
12 trustee:

13 (a) To hold said trust funds.

14 (b) Invest such portion of said trust funds as in the judgment of

15 the commission are not needed for current payment of benefits under  
16 this chapter in interest-bearing securities issued by the United States,  
17 or interest-bearing bonds issued by the state of Iowa, or bonds issued  
18 by counties, school districts and/or general obligations or limited levy  
19 bonds issued by municipal corporations in this state as authorized  
20 by law, or other investments authorized by insurance companies in  
21 this state.

22 (c) Disburse such trust funds upon warrants drawn by the comp-  
23 troller pursuant to the order of the commission.

24 3. All moneys which are paid or deposited into this fund are hereby  
25 appropriated and made available to the commission to be used only for  
26 the purposes herein provided:

27 (a) To be used by the commission for the payment of retirement  
28 claims for benefits under this chapter, or such other purposes as may  
29 be authorized by the general assembly.

30 (b) To be used by the commission to pay refunds provided for in  
31 this chapter.

1 SEC. 8. A board shall be established to be known as the "Advisory  
2 Investment Board of the Iowa Public Employees' Retirement System",  
3 hereinafter called the "board", whose duties shall be to advise and  
4 confer with the commission in matters relating to the investment of  
5 the trust funds of the Iowa public employees' retirement system. The  
6 powers of the board shall be purely advisory and the commission shall  
7 not be bound in the making of any investment by the recommendations  
8 of the board. The board shall consist of five members. Three of the  
9 members shall be appointed by the governor, one of whom shall be an  
10 executive of a domestic life insurance company, one an executive of a  
11 state or national bank operating within the state of Iowa, and the  
12 third shall be an executive of a major industrial corporation located  
13 within the state of Iowa. The chairman of the social security commit-  
14 tee of the house of representatives of the general assembly and the  
15 chairman of the social security committee of the senate of the general  
16 assembly shall be ex officio members of the board. Members appointed  
17 by the governor shall be paid their actual expenses incurred in per-  
18 formance of their duties and shall receive in addition thereto the sum  
19 of twenty-five dollars for each day of service not exceeding forty (40)  
20 days per year. Ex officio members shall receive their actual expenses  
21 incurred in the performance of their duties. The appointive terms  
22 of the members appointed by the governor shall be for a period of  
23 six (6) years dating from July first of the year in which they are  
24 appointed, but the governor shall designate, in the case of the original  
25 appointees, one who shall serve for a period of two (2) years, a second  
26 who shall serve for a period of four (4) years, and a third who shall  
27 serve for a period of six (6) years. In the event of vacancy, through  
28 resignation or any other cause, in the membership of the board, the  
29 governor shall have the power of appointment. Appointees to this  
30 board shall be subject to confirmation by a two-thirds vote of the  
31 senate, but in the event of interim appointments, such confirmation  
32 shall be necessary at the next session of the senate.

1 SEC. 9. Taxes unpaid on the date on which they are due and pay-  
2 able as prescribed by the commission, shall bear interest at the rate  
3 of one-half of one percentum per month from and after such date until

4 payment plus accrued interest is received by the commission, pro-  
5 vided that the commission may prescribe fair and reasonable regula-  
6 tions pursuant to which such interest shall not accrue with respect to  
7 taxes required. Interest collected pursuant to this section shall be  
8 paid into the Iowa public employees' retirement fund.

9 1. If within thirty days after due notice the employer defaults in  
10 payment of taxes or interest thereon, the amount due shall be collected  
11 by civil action in the name of the commission, and the employer ad-  
12 judged in default shall pay the costs of such action. Civil actions  
13 brought under this section to collect taxes or interest thereon shall be  
14 heard by the court at the earliest possible date and shall be entitled to  
15 preference upon the calendar of the court over all other civil actions.

16 2. The employer shall pay its tax or contribution from funds avail-  
17 able and is directed to pay same from tax money or from any other  
18 income of the political subdivision.

19 3. Every political subdivision is hereby authorized and directed to  
20 levy a tax sufficient to meet its obligations under the provisions of this  
21 chapter.

1 SEC. 10. In any case in which the commission finds the employer  
2 has paid taxes thereon which have been erroneously paid, and has  
3 filed application for an adjustment thereof, the commission shall make  
4 such adjustment, compromise or settlement and make such refund of  
5 such payments as it finds just and equitable in the premises. Refunds  
6 so made shall be charged to the fund to which the erroneous collections  
7 have been credited and shall be paid to the claimant without interest.  
8 Any claim for such refund shall be made within three years of date of  
9 payment and not thereafter. For lack of time and cause, adjustments,  
10 compromises or refunds may be made by the commission on its own  
11 initiative.

1 SEC. 11. In addition to all other taxes, there is hereby levied upon  
2 each employer, as defined in section 41, and also upon each employee,  
3 as defined in section 41, a tax equal to three and one-half percent  
4 ( $3\frac{1}{2}\%$ ) of the wages paid by the employer to the employee for any  
5 service performed after June 30, 1953, while such employee is a mem-  
6 ber of the system.

1 SEC. 12. The employer shall furnish to all employees a written  
2 statement in a form prescribed by the commission suitable for reten-  
3 tion by the employee, showing the wages paid to the employee after  
4 July 1, 1953. Each statement shall cover a calendar year, or one, two  
5 or three quarters, whether or not within the same calendar year,  
6 and shall show the name of the employee, the period covered by the  
7 statement, the total amount of wages paid within such period, and the  
8 amount of tax imposed by this chapter with respect to such wages.  
9 Each statement shall be furnished to the employee not later than thirty  
10 days following the period covered by the statement, except that if the  
11 employee leaves the employ of the employer, this final statement shall  
12 be furnished within thirty days after the last payment of wages is  
13 made to the employee. The employer may, at its option, furnish such  
14 a statement to any employee at the time of each payment of wages to  
15 the employee during any calendar quarter, in lieu of a statement cov-  
16 ering each quarter, and, in such case, the statement may show the date  
17 of payment of wages in lieu of the period covered by the statement.

1 SEC. 13. For the purposes of the state income tax, the tax imposed  
2 by this chapter shall not be allowed as a deduction to the taxpayer in  
3 computing his net income for any year in which such tax is deducted  
4 from his wages.

1 SEC. 14. The taxes deducted from the wages of the employee by  
2 the employer shall be matched by the employer making the deduction  
3 and forwarded to the commission for recording and deposited with the  
4 treasurer of state to the credit of the Iowa public employees' retire-  
5 ment fund. Such taxes as deducted by the employer shall be paid in  
6 such manner, at such times and under such conditions, either by  
7 copies of payrolls or other methods necessary or helpful in securing  
8 proper identification of the taxpayer, as may be prescribed by the com-  
9 mission.

1 SEC. 15. The commission shall have full power and authority to  
2 make rules and regulations and to establish procedures, not inconsis-  
3 tent with the provisions of this chapter, which are necessary or  
4 appropriate to carry out such provisions and shall adopt reasonable  
5 and proper rules and regulations to regulate and provide for the nature  
6 and extent of the proofs and evidence and the method of taking and  
7 furnishing the same in order to establish the right to benefits here-  
8 under.

1 SEC. 16. The commission is directed to make findings of fact,  
2 and decisions as to the rights of any individual applying for a pay-  
3 ment under this chapter. Whenever requested by any such individual  
4 or by any other person who makes a showing in writing that his or  
5 her rights may be prejudiced by any decision the commission has  
6 rendered, it shall give such applicant and such other individual reason-  
7 able notice and opportunity for a hearing with respect to such decision,  
8 and, if a hearing is held, shall, on the basis of evidence adduced at the  
9 hearing, affirm, modify, or reverse its findings of fact and such deci-  
10 sion. The commission is further authorized, on its own motion, to hold  
11 such hearings and to conduct such investigations and other proceed-  
12 ings as it may deem necessary or proper for the administration of this  
13 chapter. In the course of any hearing, investigation, or other proceed-  
14 ings, it may administer oaths and affirmations, examine witnesses, and  
15 receive evidence. Evidence may be received at any hearing before the  
16 commission even though inadmissible under rules of evidence appli-  
17 cable to court procedure.

1 SEC. 17. The commission shall establish and maintain records of  
2 the amount of wages paid to each individual subject to coverage under  
3 this Act and shall maintain a record of the contribution of each indi-  
4 vidual, and also of the contribution made by each employer in behalf  
5 of said individuals and such records shall be the basis for the compila-  
6 tion of the retirement benefits provided under this Act. Such records  
7 shall be evidence for the purpose of proceedings before the commis-  
8 sion or any court of the amounts of such wages and the periods in  
9 which they were paid, and the absence of an entry as to an individu-  
10 al's wages in such records for any period shall be evidence that no  
11 wages were paid such individual in such period.

1 SEC. 18. After the expiration of each calendar year and prior to  
2 July 1 of the succeeding year, the commission shall furnish each cov-

3 ered individual with a statement of his accumulated credits under this  
4 chapter up to the end of such calendar year. The commission shall mail  
5 such statement to each employer not later than June 30 of the succeed-  
6 ing calendar year. The employer shall distribute such statements to  
7 its employees, and the records of the commission as shown by said  
8 statement as to the wages of such individual for such year and the  
9 periods of payment shall be conclusive for the purpose of this chapter,  
10 except as hereinafter provided.

1 SEC. 19. If, prior to the expiration of six months following the de-  
2 livery of such statement, it is brought to the attention of the com-  
3 mission that any entry of such wages in such records is erroneous, or  
4 that any item of such wages has been omitted from the records, the  
5 commission may correct such entry or include such omitted item in  
6 its records, as the case may be. Written notice of any revision of any  
7 such entry which is adverse to the interest of any individual shall be  
8 given to such individual in any case where such individual has pre-  
9 viously been notified by the commission of the amount of wages and of  
10 the period of payments shown by such entry. Upon request in writing  
11 made prior to the expiration of six months immediately following the  
12 giving of the statement provided for in section 18, the commission shall  
13 afford any individual, or after his death shall afford his beneficiary  
14 or any other person so entitled in the judgment of the commission, rea-  
15 sonable notice and opportunity for hearing with respect to any entry  
16 or alleged omission of wages of such individual in such record, or any  
17 revision of any such entry. If a hearing is held, the commission shall  
18 make findings of fact and a decision based upon the evidence adduced  
19 at such hearing and shall revise its records accordingly. Any party  
20 aggrieved by the decision of the commission under this section or  
21 section 20 hereof may appeal to the district court in the manner as  
22 provided in section 29 hereof.

1 SEC. 20. After the expiration of six months, as provided for in  
2 section 19, and no appeal has been taken, the commission shall revise  
3 any entry or include in its records any omitted item of wages to con-  
4 form its records with tax or wage reports or portions of tax reports.  
5 Notice shall be given of such conditions and to such individuals as is  
6 provided for revisions under section 19. Upon request, notice and  
7 opportunity for hearing with respect to any such entry, omission or  
8 revision shall be afforded under such conditions and to such individuals  
9 as is provided for in section 19 hereof, but no evidence shall be intro-  
10 duced at any such hearing except with respect to conformity of such  
11 records with such tax reports.

1 SEC. 21. Within thirty days after any decision of the commission  
2 under sections 19 and 20 hereof, such decision shall be reviewable by  
3 commencing a civil action in the district court of the state of Iowa as  
4 provided in section 29 of this Act.

1 SEC. 22. For the purpose of any hearing, investigation, or other  
2 proceeding authorized or directed under this chapter, or relative to  
3 any other matter within its jurisdiction hereunder, the commission  
4 and/or appeal referee shall have the power to issue subpoenas requir-  
5 ing the attendance and testimony of witnesses and the production of  
6 any evidence that relates to any matter under investigation or in ques-

7 tion before the commission. Such attendance of witnesses and produc-  
8 tion of evidence at the designated place of such hearing, investigation,  
9 or other proceedings may be required from any political subdivision  
10 in the state. Subpoenas of the commission shall be served by anyone  
11 authorized by it (a) by delivering a copy thereof to the individual  
12 named therein, or (b) by registered mail addressed to such individual  
13 at his last dwelling place or principal place of business. A verified re-  
14 turn by the individual so serving the subpoena setting forth the manner  
15 of service, or, in the case of service by registered mail, the return post  
16 office receipt therefor signed by the individual so served, shall be  
17 proof of service. Witnesses so subpoenaed shall be paid the same fees  
18 and mileage as are paid witnesses in the district courts of the state of  
19 Iowa. In the discharge of the duties imposed by this chapter, the chair-  
20 man or an appeal referee and any duly authorized representative or  
21 member of the commission shall have power to administer oaths and  
22 affirmations, take depositions, certify to official acts, and issue sub-  
23 poenas to compel the attendance of witnesses and the production of  
24 books, papers, correspondence, memoranda, and other records deemed  
25 necessary as evidence in connection with the administration of this  
26 chapter.

1 SEC. 23. In case of contumacy by, or refusal to obey a subpoena  
2 duly served upon any person, any district court of the state of Iowa  
3 for the district in which said person charged with contumacy or re-  
4 fusals to obey is found or resides or transacts business, upon applica-  
5 tion by the commission, shall have jurisdiction to issue an order re-  
6 quiring such person to appear and give testimony, or to appear and  
7 produce evidence, or both. Any failure to obey such order of the court  
8 may be punished by said court as contempt thereof.

1 SEC. 24. No person so subpoenaed or ordered shall be excused from  
2 attending and testifying or from producing books, records, correspond-  
3 ence, documents, or other evidence on the ground that the testimony  
4 or evidence required of him may tend to incriminate him or subject  
5 him to a penalty or forfeiture; but no person shall be prosecuted or  
6 subjected to any penalty or forfeiture for, or on account of, any trans-  
7 action, matter or thing concerning which he is compelled, after having  
8 claimed his privilege against self-incrimination, to testify or produce  
9 evidence, except that such person so testifying shall not be exempt from  
10 prosecution and punishment for perjury committed in so testifying.

1 SEC. 25. A representative designated by the commission and here-  
2 inafter referred to as a deputy, shall promptly examine applications  
3 for retirement benefits and on the basis of facts found by him shall  
4 either determine whether or not such claim is valid and if valid, the  
5 month with respect to which benefits shall commence, the monthly  
6 benefit amount payable, and the maximum duration thereof. The  
7 deputy shall promptly notify the applicant and any other interested  
8 party of the decision and the reasons therefor. Unless the applicant  
9 or other interested party, within thirty calendar days after such noti-  
10 fication was mailed to his last known address, files an appeal from  
11 such decision, to the appeal referee as provided in section 26, such  
12 decision shall be final and benefits shall be paid or denied in accord  
13 therewith.

1 SEC. 26. Unless such appeal is withdrawn, an appeal referee to be  
2 designated by the commission for this purpose, after affording the  
3 parties reasonable opportunity for fair hearing, shall affirm or modify  
4 the findings of fact and decision of the deputy. At said hearing all of  
5 the evidence taken and the proceedings had shall be taken and fully  
6 reported by a certified shorthand reporter. Said reporter shall promptly  
7 transcribe said evidence and proceedings and certify to same. The  
8 said transcript shall then be made available for use by the commission  
9 and by the courts at subsequent appeals, if any. The parties shall be  
10 duly notified of such referee's decision, together with its reasons there-  
11 for, which shall be deemed to be the final decision of the commission  
12 unless, within thirty days after the date of notification or mailing of  
13 such decision, further appeal is initiated pursuant to section 27.

1 SEC. 27. Anyone aggrieved by the decision of the appeal referee  
2 may, at any time before such appeal referee decision becomes final,  
3 petition the commission for review of such appeal referee's decision.  
4 The commission shall review the record made before the appeal referee,  
5 but no additional evidence shall be heard. On the basis of such record  
6 the commission shall either affirm, modify, or reverse the decision of  
7 the appeal referee and shall determine the rights of the appellant on  
8 the basis of such record. It shall promptly notify the appellant and  
9 any other interested party by written decision.

1 SEC. 28. Any decision of the commission in the absence of an  
2 appeal therefrom, as herein provided, shall become final thirty days  
3 after the date of notification or mailing thereof, and judicial review  
4 thereof shall be permitted only after any party claiming to be ag-  
5 grieved thereby has exhausted his remedies before the commission,  
6 as provided by this chapter. The commission shall be deemed to be a  
7 party to any judicial action involving any such decision and may be  
8 represented in any such judicial action by any qualified attorney who  
9 is a regular salaried employee of the commission or who has been des-  
10 ignated by the commission for that purpose or, at the commission's  
11 request, by the attorney general.

1 SEC. 29. At any time prior to such commission decision becoming  
2 final, any party aggrieved thereby may secure judicial review thereof  
3 by commencing an action in the district court of the county in which  
4 the claimant was last employed or resides, provided that if the claimant  
5 does not reside in the state of Iowa the action shall be brought in the  
6 district court of Polk county, Iowa, against the commission for the  
7 review of this decision, in which action any other parties to the pro-  
8 ceeding before the commission shall be made a defendant. In such  
9 action a petition, which need not be verified but which shall state the  
10 grounds upon which a review is sought, shall be served on a member  
11 of the commission or upon such person as the commission may desig-  
12 nate, and such service shall be deemed completed service on all parties,  
13 but there shall be left with the parties so served as many copies of the  
14 petition as there are defendants, and the commission shall forthwith  
15 mail one such copy to each such defendant. When service is completed  
16 such petition shall be filed by appellant with the clerk of the district  
17 court who shall docket said cause in the same manner as provided for  
18 other civil actions. The commission shall, within sixty days after the



19 notice of appeal has been served on the commission, certify and file  
20 with said district court all documents and papers and a transcript of  
21 all testimony taken in the matter, together with the findings of fact  
22 and decision of the commission therein. With such transcript the com-  
23 mission shall file its answer. The transcript, as certified and filed by  
24 the commission, shall be the record upon which the appeal shall be  
25 heard, and no additional evidence shall be heard. In the absence of  
26 fraud, any findings of fact by the commission after notice and hear-  
27 ing, as herein provided, shall be binding on the court on appeal when  
28 supported by substantial and competent evidence. The commission  
29 may also, in its discretion, certify to such courts, questions of law  
30 involving any decision by it. Such actions, and the questions so cer-  
31 tified, shall be heard in a summary manner and shall be given prece-  
32 dence over all other civil cases except cases arising under the work-  
33 men's compensation law and the employment security law of this state.

1 SEC. 30. Any order or decision of the commission may be modi-  
2 fied, reversed, or set aside on one or more of the following grounds and  
3 no other:

- 4 1. If the commission acted without or in excess of its power.
- 5 2. If the order or decree was procured by fraud.
- 6 3. If the facts found by the commission do not support the order or  
7 decree.
- 8 4. If there is not sufficient competent evidence in the record to war-  
9 rant the making of the order or decision.

1 SEC. 31. When the district court, on appeal, reverses or sets aside  
2 an order or decision of the commission, it may remand the case to the  
3 commission for further proceedings in harmony with the holdings of  
4 the court, or it may enter the proper judgment, as the case may be.  
5 Such judgment or decree shall have the same force and effect as if  
6 action had been originally brought and tried in said court.

1 SEC. 32. An appeal may be taken from any final order, judgment,  
2 or decree of the district court to the supreme court of Iowa, in the  
3 same manner, but not inconsistent with the provisions of this chapter,  
4 as is provided in civil cases. It shall not be necessary in any judicial  
5 proceeding under this section, to enter exceptions to the rulings of the  
6 commission and no bond shall be required for entering such appeal.  
7 Upon the final determination of such judicial proceeding the commis-  
8 sion shall enter an order in accordance with such determination. A  
9 petition for judicial review shall not act as a supersedeas or stay unless  
10 the commission shall so order.

1 SEC. 33. Upon final decision of the commission, or upon final judg-  
2 ment of any court of competent jurisdiction, that any person is entitled  
3 to any payment or payments under this chapter, the commission shall  
4 certify to the state comptroller the name and address of the person so  
5 entitled to receive such payment or payments, the amount of such pay-  
6 ment or payments, and the time at which such payment or payments  
7 should be made, and the commission, through the state comptroller,  
8 shall make payment in accordance with the certification of the commis-  
9 sion provided, that where a review of the commission decision is or  
10 may be sought under section 28, certification of payment may be with-  
11 held pending such review. The state comptroller shall not be held

12 personally liable for any payment or payments made in accordance  
13 with a certification by the commission.

1 SEC. 34. When it appears to the commission that the interest of  
2 an applicant entitled to a payment would be served thereby, certifica-  
3 tion of payment may be made, regardless of the legal competency or  
4 incompetency of the individual entitled thereto, either for direct pay-  
5 ment to such applicant, or for his use and benefit to a relative or some  
6 other person.

1 SEC. 35. Any payment made after June 30, 1953, under the condi-  
2 tions set forth in the preceding section, shall be a complete settlement  
3 and satisfaction of any claim, right, or interest in and to such pay-  
4 ment.

1 SEC. 36. The commission is authorized to delegate to any member,  
2 officer, or employee of the commission designated by it any of the  
3 powers conferred upon it by this Act and is authorized to be repre-  
4 sented by its own attorneys in any court in any case or proceeding  
5 arising under the provisions of said Act.

1 SEC. 37. The commission may prescribe rules and regulations gov-  
2 erning the recognition of agents or other persons, other than attorneys  
3 as hereinafter provided, representing claimants before the commis-  
4 sion, and may require of such agents or other persons, before being  
5 recognized as representatives of claimants, that they shall show that  
6 they are of good character and in good repute, possessed of the neces-  
7 sary qualifications to enable them to render such claimants valuable  
8 service, and otherwise competent to advise and assist such claimants  
9 in the presentation of their cases. An attorney in good standing who  
10 is admitted to practice before the district or supreme court of the state,  
11 shall be entitled to represent claimants before the commission upon  
12 filing with the commission a certificate of his right to so practice from  
13 the presiding judge or clerk of any such court.

1 SEC. 38. The commission may, by rule and regulation, prescribe  
2 the maximum fees which may be charged for services performed in  
3 connection with any claim before the commission under this chapter,  
4 and any agreement in violation of such rules and regulations shall be  
5 void. Any person who shall, with intent to defraud, in any manner  
6 wilfully and knowingly deceive, mislead, or threaten any claimant or  
7 prospective claimant or beneficiary under this chapter by word, cir-  
8 cular, letter or advertisement, or who shall knowingly charge or collect  
9 directly or indirectly any fee in excess of the maximum fee, or make  
10 any agreement directly or indirectly to charge or collect any fee in  
11 excess of the maximum fee, prescribed by the commission, shall be  
12 deemed guilty of a misdemeanor and, upon conviction thereof, shall  
13 for each offense be punished by a fine not exceeding five hundred dol-  
14 lars (\$500.00) or by imprisonment not exceeding one year, or both.

1 SEC. 39. The right of any person to any future payment under  
2 this chapter shall not be transferable or assignable, at law or in equity,  
3 and none of the moneys paid or payable or rights existing under this  
4 chapter shall be subject to execution, levy, attachment, garnishment,  
5 or other legal process, or to the operation of any bankruptcy or in-

6 solvency law. These moneys shall also be exempt from taxation, either  
7 as income or as personal property.

1 SEC. 40. Whoever, for the purpose of causing an increase in any  
2 payment authorized to be made under this chapter, or for the purpose  
3 of causing any payment to be made where no payment is authorized  
4 under this chapter, shall wilfully make or cause to be made any false  
5 statement or representation as to the amount of any wages paid or  
6 received for the period during which earned or unpaid, knowing it to  
7 be false or whoever makes or causes to be made any false statement  
8 of a material fact knowing it to be false in any application for any  
9 payment under this chapter, or whoever wilfully makes or causes to be  
10 made any false statement, representation, affidavit, or document in  
11 connection with such an application knowing them to be false, shall be  
12 guilty of a misdemeanor and upon conviction thereof shall be fined not  
13 more than one thousand dollars (\$1,000.00) or imprisoned for not  
14 more than one year, or both.

1 SEC. 41. When used in this chapter:

2 1. For the purpose of this Act the term, "wages", means all re-  
3 muneration for employment; including the cash value of remunera-  
4 tion paid in any medium other than cash, but not including the cash  
5 value of remuneration paid in any medium other than cash necessitated  
6 by the convenience of the employer, such amount as agreed upon by  
7 employer and employee and reported to the commission by the em-  
8 ployer shall be conclusive of the value of remuneration in a medium  
9 other than cash; except that such term shall not include—

10 That part of the remuneration which, after remuneration equal to  
11 four thousand dollars (\$4,000.00) has been paid to an individual with  
12 respect to employment during any calendar year or any part of any  
13 calendar year after the effective date of this Act, is paid to such in-  
14 dividual with respect to such employment.

15 2. The term, "employment", means any service performed under an  
16 employer-employee relationship under the provisions of this chapter.

17 3. (a) The term, "employer", means the state of Iowa, the counties,  
18 municipalities and public school districts therein and all of the political  
19 subdivisions thereof and all of their departments and instrumental-  
20 ities, all hereinafter called political subdivisions, as of the effective date  
21 of this Act.

22 (b) The term, "employee", means any individual who is in em-  
23 ployment as defined in this chapter, except

24 (1) Members of the general assembly, elective officials in positions  
25 for which the compensation is on a fee basis, elective officials of school  
26 districts, elective officials of townships, and elective officials of other  
27 political subdivisions who are in part-time positions.

28 (2) Such persons who are members of any other retirement system  
29 in the state which is maintained in whole or in part by the public con-  
30 tributions other than persons who are covered under the provisions of  
31 chapter ninety-seven (97), Code 1950, as amended by the Fifty-fourth  
32 General Assembly on the date of the repeal of said chapter, under the  
33 provisions of House File 139, Acts of the Fifty-fifth General Assembly.

34 4. The masculine form of expression shall be deemed to include the  
35 feminine.

36 5. "System" means the retirement plan as contained herein or as  
37 duly amended.

38 6. "Abolished system" means the Iowa old age and survivors' insur-  
39 ance system repealed by House File 139, Acts of the Fifty-fifth General  
40 Assembly, 1953.

41 7. "Contributions" or "taxes" means the payments to the fund as  
42 provided herein, by the employer and/or by the members, necessary  
43 to provide the benefits of the retirement system.

44 8. "Member" means an individual who is a member of the retire-  
45 ment system created by this chapter.

46 9. "Accumulated contributions of a member" means the total ob-  
47 tained, as of any date, by accumulating each individual contribution by  
48 the member at two percent (2%) interest, compounded annually, from  
49 the end of the calendar year in which such contribution was made to the  
50 first day of the month of such date.

51 10. "Service" means uninterrupted service under this Act by an  
52 employee from the date he last entered employment of the employer  
53 until the date his employment shall be terminated by death, retirement,  
54 resignation or discharge; provided, however, the service of any em-  
55 ployee shall not be deemed to be interrupted by:

56 (a) Service in the armed forces of the United States during a period  
57 of war or national emergency, provided the employee was employed  
58 by the employer immediately prior to entry into such armed forces, and  
59 further provided the employee was released from such service and  
60 returns to employment with the employer within ninety days of the  
61 date on which he shall have the right of release from such service or  
62 within such longer period as may be provided by the laws of the  
63 United States applicable thereto.

64 (b) Leave of absence or vacation authorized by the employer for a  
65 period not exceeding twelve months.

66 (c) The termination at the end of the school year of the contract of  
67 employment of an employee who is a teacher in the public schools of  
68 the state of Iowa, provided the employee enters into a further contract  
69 of employment as a teacher in the public schools of the state of Iowa  
70 for the next succeeding school year.

71 (d) Temporary or seasonal interruptions in service such as service  
72 of school bus drivers, school teachers, instructors at Iowa state college,  
73 the state university of Iowa, or Iowa state teachers college, employees  
74 in state schools or hospital dormitories or other positions when the  
75 temporary suspension of service does not terminate the period of em-  
76 ployment of the employee.

77 11. "Prior service" means any service by an employee rendered at  
78 any time prior to the effective date of this Act, except any such service  
79 while the employee was a public elected official.

80 12. "Years of prior service" means the total of all periods of prior  
81 service of a member. In the determination of such total years of prior  
82 service any fraction of the total in excess of an integral number of  
83 years which is at least six months shall be deemed to be a complete year  
84 and any smaller fraction shall be disregarded.

85 13. "Beneficiary" means the person or persons entitled to receive  
86 any benefits at the death of a member payable under this Act who has  
87 or have been designated in writing by the member and filed with the  
88 commission, or if no such designation is in effect at the time of death

89 of the member or if no person so designated is living at that time, then  
90 the beneficiary shall be the estate of the member.

91 14. "Reserve" means the amount required, as of any date, under the  
92 actuarial assumptions of the retirement system, to provide benefits  
93 under the retirement system based upon contributions of members  
94 and employers as of said date, and credits to members on account of  
95 service prior to July 1, 1953.

96 15. "Actuarial equivalent" means a benefit of equal value when  
97 computed upon the basis of such actuarial tables as are adopted by  
98 the commission.

99 16. For purposes of this Act "interest earned" shall be determined  
100 on the following basis:

101 (a) interest earnings shall be on an accrued basis,

102 (b) capital gains and losses, realized or unrealized, shall not be in-  
103 cluded, and

104 (c) the interest rate shall be based upon mean invested assets of  
105 the retirement fund.

1 SEC. 42. Each employee whose employment commences after the  
2 effective date of this Act or who has not qualified for credit for prior  
3 service rendered prior to the effective date of this Act, or any publicly  
4 elected official of the state or any of its political subdivisions, other  
5 than members of the general assembly, elective officials in positions  
6 for which the compensation is on a fee basis, elective officials of school  
7 districts, elective officials of townships, and elective officials of other  
8 political subdivisions who are in part-time positions, shall become a  
9 member upon the first day of the month following the month in which  
10 such employee is employed. He shall continue to be a member so long  
11 as he continues in public employment except that he shall cease to be a  
12 member if after making said election he joins another retirement  
13 system in the state which is maintained in whole or in part by public  
14 contributions or payments which has been in operation prior to the  
15 effective date of this Act and was subsequently liquidated and may  
16 have thereafter been reestablished. However, the participation in such  
17 other retirement system shall be voluntary and shall not be a condition  
18 for continuance of employment. The term "employee" as used herein  
19 shall not include any individual performing any service in any calendar  
20 quarter in which the remuneration for such service does not equal or  
21 exceed the sum of two hundred dollars (\$200.00) or any services per-  
22 formed during school vacations or outside of school hours by individ-  
23 uals who are students and who devote their time and efforts chiefly  
24 to their studies, rather than to incidental employment.

1 SEC. 43. Each member in service on the effective date of this Act  
2 who made contributions under the abolished system, and who has not  
3 applied for and qualified for benefit payments under the abolished  
4 system, shall receive credit for years of prior service in the determina-  
5 tion of retirement allowance payments under any of the provisions of  
6 this chapter, provided (a) such member elects to become a member on  
7 or before October 1, 1953, (b) such member has not made application  
8 for a refund of such part of his contributions under the abolished  
9 system as is payable under the provisions of the act repealing chapter  
10 ninety-seven (97), Code 1950, as amended by the Fifty-fourth General  
11 Assembly, and (c) such member gives written authorization prior to

12 October 1, 1953, to the commission to credit to the retirement fund  
13 the amount of his contribution which would be subject to claim for  
14 refund. The amount so credited shall, after such transfer, be con-  
15 sidered as a contribution to the system made as of the effective date of  
16 this Act by the member and shall be included as such in the determina-  
17 tion of the amount of any accumulated contributions payable under  
18 this chapter in the event of the death prior to retirement or termina-  
19 tion of employment of the member, but shall not be included in the  
20 accumulated contributions of the member in the determination of the  
21 amount of any retirement allowance payable under this chapter. Pro-  
22 vided, however, an employee who was under a contract of employment  
23 as a teacher in the public schools of the state of Iowa at the end of the  
24 school year 1952-1953, or any person covered by the provisions of (c)  
25 or (d) of subsection 9,\* of section 41 shall be considered as in service  
26 as of the effective date of this Act if they were members of the abolished  
27 system.

28 Any person with a record of thirty (30) years as a public employee  
29 in the state of Iowa prior to July 1, 1947, and who is not eligible for  
30 prior service credit under other provisions of this section, shall be  
31 entitled to a credit for years of prior service in the determination of  
32 the retirement allowance payment under any of the provisions of this  
33 chapter, provided such public employee makes application to the em-  
34 ployment security commission for such credit for prior public service,  
35 accompanied by such verification of his claim as the commission may  
36 require. His allowance for prior service credits shall be computed in  
37 the same manner as otherwise provided in this section, but shall not  
38 exceed the sum of four hundred fifty dollars (\$450.00) nor be less than  
39 three hundred dollars (\$300.00) per annum. Any such person shall be  
40 entitled to receive retirement allowances contributed as provided by  
41 this chapter, effective from the date of application to the employment  
42 security commission, provided such application is approved.

1 SEC. 44. Each member shall designate on a form to be furnished  
2 by the commission a beneficiary for any death benefits payable here-  
3 under on the death of such member. Such designation may be changed  
4 from time to time by the member by filing a new designation with the  
5 commission.

1 SEC. 45. A member may retire on the first day of any month coin-  
2 ciding with or following the date he attains the age of sixty-five upon  
3 written notification to the commission, setting forth at what time the  
4 retirement is to become effective, provided such effective date shall be  
5 after his last day of service. A member shall retire from the employ-  
6 ment of the employer no later than the first day of the month coincid-  
7 ing with or next following the date he attains the age of seventy,  
8 except as otherwise provided in section 46 following.

1 SEC. 46. A member may, on the request of the employer, remain  
2 in the active employ of the employer beyond the date he attains the  
3 age of seventy for such period or periods as the employer from time  
4 to time shall approve. The member shall retire from the employment  
5 of the employer at the end of the last approved period, on the first day  
6 of the month next following or coinciding with such date.

\*Subsection 10 probably intended.

1 SEC. 47. A member may retire from the employment of the em-  
2 ployer on the first day of any month coinciding with or next following  
3 the date he attains the age of fifty-five and prior to the date he attains  
4 the age of sixty-five, upon written notification to the commission, made  
5 by the member, setting forth at what time the retirement is to become  
6 effective, provided that such effective date shall be after his last day  
7 of service, and after the filing of such notice, but shall not be less than  
8 thirty days or more than ninety days subsequent to the filing of such  
9 notice.

1 SEC. 48. Anything in this chapter to the contrary notwithstand-  
2 ing, should a retired member be at any time in regular full-time em-  
3 ployment after his retirement under any of the provisions of this  
4 chapter, his retirement allowance payments under this chapter shall  
5 cease as long as he remains in service. Upon any later retirement  
6 under any of the provisions of this chapter such member shall receive a  
7 retirement allowance based upon (a) contributions, if any, under this  
8 chapter, of the member and of his employer on his behalf due to his  
9 service while a member during his period of reemployment, plus (b)  
10 the amount of his retirement allowance payable prior to his reemploy-  
11 ment, increased on an actuarial basis for the period between his date  
12 of reemployment and his date of later retirement.

1 SEC. 49. A member shall upon retirement at or after the date he  
2 attains the age of sixty-five receive a monthly retirement allowance  
3 which shall commence on such retirement date and shall be continued  
4 on the first day of each month thereafter during his lifetime. The  
5 amount of each such monthly retirement allowance shall be determined  
6 as the sum of one (1) and two (2) following:

7 1. The actuarial equivalent of the total under this chapter of the  
8 contributions of the member and the contributions of his employer on  
9 his behalf due to his service after the effective date of this Act while a  
10 member, with interest earned thereon not to exceed two percent (2%)  
11 per annum to be added at the end of each calendar year, from the end  
12 of the calendar year in which such contribution was made to the date  
13 the retirement allowance is to commence.

14 2. One-third of one percent ( $\frac{1}{3}\%$ ) of the monthly rate of the total  
15 wages not in excess of three thousand dollars (\$3,000.00) annually  
16 received by the member during the twelve consecutive months of his  
17 period of prior service for which such total wages were at their greatest  
18 amount multiplied by the years of prior service of the member credited  
19 hereunder, if any.

1 SEC. 50. A member shall upon retirement at age fifty-five or later,  
2 under the provisions of section 47 receive a monthly retirement allow-  
3 ance which shall commence on the date of such retirement and shall  
4 be continued on the first day of each month thereafter during his life-  
5 time.

6 The amount of each monthly retirement allowance shall be deter-  
7 mined in the same manner as provided in section forty-nine (49), ex-  
8 cept that the amount of any monthly retirement allowance so  
9 determined in accordance with subsection two (2) of section forty-  
10 nine (49) shall be reduced on an actuarial equivalent basis for the  
11 period that the retirement date precedes the first day of the month  
12 next following or coinciding with the date he attains the age of sixty-

13 five (65).

14 If the monthly retirement allowance of any member as computed  
15 under the provisions of section forty-nine (49) or section fifty (50)  
16 shall be less than eight and thirty-three hundredths dollars (\$8.33)  
17 per month, such retirement allowance shall be payable semiannually,  
18 commencing on the member's retirement date, equal in amount to the  
19 actuarial equivalent of the monthly retirement allowance otherwise  
20 payable.

1 SEC. 51. Each member shall have the right at any time prior to  
2 his retirement date to elect to have his retirement allowance payable  
3 under the option hereinafter set forth in this section in lieu of the re-  
4 tirement allowance otherwise payable to him upon retirement under  
5 any of the provisions of the retirement system. The amount of any  
6 optional retirement allowance shall be the actuarial equivalent of the  
7 amount of such retirement allowance otherwise payable to him. The  
8 member shall make such an election by written request to the com-  
9 mission and such an election will be subject to the approval of the  
10 commission.

11 1. A member may elect to receive a decreased retirement allowance  
12 during his lifetime and have such decreased retirement allowance (or  
13 a designated fraction thereof) continued after his death to another  
14 person, called a contingent annuitant, during the lifetime of the con-  
15 tingent annuitant. In case of such an election, no death benefits, as  
16 might otherwise be provided by this chapter, will be payable upon the  
17 death of either the member or the contingent annuitant after the mem-  
18 ber's retirement.

19 2. The election by a member or the contingent annuitant of the op-  
20 tion stated under subsection 1 of this section shall be null and void if  
21 the member dies prior to retirement.

22 3. A member who had elected to take the option stated in subsection  
23 1 of this section may, at any time prior to his retirement, revoke such  
24 an election by written notice to the commission.

1 SEC. 52. 1. If a member dies prior to the date his first retirement  
2 allowance is payable under the retirement system, the accumulated  
3 contributions by the member at date of death will be payable to his  
4 beneficiary.

5 2. If a member dies after the date his first retirement allowance is  
6 payable under the retirement system, the excess, if any, of the accumu-  
7 lated contributions by the member as of said date, over the total  
8 monthly retirement allowances received by him under the retirement  
9 system will be paid to his beneficiary unless the retirement allowance  
10 is then being paid in accordance with subsection 1 of section 51.

11 3. Other than as provided above in subsections 1 and 2 of this sec-  
12 tion, or section 51, all rights to any benefits under the retirement sys-  
13 tem will cease upon the death of a member.

1 SEC. 53. All rights to all benefits under the retirement system will  
2 cease upon a member's termination of employment with the employer  
3 prior to his retirement, other than by death, except as provided here-  
4 after:

5 1. Upon the termination of employment with the employer prior to  
6 retirement other than by death of a member, the accumulated contri-  
7 butions by the member at the date of such termination will be paid to



8 such member, except as may be provided in subsection 2 and subsec-  
9 tion 5 of this section.

10 2. If the employment with the employer of a member is terminated  
11 prior to his retirement, other than by death, but after he has either  
12 (a) attained the age of forty-eight and completed at least eight years  
13 of service, or (b) has attained the age of fifty-five, he shall re-  
14 ceive a monthly retirement allowance commencing on the first day of  
15 the month next following or coinciding with the date he attains the  
16 age of sixty-five, if he is then alive, or, if the member so elects in ac-  
17 cordance with section 47 of this chapter, commencing on the first day  
18 of any month coinciding with or next following the date he attains the  
19 age of fifty-five and prior to the date he attains the age of sixty-five,  
20 and continuing on the first day of each month thereafter during his  
21 lifetime, provided the member does not receive prior to the date his  
22 retirement allowance is to commence, a refund of his accumulated con-  
23 tributions under any of the provisions of this chapter. The amount  
24 of each such monthly retirement allowance shall be determined as  
25 provided in either section 49 of this chapter or in section 50 of this  
26 chapter, whichever is applicable, but if such monthly benefit is less  
27 than eight and thirty-three hundredths dollars (\$8.33) per month, it  
28 shall be paid semiannually as provided in section 50.

29 3. A member who is entitled to the benefits of subsection 2 of this  
30 section shall have the right, prior to the commencement of his retire-  
31 ment allowance, to receive a refund of his accumulated contributions,  
32 and in the event of the death of the member prior to the commencement  
33 of his retirement allowance and prior to the receipt of any such refund  
34 the benefits of subsection 1 of section 51 of this chapter shall be paid.

35 4. No member shall be entitled to any refund based upon any credit  
36 for prior service as determined under the provisions of section 43 or  
37 for any portion of any contribution made by an employer unless other-  
38 wise provided by this Act.

39 5. Any member whose employment is terminated after he has ac-  
40 cumulated five or more years of employment, either under the provi-  
41 sions of this Act or as a result of prior service credits, may elect to  
42 leave his accumulated contributions in the retirement fund. A mem-  
43 ber shall not be considered as having terminated his employment if he  
44 accepts other employment in the state of Iowa under which he is eli-  
45 gible to membership in the Iowa public employees' retirement system,  
46 within three (3) months after he has left public employment. In the  
47 event he returns to public employment at any time within five years  
48 after this termination of employment he shall be entitled to resume  
49 membership in the system with the same credits for prior service  
50 and accumulated contributions that he had earned when his original  
51 employment was terminated. No interest shall be credited on his ac-  
52 cumulated contributions nor on his employer's accumulated contri-  
53 butions during the period from the time of his termination of employ-  
54 ment to his resumption of employment. Any member who has resumed  
55 employment under the provisions of this subsection shall not be eli-  
56 gible for any second period of absence from membership as a result  
57 of termination of service until he shall have been employed for a pe-  
58 riod of five years or more from the date of resumption of employment.  
59 Unless a member terminating employment elects at the time or prior  
60 to the time his employment is terminated, his accumulated contribu-

61 tions shall be returned to him. In any case, where a member elects not  
62 to receive his accumulated contributions and does not resume public  
63 service within five years from the date of termination of employment,  
64 his accumulated contributions shall be refunded to him, at the end of  
65 the five years immediately following his termination of employment,  
66 or in the event of his prior death, to his beneficiary or his estate, but  
67 in no case shall interest be allowed upon his accumulated contribu-  
68 tions for any period he is not an employee.

69 Any member who elects not to withdraw his accumulated contri-  
70 butions upon termination of employment may at any time request  
71 the return of his accumulated contributions, but if he receives such  
72 return of contributions he shall be deemed to have waived all claims  
73 for any other benefits from the fund.

1 SEC. 54. There is hereby appropriated from the special reserve  
2 fund of the state of Iowa for each year of the biennium beginning July  
3 1, 1953, and ending June 30, 1955, the sum of five hundred thousand  
4 dollars (\$500,000.00) or so much thereof as may be necessary, to the  
5 retirement fund, in addition to any amounts payable as provided under  
6 section 11 of this chapter, such amount to be known as the "Accrued  
7 Liability Contribution". The accrued liability contribution shall be  
8 that annual amount required to provide for the liquidation, prior to  
9 July 1, 1998, of the liability for retirement allowances payable under  
10 this chapter arising from the prior service of members credited under  
11 this chapter. The unfunded accrued liability at any particular time  
12 shall be the excess, if any, of the present value of retirement allowances  
13 due to prior service, over the sum of (a) the net total accumulated ac-  
14 crued liability contributions (after adjustment for retirement allow-  
15 ance payments due to prior service) and (b) any assets transferred  
16 to the retirement fund in accordance with section fifty-six (56) of this  
17 Act, with interest on such sum at the rates of interest earned each year  
18 on the retirement fund. Accrued liability contributions shall be deter-  
19 mined on actuarial bases adopted by the commission. Such contribu-  
20 tions shall be determined by the commission after each valuation of the  
21 assets and liabilities of the system, and shall continue in force until a  
22 new valuation is made. At least sixty (60) days prior to each regular  
23 session of the general assembly, the commission shall certify to the  
24 state comptroller and the governor the amount of the accrued liability  
25 contributions payable hereunder, and the amount so ascertained shall  
26 be included in the governor's budget message and appropriation bills  
27 submitted to the general assembly.

1 SEC. 55. Anything in this chapter to the contrary notwithstand-  
2 ing, the sum of all the amounts payable in any year by the state of  
3 Iowa under section 54 of this chapter shall not exceed five hundred  
4 thousand dollars (\$500,000.00).

1 SEC. 56. The assets of the old age and survivors' liquidation fund,  
2 established by House File 139, Acts of the Fifty-fifth General Assem-  
3 bly, and any future payments or assets payable to the old age and sur-  
4 vivors' liquidation fund, are hereby transferred to the retirement fund  
5 and all payments hereafter due in accordance with the provisions of  
6 said Act shall be paid from the retirement fund, and the liability for  
7 such payments shall be considered as allowances arising from prior  
8 service as provided in section 54.

1 SEC. 57. The commission shall prepare and distribute to the em-  
2 ployees, at the expense of the state and in such a manner as it shall  
3 deem appropriate, information concerning the retirement system.

1 SEC. 58. To enable the commission to perform its functions, the  
2 employer shall upon the request of the commission supply full and  
3 timely information to the commission of all matters relating to the  
4 pay of all members, date of birth, their retirement, death or other  
5 cause for termination of employment, and such other pertinent facts  
6 as the commission may require.

1 SEC. 59. The commission shall employ an actuary as its technical  
2 adviser. The compensation of the actuary and of other employees shall  
3 be fixed by the commission within the appropriations made therefor.

1 SEC. 60. At least once in each two-year period, the commission  
2 shall cause an actuarial investigation to be made of all experience  
3 under the retirement system. Pursuant to such an investigation, the  
4 commission shall, from time to time, determine upon an actuarial basis  
5 the condition of the system and shall report to the general assembly  
6 its findings and recommendations. The commission shall adopt from  
7 time to time mortality tables and all other necessary factors for use  
8 in all actuarial calculations required in connection with the retire-  
9 ment system.

1 SEC. 61. The commission shall cause an annual valuation to be  
2 made of the assets and liabilities of the retirement system and shall  
3 prepare an annual statement of the amounts to be contributed by the  
4 employer under this chapter, and shall publish annually such valu-  
5 ation of the assets and liabilities and the statement of receipts and  
6 disbursements of the retirement system.

1 SEC. 62. Every employee accepting employment or continuing in  
2 employment shall as long as he continues to be a member and has  
3 not become a member of another retirement system in the state which  
4 is maintained in whole or in part by public contributions or payments  
5 be deemed to consent and agree to any deductions from his compen-  
6 sation required by this chapter and to all other provisions thereof.

1 SEC. 63. Nothing in this Act shall be deemed to exclude from cov-  
2 erage, under the provisions of this Act, any public employee who is not  
3 on or as of the effective date of this Act, a member of another retire-  
4 ment system supported by public funds. All such employees and their  
5 employers shall be required to make contributions as specified as to  
6 other public employees and employers.

7 Nothing in this Act shall be deemed to prohibit the reestablishment  
8 of a retirement system supported by public funds which had been  
9 in operation prior to the effective date of this Act and was subsequently  
10 liquidated.

1 SEC. 64. None of the laws of this state regulating insurance or  
2 insurance companies shall apply to the commission or to the Iowa  
3 public employees' retirement system or any of its funds.

1 SEC. 65. The right is reserved to the general assembly to alter,  
2 amend, or repeal any provision of this chapter or any application

3 thereof to any person, provided, however, that to the extent of the  
 4 funds in the retirement system the amount of benefits which at the  
 5 time of any such alteration, amendment, or repeal shall have accrued  
 6 to any member of the system shall not be repudiated, provided further  
 7 however, that the amount of benefits accrued on account of prior serv-  
 8 ice shall be adjusted to the extent of any unfunded accrued liability  
 9 then outstanding.

1 SEC. 66. Each member of the Iowa employment security commis-  
 2 sion shall be paid for his services, in addition to his compensation now  
 3 provided in section 96.10, Code 1950, the sum of one thousand dollars  
 4 (\$1,000.00) per year, payable monthly, to be paid from the funds  
 5 hereby appropriated for the administration of this chapter.

1 SEC. 67. There is hereby appropriated out of the Iowa public em-  
 2 ployees' retirement system fund, for each year of the biennium be-  
 3 ginning July 1, 1953, and ending June 30, 1955, a sum sufficient to  
 4 pay the costs of the administration of this Act.

1 SEC. 68. Nothing in this Act shall be interpreted as removing the  
 2 Iowa employment security commission out from under the provisions  
 3 of section eight point five (8.5), Code 1950, as amended by chapter  
 4 forty-five (45), Acts of the Fifty-fourth General Assembly.

Approved May 25, 1953.

## CHAPTER 73

### FEDERAL SOCIAL SECURITY FOR PUBLIC EMPLOYEES

H. F. 138

AN ACT to provide for the coverage of certain officers and employees of the state of Iowa, of interstate instrumentalities jointly created by the state of Iowa and any other state or states, and of local governments of the state of Iowa, under the old age and survivors' insurance provisions of Title II of the federal Social Security Act, as amended; to prescribe the powers and duties of the Iowa employment security commission in respect to such coverage, imposing taxes upon public employees and public employers to cover the cost of said coverage, and authorizing the levy of taxes by public employers to provide funds for the payment of the tax imposed upon public employers.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. In order to extend to employees of the state and its  
 2 political subdivisions and to the dependents and survivors of such em-  
 3 ployees, the basic protection accorded to others by the Old Age and  
 4 Survivors' Insurance System embodied in the Social Security Act,  
 5 Title II of the Federal Social Security Act, it is hereby declared to be  
 6 the policy of the general assembly, subject to the limitations of this  
 7 Act, that such steps be taken as to provide such protection to em-  
 8 ployees of the state and its political subdivisions on as broad a basis  
 9 as is permitted under the Social Security Act, Title II.

1 SEC. 2. For the purposes of this Act:

2 1. The term "wages" means all remuneration for employment as de-  
 3 fined herein, including the cash value of all remuneration paid in any