Sec. 3. NEW SECTION. 252D.6 PENALTY FOR MISREPRESENTATION.

A person who knowingly makes a false statement or representation of a material fact or knowingly fails to disclose a material fact in order to secure an assignment of income against another person and to receive support payments or additional support payments pursuant to this chapter, is guilty, upon conviction, of a serious misdemeanor.

Approved May 15, 1986

CHAPTER 1192

EARLY RETIREMENT PROGRAM FOR PUBLIC EMPLOYEES

S.F. 2242

AN ACT to establish incentives to encourage certain state and local government employees to retire or terminate employment by receiving monetary and insurance payment incentives and to provide that the Act takes effect upon its publication.

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

Section 1. STATE EMPLOYEE RETIREMENT INCENTIVES. A state employee who will be at least sixty-two years of age by October 31, 1986 and has at least five years of continuous state employment, and sends written notification to the merit employment department, or successor agency, at any time between the effective date of this Act and July 31, 1986, of intent to retire from state employment not later than October 31, 1986, is eligible to receive retirement incentives. The merit employment department, or successor agency, shall coordinate and administer the program established in this section.

If the state employee is less than sixty-five years of age when the state employee retires, the state employee is eligible to receive one of the following:

1. A retirement bonus which is a lump sum payment equal to ten percent of the final annual salary of the employee, not to exceed five thousand dollars. The retirement bonus shall be paid from funds appropriated to the employee's department, agency, or commission for salaries, support, maintenance, and miscellaneous purposes. However, at the written request of the director of a department, agency, or commission that the director believes that the appropriations to the department, agency, or commission are insufficient to pay the retirement bonus, the governor may authorize payment from the salary adjustment fund. Section 8.39 does not apply to payments made from the salary adjustment fund under this subsection.

2. Enrollment in the retiring employee insurance incentive payment program until the employee reaches sixty-five years of age. The program includes all of the following:

a. Continuation of participation in the life insurance program to which the state makes contributions under the program in which the employee participated on the effective date of this Act with continuation of state payments at the rate paid for full-time state employees plus the addition of state payments to replace the contributions which would otherwise have been made by the employee if the employee had remained in the program and had not retired.

b. Continuation of participation in the health or medical insurance program to which the state makes contributions and the dental insurance program to which the state makes contributions under the programs in which the employee participated on the effective date of this Act with continuation of state payments at the rate paid for full-time state employees plus the addition of state payments to replace the contributions which would otherwise have been made by the employee if the employee had remained in the program and had not retired. The cost of payments under this subsection shall be made from funds appropriated to the salary adjustment fund. The employee's department, agency, or commission shall reimburse the salary adjustment fund annually from the appropriate departmental, revolving, trust, or special fund or from federal funds unless the governor exempts an employee's department, agency, or commission from the reimbursement requirements. Section 8.39 does not apply to reimbursements made to the salary adjustment fund under this section.

If the state employee is sixty-five years of age or older when the state employee retires, the state employee is eligible to receive the retirement bonus under subsection 1. Notwithstanding the minimum age requirements specified in this section, if a state employee is fifty-nine years of age or older when the state employee retires under chapter 97A within the time limitations specified in this section, the state employee is eligible to receive the retirement bonus under subsection 1.

The incentives provided in this section are in addition to other benefits to which the employee is already entitled.

3. For the purpose of this section, state employee includes all full-time state employees of the executive, legislative, and judicial branches, except all of the following:

a. Employees of the state board of regents.

b. Elected members of the general assembly.

c. State elected officials.

d. Judicial officers subject to the judicial retirement system in chapter 602.

A full-time state employee is an employee who at the date of termination of employment receives full insurance benefits under the state's programs and is not an employee who is receiving disability payments under the state employee's disability insurance program.

For purposes of determining the length of a full-time state employee's period of continuous state service, the merit employment department, or successor agency, shall include the state employee's most recent continuous period of service in full-time county employment as full-time state employment for individuals who became full-time state employees under 1983 Iowa Acts, chapter 186.

Sec. 2. STATE EMPLOYEE TERMINATION INCENTIVES. A state employee termination incentive program is established under this section that will take effect upon the issuance of an executive order by the governor that states that the program is necessary to achieve additional goals and objectives for reduced long-term governmental expenditures. The executive order shall enumerate the anticipated short and long-term costs and cost savings of the employee termination incentive program. The issuance of the executive order by the governor triggers the implementation of the termination incentive program for state employees who are at least fifty-nine but have not yet reached sixty-two years of age. The governor may implement the program in up to three phases based upon the number of terminations and the employees' ages on June 30, 1987. The merit employment department, or successor agency, shall coordinate and administer the program established in this section. The governor may implement the program in selected departments or agencies as the goals and objectives for reduced long-term governmental needs arise.

A state employee who is at least fifty-nine but less than sixty-two years of age when the state employee terminates employment who has completed at least five years of state employment and sends written notification to the merit employment department, or successor agency, within sixty days after the issuance of the executive order, that the state employee will terminate state employment not later than June 30, 1987, is eligible to receive the following termination incentives:

1. A bonus payment for termination based upon the state employee's final annual salary, years of state employment, and age at retirement. A percent of final annual salary shall be determined under this section by adding the percent based upon years of state employment and the percent based upon age at termination together and multiplying the total percent by the final annual salary.

For an employee who has completed at least five years but less than fifteen years of state employment, the percent based upon years of state employment is five; at least fifteen but less than twenty-five years of state employment, the percent is ten; and twenty-five or more years of state employment, the percent is fifteen.

For an employee who is fifty-nine years of age, the percent based upon age at termination is thirty-two; for an employee who is sixty years of age, thirty percent, and for an employee who is sixty-one years of age, twenty-eight percent. The bonus payment for termination shall be paid from funds appropriated to the terminating employee's department, agency, or commission for salaries, support, maintenance, or miscellaneous purposes. However, at the written request of the director of a department, agency, or commission that the director believes that the appropriations to the department, agency, or commission are insufficient to pay the bonus payment for termination, the governor may authorize payment from the salary adjustment fund. Section 8.39 does not apply to payments made from the salary adjustment fund under this subsection.

The bonus payment calculated under this subsection shall not exceed twelve thousand dollars. One-half the bonus payment shall be paid during the fiscal year beginning July 1, 1986 and the remainder of the bonus payment shall be paid in the first pay period during the fiscal year beginning July 1, 1987.

2. Enrollment in the terminating employee insurance incentive payment program until the terminating employee reaches sixty-five years of age. The program includes all of the following:

a. Continuation of participation in the life insurance program to which the state makes contributions under the program in which the employee participated on the effective date of this Act with continuation of state payments at the rate paid for full-time state employees.

b. Continuation of participation in the health or medical insurance program to which the state makes contributions and the dental insurance program to which the state makes contributions under the programs in which the employee participated on the effective date of this Act with continuation of state payments at the rate paid for full-time state employees. The cost of payments under this subsection shall be made from funds appropriated to the salary adjustment fund. The terminating employee's department, agency, or commission shall reimburse the salary adjustment fund annually from the appropriate departmental, revolving, trust, or special fund or from federal funds unless the governor exempts an employee's department, agency, or commission from the reimbursement requirements. Section 8.39 does not apply to reimbursements made to the salary adjustment fund under this section.

The incentives provided in this section are in addition to other benefits to which the employee is already entitled.

For the purpose of this section, state employee includes all full-time state employees of the executive branch except employees of the state board of regents, employees covered under the retirement system established under chapter 97A, and elected state officials.

A full-time state employee is an employee who at the date of termination of employment receives full insurance benefits under the state's programs and is not an employee who is receiving disability payments under the state employees disability insurance program.

Sec. 3. PARTICIPATION IN PROGRAMS.

1. The administrative head or supervisory employee of a department, board, or commission shall not force a state employee to participate in the state employee retirement incentive program established in section 1 of this Act or the state employee termination incentive program established in section 2 of this Act.

2. A state employee who participates in either the state employee retirement incentive program or the state employee termination incentive program is not eligible to accept further employment in which the state or a political subdivision of the state is the employer.

Sec. 4. The legislative fiscal bureau shall monitor and evaluate the state employee retirement incentives provided in section 1 of this Act and any state employee termination incentives authorized by executive order under section 2 of this Act. The merit employment department, or its successor agency, shall cooperate with the fiscal bureau in conducting this evaluation. The legislative fiscal bureau shall report periodically to the general assembly on the short and long-term costs and cost savings associated with the programs.

Sec. 5. The state board of regents shall establish for its employees incentives for early retirement that do not affect existing programs. The benefits provided by the state board of regents for its merit system employees shall be comparable to the benefits provided in sections 1 and 2 of this Act.

Sec. 6. The board of directors of each judicial district department of correctional services established in chapter 905 shall establish for its employees retirement incentives identical to those established in section 1 of this Act. If funds of a judicial district department of correctional services are insufficient to pay the retirement bonus under section 1, subsection 1, of this Act, the Iowa department of corrections may request that the governor authorize payment from the salary adjustment fund. The cost of payments under section 1, subsection 2, of this Act shall be made from funds appropriated to the salary adjustment fund, and the Iowa department of corrections shall reimburse the salary adjustment fund annually from state funds appropriated for the establishment, operation, support, and evaluation of community-based correctional programs and services unless the governor exempts the department from the reimbursement requirements.

Sec. 7. POLITICAL SUBDIVISION RETIREMENT INCENTIVES. The governing board of a political subdivision may adopt a program for payment of a monetary bonus, continuation of health or medical insurance coverage, or other incentives for encouraging its employees to retire before the normal retirement date as defined in chapter 97B. The program is available only to employees between fifty-nine and sixty-five years of age who notify the board at any time between the effective date of this Act and March 1, 1987 that they intend to retire not later than June 30, 1987. An employee retiring under this section shall apply for a retirement allowance under chapter 97B or chapter 294. If the total estimated accumulated cost to a political subdivision of the bonus or other incentives for employees who retire under this section does not exceed the estimated savings in salaries and benefits for employees who replace the employees who retire under the program, the governing board may certify for levy not later than March 15, 1987 a tax on all taxable property in the political subdivision to pay the costs of the program provided in this section. The levy certified under this section is in addition to any other levy authorized for that political subdivision by law and is not subject to budget limitations otherwise provided by law. A governing board may amend its certified budget during a fiscal year to provide for payments required under this section.

Sec. 8. This Act, being deemed of immediate importance, takes effect from and after its publication in the Muscatine Journal, a newspaper published in Muscatine, Iowa, and in The Messenger, a newspaper published in Fort Dodge, Iowa.

Approved May 20, 1986

I hereby certify that the foregoing Act, Senate File 2242, was published in the Muscatine Journal, Muscatine, Iowa, on May 27, 1986, and in The Messenger, Fort Dodge, Iowa, on May 27, 1986.

MARY JANE ODELL, *Secretary of State*