

State Govt. 3/25

Senate File 332
State Government
Glenn, Chairman
Nolin
Schwengels

FILED MAR 24 1975

SENATE FILE 332

By NYSTROM, COLEMAN and CURTIS

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to improvement of certain benefits for mem-
2 bers of the peace officers' retirement, accident and dis-
3 ability system.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section ninety-seven A point one (97A.1), sub-
2 sections eight (8) and fourteen (14), Code 1975, are amended
3 to read as follows:

4 8. "SURVIVING SPOUSE" shall mean only such surviving
5 spouse of a marriage consummated prior to retirement of a
6 deceased member from active service or of a marriage
7 consummated after retirement but not less than two years prior
8 to the death of the retired member.

9 14. "AVERAGE FINAL COMPENSATION" shall mean the average
10 earnable compensation of the member during his ~~last-five~~
11 highest three years of service as a member of the state
12 department of public safety, or if he has had less than ~~five~~
13 three years of such service, then the average earnable
14 compensation of his entire period of service.

15 Sec. 2. Section ninety-seven A point six (97A.6),
16 subsection one (1), Code 1975, is amended by adding the
17 following new paragraph:

18 NEW PARAGRAPH. Any member in service who has been a member
19 of the retirement system fifteen or more years and whose
20 employment is terminated prior to his retirement, other than
21 by death or disability, shall upon attaining retirement age,
22 receive a service retirement allowance of fifteen twenty-
23 seconds of the retirement allowance he would receive at
24 retirement if his employment had not been terminated, and
25 an additional one twenty-second of such retirement allowance
26 for each additional year of service not exceeding twenty-two
27 years of service. The amount of the retirement allowance
28 shall be based on the average final compensation at the time
29 of termination of employment. The allowance shall not be
30 available to a member who has chosen to withdraw his
31 accumulated contributions as provided in subsection ten (10)
32 of this section.

33 Sec. 3. Section ninety-seven A point six (97A.6),
34 subsection two (2), paragraph b, Code 1975, is amended to
35 read as follows:

1 b. A pension given by the state ~~in-addition-to-his-annuity~~
2 which ~~together-with-his-annuity~~ shall ~~make-a-total-service~~
3 ~~retirement-allowance~~ equal to one-half of his average final
4 compensation.

5 Sec. 4. Section ninety-seven A point six (97A.6),
6 subsection three (3), Code 1975, is amended to read as follows:

7 *3. ORDINARY DISABILITY RETIREMENT BENEFIT. Upon the
8 application of a member in service or of the commissioner
9 of public safety, any member ~~who-has-had-five-or-more-years~~
10 ~~of-membership-service~~ shall be retired by the board of
11 trustees, not less than thirty and not more than ninety days
12 next following the date of filing such application, on an
13 ordinary disability retirement allowance, provided, that the
14 medical board after a medical examination of such member shall
15 certify that said member is mentally or physically
16 incapacitated for further performance of duty, that such
17 incapacity is likely to be permanent and that such member
18 should be retired.

19 Sec. 5. Section ninety-seven A point six (97A.6),
20 subsection four (4), paragraph b, Code 1975, is amended to
21 read as follows:

22 b. A pension which together with his annuity shall make
23 a total retirement allowance equal to ninety percent of one-
24 seventieth of his average final compensation multiplied by
25 the number of years of membership service, if such retirement
26 allowance exceeds one-half of his average final compensation,
27 otherwise a pension which together with his annuity shall
28 provide a total retirement allowance equal to one-half of
29 his average final compensation except if the member has not
30 had five or more years of membership service, the member shall
31 receive a pension which together with his annuity shall provide
32 a total retirement allowance equal to one-fourth of his average
33 final compensation.

34 Sec. 6. Section ninety-seven A point six (97A.6),
35 subsection eight (8), unnumbered paragraph one (1), paragraphs

1 a and b, and unnumbered paragraph two (2), Code 1975, are
2 amended to read as follows:

3 8. ORDINARY DEATH BENEFIT. Upon the receipt of proper
4 proofs of the death of a member in service, or a member not
5 in service who has completed fifteen or more years of service
6 as provided in section two (2) of this Act, there shall be
7 paid to such person having an insurable interest in his life
8 as he shall have nominated by written designation duly executed
9 and filed with the board of trustees:

10 a. His accumulated contributions and, if the member has
11 had one or more years of membership service and no pension
12 is payable under the provisions of subsection 9 of this
13 section, in addition thereto--

14 b. An amount equal to fifty percent of the compensation
15 earned by him during the year immediately preceding his death
16 if the member is in service or an amount equal to fifty percent
17 of the compensation earned by him during his last year of
18 service if the member is not in service; or

19 If there be no such nomination of beneficiary, the benefits
20 provided in paragraphs "a" and "b" of this subsection 8 shall
21 be paid to his estate; or in lieu thereof, at the option of
22 the following beneficiaries, respectively, even though
23 nominated as such, for a member in service there shall be
24 paid a pension which, together with the actuarial equivalent
25 of his accumulated contributions, shall be equal to one-fourth
26 of the average final compensation of such member, but in no
27 instance less than fifty dollars per month or for a member
28 not in service the pension shall be reduced as provided in
29 section two (2) of this Act and shall be paid commencing when
30 the member would have attained the age of fifty-five except
31 if there is a child of the member under the age of eighteen,
32 or under the age of twenty-two who is a full-time student,
33 or who is disabled, under the definitions used in section
34 four hundred two (402) of the Social Security Act as amended
35 to July 1, 1974 (forty-two (42) U.S.C. four hundred two (402))

1 the pension shall be paid commencing with the member's death
2 until the children reach the age of eighteen, or twenty-two
3 if applicable, and shall resume commencing when the member
4 would have attained the age of fifty-five;

5 Sec. 7. Section ninety-seven A point six (97A.6),
6 subsection fifteen (15), paragraph a, Code 1975, is amended
7 to read as follows:

8 a. As of the first of July of each year, the monthly
9 pensions authorized in this section payable to each retired
10 member and to each beneficiary, except children, of a deceased
11 member shall be recomputed. The formula authorized in this
12 section which was used to compute the retired member's or
13 beneficiary's pension at the time of retirement or death
14 including all amendments to the formula which may be adopted
15 subsequent to the member's retirement or death, shall be used
16 in the recomputation, except the pension compensation shall
17 be used in lieu of the average final compensation which the
18 retired or deceased member was receiving at the time of
19 retirement or death. The adjusted monthly pension shall be
20 the amount payable at the member's retirement or death adjusted
21 by ~~forty-five~~ fifty percent of the difference between the
22 recomputed pension and the amount payable at the member's
23 retirement or death. At no time shall the monthly pension
24 or payment to the beneficiary be less than the amount which
25 was paid at the time of the member's retirement or death.

26 EXPLANATION

27 This bill provides the following benefit improvements for
28 the Peace Officers' Retirement System:

29 1. Spouse's benefits to persons who marry retired members
30 if the marriage occurs two years before the death of the
31 retired member.

32 2. Service retirement allowance of fifty percent of the
33 average of the last three years salaries plus the annuity.

34 3. Vesting after fifteen years of service.

35 4. Twenty-five percent benefit for ordinary disability

1 during the first five years of service.

2 5. Formula for computing pension increases because of
3 salary increases to active members computed on the basis of
4 fifty percent rather than forty-five percent.

5 6. Spouse's pension and allowance for children paid for
6 vested deceased members not in service commencing with the
7 vested member's death if there are children under eighteen
8 years of age or under twenty-five years of age and enrolled
9 in postsecondary education.

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