

SENATE JAN 11 1985

SENATE FILE 51

BY HUTCHINS

Passed Senate, Date _____ Passed House, Date _____
 Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
 Approved _____

A BILL FOR

- 1 An Act relating to the retirement allowance paid to
- 2 beneficiaries of a deceased member of the peace
- 3 officers' retirement system.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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FILED 3-15-85

STATE OF IOWA

REVISED

FISCAL NOTE

LSB No. 1171S.2
Staff ID. DPW

In compliance with a written request received January 15, 1985, a fiscal note for SENATE FILE 51, REVISED is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 51 increases the retirement allowance under the peace officers' retirement system of a surviving spouse under ordinary disability from 25 percent to 40 percent of the average final compensation of the member. It applies to all individuals presently receiving an ordinary disability retirement allowance as well as those in the future.

FISCAL EFFECT: Based on an analysis conducted by the actuarial firm of Towers, Perrin, Forster and Crosby, the additional costs to the Department will be 1.29 percent of total payroll. Given an approximate total payroll of \$12.5 million the increase in costs would amount to approximately \$161,000 annually.

Source: Department of Public Safety

(LSB 1171S.2, DPW)

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1 Section 1. Section 97A.6, subsection 8, paragraph b, Code
2 1985, is amended to read as follows:

3 b. If there is no nomination of beneficiary, the benefits
4 provided in paragraph "a" of this subsection shall be paid to
5 the member's estate; or in lieu thereof, at the option of the
6 following beneficiaries, respectively, even though nominated
7 as beneficiaries, for a member in service at the time of death
8 a pension shall be paid equal to ~~one-fourth~~ forty percent of
9 the average final compensation of the member, but in no
10 instance less than fifty dollars per month or for a member not
11 in service at the time of death the pension shall be reduced
12 as provided in subsection 1, paragraph "b", of this section
13 and shall be paid commencing when the member would have
14 attained the age of fifty-five except if there is a child of
15 the member, the pension shall be paid commencing with the
16 member's death until the children reach the age of eighteen,
17 or twenty-two if applicable, and shall resume commencing when
18 the member would have attained the age of fifty-five;

19 Sec. 2. The pension increase granted in section 1 of this
20 Act applies to beneficiaries receiving a pension under the
21 paragraph on the effective date of the Act.

22 EXPLANATION

23 This bill increases the retirement allowance of a surviving
24 spouse under ordinary disability from 25 percent to 40 percent
25 of the average final compensation of the member. It applies
26 to all individuals presently receiving an ordinary disability
27 retirement allowance as well as those in the future.

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STATE OF IOWA
FISCAL NOTE

LSB No. 1171S
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Senate File 51 increases the retirement allowance under the peace officers' retirement system of a surviving spouse under ordinary disability from 25 percent to 40 percent of the average final compensation of the member. It applies to all individuals presently receiving an ordinary disability retirement allowance as well as those in the future.

FISCAL EFFECT: Based on an analysis conducted by the actuarial firm of Towers, Perrin, Forster and Crosby, the additional costs to the Department will be 1.29% of total payroll. Given an approximate total payroll of \$508,000 the increase in costs would amount to \$6,553.20 annually.

Source: Department of Public Safety

(LSB 1171S, DPW)

FILED FEB 28 1985


Dennis Probst

Fiscal Director

Legislative Fiscal Bureau

Date: 2/28/85