

Reprinted 4/87

FILED MAR 20 1987

SENATE FILE 496
BY COMMITTEE ON STATE
GOVERNMENT *Approved (p. 531)*
(formerly SSB 241)

Passed Senate, Date 4-3-87 (p. 1074) Passed House, Date _____
Vote: Ayes 34 Nays 11 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the retirement benefits received by certain
2 members of the Iowa public employees' retirement system.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 496

S-3400

- 1 Amend Senate File 496 as follows:
- 2 1. Page 2, line 16, by striking the figure "1978"
- 3 and inserting the following: "~~1978~~ 1987".
- 4 2. By striking page 2, line 19 through page 3,
- 5 line 8.
- 6 3. Page 3, by inserting after line 26 the fol-
- 7 lowing:
- 8 "Sec. ____ . An individual who is a temporary
- 9 employee of the general assembly on April 1, 1987
- 10 shall receive credit for previous membership service
- 11 as provided in section 97B.41, subsection 13A."
- 12 4. By renumbering sections as necessary.

S-3400

Filed April 3, 1987

BY JOHN N. NYSTROM

ADOPTED (p. 1074)

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1 Section 1. Section 97B.41, subsection 1, paragraph a,
2 unnumbered paragraph 2, Code 1987, is amended to read as
3 follows:

4 Wages for a member of the general assembly means the total
5 compensation received by a member of the general assembly,
6 whether paid in the form of per diem or annual salary,
7 ~~exclusive-of-expense-and-travel-allowances-paid-to-a-member-of~~
8 ~~the-general-assembly.~~ Wages includes the daily expense
9 allowance paid to a member during a legislative session and
10 per diem payments paid to members of the general assembly
11 during interim periods between sessions of the general
12 assembly. Wages does not include travel allowances or
13 payments for actual expenses incurred for official legislative
14 business paid to a member of the general assembly.

15 Sec. 2. Section 97B.41, subsection 13, paragraph d, Code
16 1987, is amended to read as follows:

17 d. Temporary or seasonal interruptions in service such as
18 service of school bus drivers, schoolteachers under regular
19 contract, interim teachers or substitute teachers, instructors
20 at Iowa State University of science and technology, the state
21 University of Iowa, or University of Northern Iowa, employees
22 in state schools or hospital dormitories, other positions when
23 the temporary suspension of service does not terminate the
24 period of employment of the employee, ~~or-temporary-employees~~
25 ~~of-the-general-assembly.~~

26 Sec. 3. Section 97B.41, Code 1987, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 13A. Service during a legislative session
29 for a temporary employee of the general assembly means
30 uninterrupted service under this chapter and the portion of a
31 year in which the general assembly is not in session does not
32 terminate the period of employment of the employee.

33 Notwithstanding subsection 2, service during an entire regular
34 legislative session for a temporary employee of the general
35 assembly means employment for four calendar quarters of a

1 calendar year.

2 Sec. 4. Section 97B.50, subsection 2, Code 1987, is
3 amended to read to read as follows:

4 2. A member ~~who has completed thirty or more years of~~
5 ~~service~~ who retires from the system due to disability and
6 commences receiving disability benefits pursuant to the United
7 States Social Security Act (42 U.S.C.), as amended to July 1,
8 1978, who is eligible for early retirement, but has not
9 reached the normal retirement date, shall receive full
10 benefits under section 97B.49 and shall not have benefits
11 reduced upon retirement as required under subsection 1 ~~of this~~
12 section regardless of whether the member has completed thirty
13 or more years of membership service. This section takes
14 effect July 1, ~~1986~~ 1987 for a member meeting the requirements
15 of this subsection who retired from the system at any time
16 between July 4, 1953 and June 30, 1978.

17 Sec. 5. Section 97B.50, subsection 3, Code 1987, is
18 amended by striking the subsection.

19 Sec. 6. Section 97B.74, Code 1987, is amended to read as
20 follows:

21 97B.74 REINSTATEMENT AS A VESTED MEMBER.

22 An active, vested, or retired member ~~who at any time~~
23 ~~between July 4, 1953 and July 1, 1973 was a member of the~~
24 ~~system, but who did not meet the requirements to be a vested~~
25 ~~member for that period of membership service, and who received~~
26 a refund of contributions for that a previous period of
27 membership service, may elect in writing to the department to
28 make contributions to the system for that period of membership
29 service for which a refund of contributions was made and
30 receive credit for those years of membership service. The
31 contributions repaid by the member for ~~such~~ the previous
32 period of membership service shall be equal to the accumulated
33 contributions, as defined in section 97B.41, subsection 12,
34 received by the member for that period of membership service
35 plus interest on the accumulated contributions for the period

1 from the date of receipt by the member to the date of
2 repayment equal to two percent plus the interest dividend rate
3 applicable for each year compounded annually.

4 ~~The provisions of this section are only available to a~~
5 ~~member if that member's total years of membership and prior~~
6 ~~service, with the addition of service for that period of~~
7 ~~membership service for which contributions are repaid, equals~~
8 ~~or exceeds fifteen years.~~

9 Sec. 7. NEW SECTION. 97B.77 VETERANS' CREDIT.

10 An active member in service on July 1, 1987 who at any time
11 on or after July 1, 1950 served on active duty in the armed
12 forces of the United States, upon submitting verification of
13 the dates of the active duty in the armed forces to the
14 department, may make employer and employee contributions to
15 the system, based upon the member's covered wages for the
16 calendar year beginning January 1, 1986, at the rates in
17 effect under section 97B.11 on January 1, 1986, for the period
18 of time of the active duty, not to exceed four years, and
19 receive credit for membership service and prior service for
20 the period of time for which the contributions are made.
21 Verification of the active duty and payment of contributions
22 shall be made to the department not later than June 30, 1988.
23 However, a member is not eligible to make contributions under
24 this section if the member is receiving or is eligible to
25 receive retirement pay from the United States government for
26 active duty in the armed forces.

27 EXPLANATION

28 This bill makes the following changes in the Iowa public
29 employees' retirement system:

- 30 1. Includes the expense allowance received during a
31 legislative session by members of the general assembly as a
32 part of the members' wages.
- 33 2. Provides that temporary employees of the general
34 assembly who work an entire regular session will receive
35 credit for four quarters of service.

1 3. Provides that an employee who is receiving social
2 security disability payments is eligible to receive a pension
3 under IPERS without the early retirement penalty.

4 4. Allows a member who left IPERS coverage and withdrew
5 the member's employee contributions, but subsequently returned
6 to IPERS coverage to repay the withdrawn contributions with
7 interest and receive credit for those years of service.

8 5. Provides up to four years of credit under IPERS for
9 service as a member of the armed forces if the IPERS member
10 pays both employer and employee IPERS contributions.

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SENATE FILE 496

5-3332

Amend Senate File 496 as follows:

1. Page 1, by inserting after line 14 the following:

"Sec. ____ . Section 97B.41, subsection 3, paragraph b, subparagraph paragraph (1), Code 1987, is amended to read as follows:

(1) Elective officials in positions for which the compensation is on a fee basis, elective officials of school districts, elective officials of townships, and elective officials of other political subdivisions who are in part-time positions, graduate medical students while serving as interns or resident doctors in training at any hospital, or county medical examiners and deputy county medical examiners under chapter 331, division V, part 7. However, a county attorney is an employee for purposes of this chapter whether that county attorney is employed on a full-time or a part-time basis."

2. Page 2, by inserting after line 18 the following:

"Sec. ____ . NEW SECTION. 97B.73A PART-TIME COUNTY ATTORNEYS.

A part-time county attorney may elect in writing to the department to make employee contributions to the system for the county attorney's previous service as a county attorney and receive credit for membership service in the system for the period of service as a part-time county attorney for which employee contributions are made. The contributions paid by the member shall be equal to the accumulated contributions, as defined in section 97B.41, subsection 12, for that period of membership service. A member who elects to make contributions under this section shall notify the county board of supervisors of the member's election, and the county board of supervisors shall pay to the department the employer contributions that would have been contributed by the employer under section 97B.11 plus interest on the contributions that would have accrued if the county attorney had been a member of the system for that period of service."

3. Page 3, by inserting after line 26 the following:

"Sec. ____ . Section 97C.2, subsection 3, Code 1987, is amended to read as follows:

3. The term "employee" includes elective and appointive officials of the state or any political subdivision thereof, except elective officials in positions, the compensation for which is on a fee basis, elective officials of school districts,

S-3332 pg. 2

1 elective officials of townships, and elective
2 officials of other political subdivisions who are in
3 part-time positions, ~~provided that no.~~ However, a
4 member of a county board of supervisors or a county
5 attorney shall not be deemed to be an elective
6 official in a part-time position, but every member of
7 a county board of supervisors and every county
8 attorney shall be deemed to be an employee within the
9 purview of under this chapter and ~~shall be~~ is eligible
10 to receive ~~all of~~ the benefits provided by this
11 chapter to which the member may be entitled as an
12 employee.

13 Sec. _____. Notwithstanding section 97B.41,
14 subsection 3, if a county as an employer under chapter
15 97B and a part-time county attorney have made
16 contributions under section 97B.11 prior to July 1,
17 1987, the part-time county attorney shall receive
18 credit for membership service under the system for the
19 period for which the contributions were made."

S-3332

Filed March 31, 1987

BY JACK NYSTROM

Adopted 4/3 (1074)

SENATE FILE 496

S-3331

1 Amend Senate File 496 as follows:

2 1. Page 2, line 16, by striking the figure "1978"
3 and inserting the following: "~~1978~~ 1987".

4 2. By striking page 2, line 17 through page 3,
5 line 8.

6 3. Page 3, by inserting after line 26 the fol-
7 lowing:

8 "Sec. _____. An individual who is a temporary
9 employee of the general assembly on April 1, 1987
10 shall receive credit for previous membership service
11 as provided in section 97B.41, subsection 13A."

12 4. By renumbering sections as necessary.

S-3331

Filed March 31, 1987

BY JACK NYSTROM

4/3 (1074)

CHARLES BRUNER

*Amended 2/6/87
Amend (3723) & Do Pass 4/16 (S. 1266)
House State Govt. 5/10/87*

SENATE FILE 496
BY COMMITTEE ON STATE
GOVERNMENT

(AS AMENDED AND PASSED BY THE SENATE APRIL 3, 1987)

_____ - New Language by the Senate
* - Language Stricken by the Senate

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

A BILL FOR

1 An Act relating to the retirement benefits received by certain
2 members of the Iowa public employees' retirement system.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 97B.41, subsection 1, paragraph a,
2 unnumbered paragraph 2, Code 1987, is amended to read as
3 follows:

4 Wages for a member of the general assembly means the total
5 compensation received by a member of the general assembly,
6 whether paid in the form of per diem or annual salary,
7 ~~exclusive-of-expense-and-travel-allowances-paid-to-a-member-of~~
8 ~~the-general-assembly.~~ Wages includes the daily expense
9 allowance paid to a member during a legislative session and
10 per diem payments paid to members of the general assembly
11 during interim periods between sessions of the general
12 assembly. Wages does not include travel allowances or
13 payments for actual expenses incurred for official legislative
14 business paid to a member of the general assembly.

15 Sec. 2. Section 97B.41, subsection 3, paragraph b,
16 subparagraph paragraph (1), Code 1987, is amended to read as
17 follows:

18 (1) Elective officials in positions for which the
19 compensation is on a fee basis, elective officials of school
20 districts, elective officials of townships, and elective
21 officials of other political subdivisions who are in part-time
22 positions, graduate medical students while serving as interns
23 or resident doctors in training at any hospital, or county
24 medical examiners and deputy county medical examiners under
25 chapter 331, division V, part 7. However, a county attorney
26 is an employee for purposes of this chapter whether that
27 county attorney is employed on a full-time or a part-time
28 basis.

29 Sec. 3. Section 97B.41, subsection 13, paragraph d, Code
30 1987, is amended to read as follows:

31 d. Temporary or seasonal interruptions in service such as
32 service of school bus drivers, schoolteachers under regular
33 contract, interim teachers or substitute teachers, instructors
34 at Iowa State University of science and technology, the state
35 University of Iowa, or University of Northern Iowa, employees

1 in state schools or hospital dormitories, other positions when
2 the temporary suspension of service does not terminate the
3 period of employment of the employee, ~~or temporary employees~~
4 ~~of the general assembly.~~

5 Sec. 4. Section 97B.41, Code 1987, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 13A. Service during a legislative session
8 for a temporary employee of the general assembly means
9 uninterrupted service under this chapter and the portion of a
10 year in which the general assembly is not in session does not
11 terminate the period of employment of the employee.
12 Notwithstanding subsection 2, service during an entire regular
13 legislative session for a temporary employee of the general
14 assembly means employment for four calendar quarters of a
15 calendar year.

16 Sec. 5. Section 97B.50, subsection 2, Code 1987, is
17 amended to read to read as follows:

18 2. A member ~~who has completed thirty or more years of~~
19 ~~service~~ who retires from the system due to disability and
20 commences receiving disability benefits pursuant to the United
21 States Social Security Act (42 U.S.C.), as amended to July 1,
22 1978, who is eligible for early retirement, but has not
23 reached the normal retirement date, shall receive full
24 benefits under section 97B.49 and shall not have benefits
25 reduced upon retirement as required under subsection 1 ~~of this~~
26 ~~section regardless of whether the member has completed thirty~~
27 or more years of membership service. This section takes
28 effect July 1, ~~1986~~ 1987 for a member meeting the requirements
29 of this subsection who retired from the system at any time
30 between July 4, 1953 and June 30, ~~1978~~ 1987.

31 Sec. 6. Section 97B.50, subsection 3, Code 1987, is
32 amended by striking the subsection.

* 33 Sec. 7. NEW SECTION. 97B.73A PART-TIME COUNTY ATTORNEYS.
34 A part-time county attorney may elect in writing to the
35 department to make employee contributions to the system for

1 the county attorney's previous service as a county attorney
2 and receive credit for membership service in the system for
3 the period of service as a part-time county attorney for which
4 employee contributions are made. The contributions paid by
5 the member shall be equal to the accumulated contributions, as
6 defined in section 97B.41, subsection 12, for that period of
7 membership service. A member who elects to make contributions
8 under this section shall notify the county board of
9 supervisors of the member's election, and the county board of
10 supervisors shall pay to the department the employer
11 contributions that would have been contributed by the employer
12 under section 97B.11 plus interest on the contributions that
13 would have accrued if the county attorney had been a member of
14 the system for that period of service.

15 Sec. 8. NEW SECTION. 97B.77 VETERANS' CREDIT.

16 An active member in service on July 1, 1987 who at any time
17 on or after July 1, 1950 served on active duty in the armed
18 forces of the United States, upon submitting verification of
19 the dates of the active duty in the armed forces to the
20 department, may make employer and employee contributions to
21 the system, based upon the member's covered wages for the
22 calendar year beginning January 1, 1986, at the rates in
23 effect under section 97B.11 on January 1, 1986, for the period
24 of time of the active duty, not to exceed four years, and
25 receive credit for membership service and prior service for
26 the period of time for which the contributions are made.
27 Verification of the active duty and payment of contributions
28 shall be made to the department not later than June 30, 1988.
29 However, a member is not eligible to make contributions under
30 this section if the member is receiving or is eligible to
31 receive retirement pay from the United States government for
32 active duty in the armed forces.

33 Sec. 9. Section 97C.2, subsection 3, Code 1987, is amended
34 to read as follows:

35 3. The term "employee" includes elective and appointive

1 officials of the state or any political subdivision thereof,
2 except elective officials in positions, the compensation for
3 which is on a fee basis, elective officials of school
4 districts, elective officials of townships, and elective
5 officials of other political subdivisions who are in part-time
6 positions;--provided-that-no. However, a member of a county
7 board of supervisors or a county attorney shall not be deemed
8 to be an elective official in a part-time position, but every
9 member of a county board of supervisors and every county
10 attorney shall be deemed to be an employee within-the-purview
11 of under this chapter and shall-be is eligible to receive all
12 of the benefits provided by this chapter to which the member
13 may be entitled as an employee.

14 Sec. 10. Notwithstanding section 97B.41, subsection 3, if
15 a county as an employer under chapter 97B and a part-time
16 county attorney have made contributions under section 97B.11
17 prior to July 1, 1987, the part-time county attorney shall
18 receive credit for membership service under the system for the
19 period for which the contributions were made.

20 Sec. 11. An individual who is a temporary employee of the
21 general assembly on April 1, 1987 shall receive credit for
22 previous membership service as provided in section 97B.41,
23 subsection 13A.

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H-3727

1 Amend the amendment, H-3723, to Senate File 496, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking lines 3 through 17 and
5 inserting the following:

6 "____. Page 1, by striking lines 1 through 14 and
7 inserting the following:

8 "Section 1. Section 97B.41, subsection 1, para-
9 graph a, unnumbered paragraph 2, Code 1987, is amended
10 by striking the unnumbered paragraph."

11 _____. Page 1, by inserting after line 28 the
12 following:

13 "Sec. _____. Section 97B.41, subsection 3, paragraph
14 b, subparagraph (2), Code 1987, is amended to read as
15 follows:

16 ~~(2) Members of the general assembly of Iowa and~~
17 ~~temporary Temporary~~ employees of the general assembly
18 of Iowa unless ~~such members or the~~ employees shall
19 make an application to the department to be covered
20 under ~~the provisions of~~ this chapter. A ~~member of the~~
21 ~~general assembly or~~ temporary employee of the general
22 assembly who made an application to the department to
23 be covered under this chapter may terminate membership
24 under this chapter by informing the department in
25 writing of the ~~member's or~~ temporary employee's
26 termination.

27 Sec. _____. Section 97B.41, subsection 3, paragraph
28 b, Code 1987, is amended by adding the following new
29 subparagraph:

30 NEW SUBPARAGRAPH. (14) Members of the general as-
31 sembly."

32 2. Page 1, by inserting after line 22 the
33 following:

34 "____. Page 4, by inserting before line 14 the
35 following:

36 "Sec. _____. Effective July 1, 1987, the active
37 membership of a member of the general assembly in the
38 Iowa public employees' retirement system is
39 terminated."

SENATE FILE 496

H-3723

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by inserting after line 14 the
4 following:

5 "For the purpose of calculating wages under this
6 paragraph for a member other than a member from Polk
7 county, the daily expense allowance paid to a member
8 other than a member from Polk county during a
9 legislative session is equal to the daily expense
10 allowance paid under section 2.10, subsection 1, to a
11 member from Polk county. Notwithstanding the amount
12 of daily expense allowance actually paid to a member
13 other than a member from Polk county during a
14 legislative session, wages equal to the amount of
15 daily expense allowance paid to a member from Polk
16 county shall be used for the employer and employee
17 contributions made under section 97B.11."

18 2. By striking page 1, line 29, through page 2,
19 line 15.

20 3. Page 3, by striking lines 15 through 32.

21 4. By striking page 3, line 33, through page 4,
22 line 13.

23 5. Page 4, by striking lines 20 through 23.

H-3723 FILED APRIL 10, 1987 BY COMMITTEE ON STATE GOVERNMENT

SENATE FILE 496

H-3755

1 Amend the amendment, H-3723, to Senate File 496, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking lines 3 through 17 and
5 inserting the following:
6 " ____ . Page 1, by striking lines 1 through 14."

BY MCKEAN of Jones
HOLVECK of Polk
NEUHAUSER of Johnson
GARMAN of Story
DE GROOT of Lyon
LAGESCHULTE of Bremer
TYRRELL of Iowa
JOHNSON of Winneshiek
H-3755 FILED APRIL 14, 1987

PETERSEN of Muscatine
DVORSKY of Johnson
VAN MAANEN of Mahaska
DAGGETT of Adams
SHONING of Woodbury
CARPENTER of Polk
HAMMOND of Story
BRANSTAD of Winnebago

SENATE FILE 496

H-3757

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 4, by inserting after line 23 the
4 following:

5 "Sec. ____ . Section 1 of this Act takes effect
6 January 9, 1989."

BY CARPENTER of Polk
SHONING of Woodbury
GARMAN of Story
TYRRELL of Iowa
H-3757 FILED APRIL 14, 1987

LUNDBY of Linn
VAN CAMP of Scott
PETERSEN of Muscatine
BENNETT of Ida
MCKEAN of Jones

SENATE FILE 496

H-3758

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 4, by inserting after line 13 the fol-
4 lowing:

5 "Sec. ____ . Section 411.6, subsection 5, unnumbered
6 paragraph 2, Code 1987, is amended to read as follows:

7 Should a member in service or the chief of the
8 police or fire departments become incapacitated for
9 duty as a natural or proximate result of an injury or
10 disease incurred in or aggravated by the actual
11 performance of duty at some definite time or place or
12 while acting, pursuant to order, outside the city by
13 which the member is regularly employed, the member
14 shall, upon being found to be temporarily
15 incapacitated following an examination by the board of
16 trustees, be entitled to receive the member's full pay
17 and allowances from the city's general fund until re-
18 examined by said the board and found to be fully
19 recovered or permanently disabled."

20 2. Title page, by striking line 2 and inserting
21 the following: "members of public retirement
22 systems."

H-3758 FILED APRIL 14, 1987

BY CONNORS of Polk

H-3743

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 15 the
4 following:

5 "Sec. ____ . Section 97B.49, Code 1987, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 15. a. Notwithstanding other
8 provisions of this chapter, a member who is or has
9 been employed by an airport commission created under
10 section 330.20 as an airport safety officer and who
11 retires on or after July 1, 1987, and at the time of
12 retirement is at least sixty years of age and has
13 completed at least twenty-five years of membership
14 service as an airport safety officer, may elect to
15 receive, in lieu of the receipt of any benefits under
16 subsection 5, a monthly retirement allowance equal to
17 one-twelfth of fifty percent of the member's three-
18 year average covered wage as an airport safety
19 officer, with benefits payable during the member's
20 lifetime.

21 An airport safety officer who retires on or after
22 July 1, 1987 and has not completed twenty-five years
23 of membership service as required under this
24 subsection is eligible to receive a monthly retirement
25 allowance equal to one-twelfth of fifty percent of the
26 member's three-year average covered wage as an airport
27 safety officer multiplied by a fraction of years of
28 service as an airport safety officer. For the purpose
29 of this subsection, "fraction of years of service"
30 means a number, not to exceed one, equal to the sum of
31 the years of membership service as an airport safety
32 officer, divided by twenty-five years. On or after
33 July 1, 1987, if the airport safety officer has not
34 reached sixty years of age at retirement, the monthly
35 retirement allowance shall be reduced by five-tenths
36 of one percent per month for each month that the
37 airport safety officer's retirement precedes the date
38 on which the airport safety officer attains sixty
39 years of age.

40 b. An airport commission and employee eligible for
41 benefits under this subsection shall annually
42 contribute an amount determined by the department of
43 personnel, as a percentage of covered wages, to be
44 necessary to pay for the additional benefits provided
45 by this subsection. The annual contribution in excess
46 of the employer and employee contributions required by
47 this chapter shall be paid by the employer and the
48 employee in the same proportion that employer and
49 employee contributions are made under section 97B.11.
50 The additional percentage of covered wages shall be an

Page Two

1 actuarially determined amount for service as an
2 airport safety officer which, if contributed
3 throughout the entire period of active service, would
4 be sufficient to provide the pension benefit provided
5 in this subsection."

SENATE FILE 496

H-3879

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 15 the
4 following:

5 "Sec. ____ . Section 97B.49, Code 1987, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 15. a. Notwithstanding sections
8 of this chapter relating to eligibility for and
9 determination of retirement benefits, a vested member
10 who is or has been employed as a peace officer of the
11 department of transportation under section 321.477,
12 and who retires on or after July 1, 1987 and at the
13 time of retirement is at least sixty years of age, and
14 has completed at least twenty-five years of service as
15 a peace officer in this state, may elect to receive,
16 in lieu of the receipt of any benefits under
17 subsection 5, a monthly retirement allowance equal to
18 one-twelfth of fifty percent of the member's three-
19 year average covered wage as a peace officer of the
20 department of transportation, with benefits payable
21 during the member's lifetime.

22 For the purpose of this subsection, "service as a
23 peace officer" means service as a peace officer of the
24 department of transportation, marshal or police
25 officer of a city, sheriff or deputy sheriff,
26 conservation peace officer, traffic weight officer
27 employed by the highway commission prior to the
28 creation of the department of transportation, vehicle
29 regulation investigator employed by the department of
30 public safety prior to the creation of the department
31 of transportation, or peace officer employed by the
32 Iowa state commerce commission prior to the creation
33 of the department of transportation.

34 b. A peace officer of the department of
35 transportation who retires on or after July 1, 1987,
36 and has not completed twenty-five years of membership
37 service as required under this subsection is eligible
38 to receive a monthly retirement allowance equal to
39 one-twelfth of fifty percent of the member's three-
40 year average covered wage as a peace officer of the
41 department of transportation multiplied by a fraction
42 of years of service as a peace officer. For the
43 purpose of this subsection, "fraction of years of
44 service" means a number, not to exceed one, equal to
45 the sum of the years of membership service as a peace
46 officer, divided by twenty-five years. On or after
47 July 1, 1987, if the peace officer of the department
48 of transportation has not reached sixty years of age
49 at retirement, the monthly retirement allowance shall
50 be reduced by five-tenths of one percent per month for

H-3879

Page Two

1 each month that the peace officer's retirement
2 precedes the date on which the peace officer of the
3 department of transportation attains sixty years of
4 age. The annual contribution necessary to pay for the
5 additional benefits provided in this paragraph, shall
6 be paid by the employer and employee in the same
7 proportion that employer and employee contributions
8 are made under section 97B.11.

9 c. There is appropriated annually from the road
10 use tax fund to the Iowa department of personnel, an
11 actuarially determined amount sufficient to pay for
12 the benefits provided in paragraph "a" and for the
13 employer portion of the benefits provided in paragraph
14 "b". The amount is in addition to the contribution
15 paid by the employer under section 97B.11."

BY PAVICH of Pottawattamic
PLATT of Muscatine

H-3879 FILED APRIL 20, 1987

SENATE FILE 496

H-3886

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 15, the
4 following:

5 "Sec. ____ . Section 97B.49, subsection 10,
6 unnumbered paragraph 1, Code 1987, is amended to read
7 as follows:

8 Notwithstanding sections of this chapter relating
9 to eligibility for and determination of retirement
10 benefits, a vested member who is or has been employed
11 as a correctional officer by the Iowa department of
12 corrections and who retires on or after July 1, 1986
13 and at the time of retirement is at least sixty years
14 of age and has completed at least thirty years of
15 membership service as a correctional officer, may
16 elect to receive, in lieu of the receipt of benefits
17 under subsection 5 of this section, a monthly
18 retirement allowance equal to one-twelfth of fifty
19 percent of the member's three-year average covered
20 wage as a correctional officer, with benefits payable
21 during the member's lifetime.

22 A correctional officer who retires on or after July
23 1, 1987 and has not completed twenty-five years of
24 membership service as required under this subsection
25 is eligible to receive a monthly retirement allowance
26 equal to one-twelfth of fifty percent of the member's
27 three-year average covered wage as a correctional
28 officer multiplied by the fraction of years of service
29 as a correctional officer. For the purpose of this
30 subsection, "fraction of years of service" means a
31 number, not to exceed one, equal to the sum of the
32 years of membership service as a correctional officer,
33 divided by thirty years. On or after July 1, 1987, if
34 the correctional officer has not reached sixty years
35 of age at retirement, the monthly retirement allowance
36 shall be reduced by five-tenths of one percent per
37 month for each month that the correctional officer's
38 retirement precedes the date on which the correctional
39 officer attains sixty years of age.

BY McKEAN of Jones
SPEAR of Lee

H-3886 FILED APRIL 21, 1987

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 15, the
4 following:

5 "Sec. ____ . Section 97B.49, Code 1987, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 15. a. Notwithstanding other
8 provisions of this chapter, a member who is or has
9 been employed by the division of fire protection of
10 the department of public safety as a fire marshal and
11 who retires on or after July 1, 1987, and at the time
12 of retirement is at least sixty years of age and has
13 completed at least twenty-five years of membership
14 service as a fire marshal, may elect to receive, in
15 lieu of the receipt of any benefits under subsection
16 5, a monthly retirement allowance equal to one-twelfth
17 of fifty percent of the member's three-year average
18 covered wage as a fire marshal, with benefits payable
19 during the member's lifetime.

20 A fire marshal who retires on or after July 1,
21 1987, and has not completed twenty-five years of
22 membership service as required under this subsection
23 is eligible to receive a monthly retirement allowance
24 equal to one-twelfth of fifty percent of the member's
25 three-year average covered wage as a fire marshal
26 multiplied by a fraction of years of service as a fire
27 marshal. For the purpose of this subsection,
28 "fraction of years of service" means a number, not to
29 exceed one, equal to the sum of the years of
30 membership service as a fire marshal, divided by
31 twenty-five years. On or after July 1, 1987, if the
32 fire marshal has not reached sixty years of age at
33 retirement, the monthly retirement allowance shall be
34 reduced by five-tenths of one percent per month for
35 each month that the fire marshal's retirement precedes
36 the date on which the fire marshal attains sixty years
37 of age.

38 b. The employer and each employee eligible for
39 benefits under this subsection shall annually
40 contribute an actuarially determined amount specified
41 by the department, as a percentage of covered wages,
42 that is necessary to pay for the additional benefits
43 provided by this subsection. The annual contribution
44 in excess of the employer and employee contributions
45 required in section 97B.11 shall be paid by the
46 employer and the employee in the same proportion that
47 the employer and employee contributions are made under
48 section 97B.11.

49 c. There is appropriated from the general fund of
50 the state to the department from funds not otherwise

Page Two

1 appropriated an amount sufficient to pay the employer
2 share of the cost of the additional benefits provided
3 in this subsection.

4 d. For the purposes of this section, "fire
5 marshal" means fire marshal, assistant fire marshal,
6 and fire marshal inspector."

H-4022

1 Amend Senate File 496, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 15, the
4 following:

5 "Sec. ____ . Section 97B.49, subsection 10,
6 unnumbered paragraph 1, Code 1987, is amended to read
7 as follows:

8 Notwithstanding sections of this chapter relating
9 to eligibility for and determination of retirement
10 benefits, a vested member who is or has been employed
11 as a correctional officer by the Iowa department of
12 corrections and who retires on or after July 1, 1986
13 1987 and at the time of retirement is at least sixty
14 years of age and has completed at least thirty twenty-
15 five years of membership service as a correctional
16 officer, may elect to receive, in lieu of the receipt
17 of benefits under subsection 5 of this section, a
18 monthly retirement allowance equal to one-twelfth of
19 fifty percent of the member's three-year average
20 covered wage as a correctional officer, with benefits
21 payable during the member's lifetime.

22 A correctional officer who retires on or after July
23 1, 1987 and has not completed twenty-five years of
24 membership service as required under this subsection
25 is eligible to receive a monthly retirement allowance
26 equal to one-twelfth of fifty percent of the member's
27 three-year average covered wage as a correctional
28 officer multiplied by the fraction of years of service
29 as a correctional officer. For the purpose of this
30 subsection, "fraction of years of service" means a
31 number, not to exceed one, equal to the sum of the
32 years of membership service as a correctional officer,
33 divided by twenty-five years. On or after July 1,
34 1987, if the correctional officer has not reached
35 sixty years of age at retirement, the monthly
36 retirement allowance shall be reduced by five-tenths
37 of one percent per month for each month that the
38 correctional officer's retirement precedes the date on
39 which the correctional officer attains sixty years of
40 age.

BY MCKEAN of Jones

SPEAR of Lee

H-4022 FILED APRIL 27, 1987

SENATE FILE 496

FISCAL NOTE

REQUESTED BY REPRESENTATIVE BLANSHAN

In compliance with a written request received March 20, 1987, a fiscal note for SENATE FILE 496 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 496 makes the following changes to the Iowa public employees' retirement system.

1. Includes the expense allowance received during a legislative session by members of the general assembly as part of the member's wages.
2. Includes part-time county attorneys as employees for purposes of Chapter 97B.
3. Provides that temporary employees of the general assembly who work an entire regular session will receive credit for four quarters of service.
4. Provides that an employee who is receiving social security disability payments is eligible to receive a pension under IPERS without the early retirement penalty.
5. Allows a part-time county attorney to receive credit under IPERS for previous years of service by making contributions equal to what would have been paid in if the county attorney had been contributing during those years plus interest on that amount. The county is required to pay the employers share for this period plus interest if this occurs.
6. Provides up to four years of credit under IPERS for service as a member of the armed forces if the IPERS member pays both employer and employee IPERS contributions.
7. If counties and part-time county attorneys have made contributions to IPERS prior to July 1 1987, the part-time county attorney shall receive credit for membership service under the system for the period for which payments were made.
8. Temporary legislative employees who are employed on April 1, 1987 shall receive credit for previous membership service under IPERS.

FISCAL EFFECT

1. Section 1 includes the daily expense allowance of legislators as part of covered IPERS wages. The cost per \$100,000 of daily expense allowance would be \$5,750 from the general fund.
2. Sections 2, 7, 9 and 10 clarify coverage for part-time county attorneys. The majority of part-time county attorneys have been paying into the system. The cost to a county for the inclusion of an individual who has not been covered will be \$1,322.50 per year on the maximum covered wages of \$23,000.

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3. Section 3, 4 and 11 provide four quarters of credit under IPERS for service by a temporary employee of the General Assembly. Additionally, a current employee in this classification will receive four quarters credit for previous years in which they received only two quarters credit. These sections do not require a contribution from the employee or the employer and the actuarial costs to the system of this change have not been determined.
4. Sections 5 and 6 provide for the elimination of the early retirement penalty for individuals who retire under the system due to a disability as determined by the social security administration. The cost to the system will be .03 of 1% of covered payroll or less than \$750,000 on an annual basis.
5. Section 8 provides for veteran's credit of up to four years. The active member must pay both the employer and employee share of contributions on the level of wages currently being received. At a maximum the cost would be \$2,173.50 per year or \$8,694 for the four years.
6. Section 1 would also require the department of revenue and finance to partially rewrite the payroll system to accomodate these expenses as wages, calculate IPERS and withhold the appropriate individual and State shares, and keep track of the payments in the appropriate year to date totals. An estimate of the cost for this is not yet available.

(Source: Departments of Personnel
Revenue and Finance)

(LSB 2896S, DPW)

FILED APRIL 15, 1987

BY DENNIS PROUTY, FISCAL DIRECTOR

Handwritten: 7000
SSB # 241 SF 476
State Government

SENATE FILE _____
BY (PROPOSED COMMITTEE ON STATE
GOVERNMENT BILL)

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

A BILL FOR

1 An Act relating to the retirement benefits received by certain
2 members of the Iowa public employees' retirement system.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 97B.41, subsection 1, paragraph a,
2 unnumbered paragraph 2, Code 1987, is amended to read as
3 follows:

4 Wages for a member of the general assembly means the total
5 compensation received by a member of the general assembly,
6 whether paid in the form of per diem or annual salary,
7 ~~exclusive of expense and travel allowances paid to a member of~~
8 ~~the general assembly.~~ Wages includes the daily expense
9 allowance paid to a member during a legislative session and
10 per diem payments paid to members of the general assembly
11 during interim periods between sessions of the general
12 assembly. Wages does not include travel allowances or
13 payments for actual expenses incurred for official legislative
14 business paid to a member of the general assembly.

15 Sec. 2. Section 97B.41, subsection 13, paragraph d, Code
16 1987, is amended to read as follows:

17 d. Temporary or seasonal interruptions in service such as
18 service of school bus drivers, schoolteachers under regular
19 contract, interim teachers or substitute teachers, instructors
20 at Iowa State University of science and technology, the state
21 University of Iowa, or University of Northern Iowa, employees
22 in state schools or hospital dormitories, other positions when
23 the temporary suspension of service does not terminate the
24 period of employment of the employee, ~~or temporary employees~~
25 ~~of the general assembly.~~

26 Sec. 3. Section 97B.41, Code 1987, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 13A. Service during a legislative session
29 for a temporary employee of the general assembly means
30 uninterrupted service under this chapter and the portion of a
31 year in which the general assembly is not in session does not
32 terminate the period of employment of the employee.
33 Notwithstanding subsection 2, service during an entire regular
34 legislative session for a temporary employee of the general
35 assembly means employment for four calendar quarters of a

1 calendar year.

2 Sec. 4. Section 97B.50, subsection 2, Code 1987, is
3 amended to read to read as follows:

4 2. A member ~~who has completed thirty or more years of~~
5 ~~service~~ who retires from the system due to disability and
6 commences receiving disability benefits pursuant to the United
7 States Social Security Act (42 U.S.C.), as amended to July 1,
8 1978, who is eligible for early retirement, but has not
9 reached the normal retirement date, shall receive full
10 benefits under section 97B.49 and shall not have benefits
11 reduced upon retirement as required under subsection 1 ~~of this~~
12 ~~section~~ regardless of whether the member has completed thirty
13 or more years of membership service. This section takes
14 effect July 1, ~~1986~~ 1987 for a member meeting the requirements
15 of this subsection who retired from the system at any time
16 between July 4, 1953 and June 30, 1978.

17 Sec. 5. Section 97B.50, subsection 3, Code 1987, is
18 amended by striking the subsection.

19 Sec. 6. Section 97B.74, Code 1987, is amended to read as
20 follows:

21 97B.74 REINSTATEMENT AS A VESTED MEMBER.

22 An active, vested, or retired member ~~who at any time~~
23 ~~between July 4, 1953 and July 1, 1973 was a member of the~~
24 ~~system, but who did not meet the requirements to be a vested~~
25 ~~member for that period of membership service, and who received~~
26 a refund of contributions for that a previous period of
27 membership service, may elect in writing to the department to
28 make contributions to the system for that period of membership
29 service for which a refund of contributions was made and
30 receive credit for those years of membership service. The
31 contributions repaid by the member for such the previous
32 period of membership service shall be equal to the accumulated
33 contributions, as defined in section 97B.41, subsection 12,
34 received by the member for that period of membership service
35 plus interest on the accumulated contributions for the period

1 from the date of receipt by the member to the date of
2 repayment equal to two percent plus the interest dividend rate
3 applicable for each year compounded annually.

4 ~~The provisions of this section are only available to a~~
5 ~~member if that member's total years of membership and prior~~
6 ~~service, with the addition of service for that period of~~
7 ~~membership service for which contributions are repaid, equals~~
8 ~~or exceeds fifteen years.~~

9 Sec. 7. NEW SECTION. 97B.77 VETERANS' CREDIT.

10 An active member in service on July 1, 1987 who at any time
11 on or after July 1, 1950 served on active duty in the armed
12 forces of the United States, upon submitting verification of
13 the dates of the active duty in the armed forces to the
14 department, may make employer and employee contributions to
15 the system, based upon the member's covered wages for the
16 calendar year beginning January 1, 1986, at the rates in
17 effect under section 97B.11 on January 1, 1986, for the period
18 of time of the active duty, not to exceed four years, and
19 receive credit for membership service and prior service for
20 the period of time for which the contributions are made.
21 Verification of the active duty and payment of contributions
22 shall be made to the department not later than June 30, 1988.
23 However, a member is not eligible to make contributions under
24 this section if the member is receiving or is eligible to
25 receive retirement pay from the United States government for
26 active duty in the armed forces.

27 EXPLANATION

28 This bill makes the following changes in the Iowa public
29 employees' retirement system:

30 1. Includes the expense allowance received during a
31 legislative session by members of the general assembly as a
32 part of the members' wages.

33 2. Provides that temporary employees of the general
34 assembly who work an entire regular session will receive
35 credit for four quarters of service.

1 3. Provides that an employee who is receiving social
2 security disability payments is eligible to receive a pension
3 under IPERS without the early retirement penalty.

4 4. Allows a member who left IPERS coverage and withdrew
5 the member's employee contributions, but subsequently returned
6 to IPERS coverage to repay the withdrawn contributions with
7 interest and receive credit for those years of service.

8 5. Provides up to four years of credit under IPERS for
9 service as a member of the armed forces if the IPERS member
10 pays both employer and employee IPERS contributions.

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