

# IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM[495]

## Regulatory Analysis

Notice of Intended Action to be published: 495—Chapter 4  
“Contribution Rates”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 97B.4 and 97B.15  
State or federal law(s) implemented by the rulemaking: Iowa Code chapter 97B

### *Public Hearing*

A public hearing at which persons may present their views orally or in writing will be held as follows:

March 10, 2026  
1 to 2 p.m.

IPERS Boardroom  
7401 Register Drive  
Des Moines, Iowa  
Via videoconference call:  
[Join Online Meeting](#)  
Meeting ID: 288 890 203 450 37  
Passcode: iw9jY6mH

### *Public Comment*

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Iowa Public Employees' Retirement System (IPERS) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Cheryl Vander Hart  
Iowa Public Employees' Retirement System  
7401 Register Drive  
Des Moines, Iowa 50321  
Phone: 515.281.7623  
Email: [cheryl.vanderhart@ipers.org](mailto:cheryl.vanderhart@ipers.org)

### *Purpose and Summary*

The proposed amendment implements contribution rates for employers and regular and special service member classes beginning July 1, 2026, to reflect FY 2027 rates. Pursuant to the Iowa Code, the rates must be reviewed and updated yearly.

### *Analysis of Impact*

1. **Persons affected by the proposed rulemaking:**
  - **Classes of persons that will bear the costs of the proposed rulemaking:**  
Costs will be borne by all classes of IPERS members and their employers.
  - **Classes of persons that will benefit from the proposed rulemaking:**  
IPERS members and employers will benefit.
2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**
  - **Quantitative description of impact:**  
IPERS' enabling legislation requires employer and employee contribution rates for each member class be updated every fiscal year. Contribution rates for FY 2027 are proposed to be updated as

required and will be implemented on the first day of the next fiscal year, July 1, 2026. Projected wages and estimated IPERS contributions are currently being calculated and should be available soon.

- **Qualitative description of impact:**

Annual contribution rates rise or fall, based upon procedures outlined in the Iowa Code, in conjunction with the determination of the designated consulting actuary.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are costs associated with updated rates being calculated by the designated consulting actuary and minimal costs to update the IPERS website.

- **Anticipated effect on State revenues:**

The effect depends entirely upon whether the updated contribution rates for each IPERS member class remain at the same levels or are lowered or raised or both; a corresponding effect on revenue will be seen. For the period of July 1, 2026, through June 30, 2027, contribution rates for Regular and Protection Occupation classes remained the same, while contribution rates for Sheriffs and Deputy Sheriffs have risen.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Inaction would violate the Iowa Code and IPERS' contribution rate funding policy as well as retain a burden on the taxpayer that is easily eliminated.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

Not applicable.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

Not applicable.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The Iowa Code mandates that certain parameters must be followed when IPERS either lowers or raises contribution levels and when contribution levels are set forth by IPERS' actuary. IPERS is charged with setting a required contribution rate for each membership category within IPERS that will discharge its liabilities. Iowa Code section 97B.11(3)"d" provides the basic framework for implementing this charge.

*Small Business Impact*

**If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:**

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.

- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.

- Exempt small business from any or all requirements of the rulemaking.

**If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?**

Not applicable.

*Text of Proposed Rulemaking*

ITEM 1. Amend subrules 4.6(1) to 4.6(3) as follows:

**4.6(1)** Contribution rates for regular class members.

a. The following contribution rates were established by the Iowa legislature for all regular class members for the indicated periods:

	Effective July 1, 2007	Effective July 1, 2008	Effective July 1, 2009	Effective July 1, 2010	Effective July 1, 2011
Combined rate	9.95%	10.45%	10.95%	11.45%	13.45%
Employer	6.05%	6.35%	6.65%	6.95%	8.07%
Employee	3.90%	4.10%	4.30%	4.50%	5.38%

b. Effective July 1, 2012, and every year thereafter, the contribution rates for regular members shall be publicly declared by IPERS staff no later than the preceding December as determined by the annual valuation of the preceding fiscal year. The public declaration of contribution rates will be followed by rulemaking that will include a notice and comment period and that will become effective July 1 of the next fiscal year. Contribution rates for regular members are as follows.

	Effective July 1, 2021	Effective July 1, 2022	Effective July 1, 2023	Effective July 1, 2024	Effective July 1, 2025	Effective July 1, 2026
Combined rate	15.73%	15.73%	15.73%	15.73%	15.73%	15.73%
Employer	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%
Employee	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%

**4.6(2)** Contribution rates for sheriffs and deputy sheriffs are as follows.

	Effective July 1, 2021	Effective July 1, 2022	Effective July 1, 2023	Effective July 1, 2024	Effective July 1, 2025	Effective July 1, 2026
Combined rate	18.02%	17.52%	17.02%	17.02%	24.18%	24.42%
Employer	9.01%	8.76%	8.51%	8.51%	11.965%	12.085%
Employee	9.01%	8.76%	8.51%	8.51%	12.215%	12.335%

**4.6(3)** Contribution rates for protection occupations are as follows.

	Effective July 1, 2021	Effective July 1, 2022	Effective July 1, 2023	Effective July 1, 2024	Effective July 1, 2025	Effective July 1, 2026
Combined rate	15.52%	15.52%	15.52%	15.52%	15.52%	15.52%
Employer	9.31%	9.31%	9.31%	9.31%	9.185%	9.185%
Employee	6.21%	6.21%	6.21%	6.21%	6.335%	6.335%