

## **70A.38 Years of service incentive program.**

1. As used in this section, unless the context provides otherwise:

*a. "Credited service"* means service under the Iowa public employees' retirement system, as service is defined in section 97B.1A, and membership service under the public safety peace officers' retirement, accident, and disability system, as defined in section 97A.1.

*b. "Eligible employee"* means an employee with ten or more years of credited service as of the date of termination from employment.

*c. "Employee"* means an employee of the executive branch of the state, including an employee of a judicial district department of correctional services or the department of justice. However, *"employee"* does not mean an employee of the state board of regents, or an elected official.

*d. "Employer"* means a department, agency, board, or commission within the executive branch of the state that employs employees.

*e. "Participant"* means an eligible employee who has been selected for participation in the years of service incentive program, who agrees to such participation, who is approved for participation, and who receives a termination incentive as provided by this section.

*f. "Program"* means the years of service incentive program established pursuant to this section.

*g. "Regular annual salary"* means an amount equal to the eligible employee's regular biweekly rate of pay as of the date of separation from employment multiplied by twenty-six.

*h. "Termination incentive"* means an amount equal to the lesser of two hundred fifty dollars for every quarter year of credited service of the eligible employee or the regular annual salary of the eligible employee.

2. An employer may offer a termination incentive to an eligible employee or eligible employees if the employer demonstrates that such an offer will assist the employer in effectively managing its resources. Prior to making the offer, the employer shall obtain approval to offer the program from the department of administrative services. As part of the approval process, the employer shall submit a business plan to the department of administrative services which shall be reviewed and approved by the department of management. The business plan shall show the savings that will accrue to the state as a result of the employee's or employees' participation in the program.

3. Upon obtaining approval from the department of administrative services to offer the program, the employer shall inform each eligible employee in writing of the employee's opportunity to participate in the program. The written notice to the eligible employee shall provide a time deadline for acceptance of an offer, a proposed date by which the eligible employee who wishes to accept an offer would have to agree to terminate employment with the state, and other relevant information concerning the employee's rights relating to an offer, including the voluntary nature of an offer to the eligible employee as well as the consequences to the employee of accepting an offer.

4. To become a participant in the program, an eligible employee who receives an offer to participate in the program shall do all of the following:

*a.* Acknowledge in writing the employee's agreement to voluntarily terminate employment in exchange for payment of a termination incentive as provided in this section.

*b.* Agree to waive all rights to file suit against the state of Iowa, including all of its departments, agencies,

and other subdivisions, based on state or federal claims arising out of the employment relationship.

*c.* Acknowledge, in writing, that participation in the program waives any right to accept permanent part-time or permanent full-time employment with the state other than as an elected official or as an employee of the state board of regents.

*d.* Agree to separate from employment with the state by the date agreed upon by the eligible employee and the employer which date is consistent with the business plan submitted by the employer.

5. Upon acceptance to participate in the program and separation from employment with the state by the date agreed upon, the participant shall be paid a termination incentive. The state shall pay to the participant, in a lump sum, the termination incentive and any other payments due the participant, if any, for accrued sick leave and vacation leave balances.

6. The department of administrative services shall administer the program and shall adopt administrative rules to administer the program.

7. The legislative council shall provide a years of service incentive program for employees of the legislative branch consistent with the program provided in this section for executive branch employees. The benefit provided for employees under this subsection shall be no greater than that provided for executive branch employees.

8. This section is repealed June 30, 2008.

2001 Acts, 2nd Ex, ch 5, §1, 8; 2003 Acts, ch 145, §156, 286, 293