

97A.17 Optional transfers with chapter 411.

1. For purposes of this section unless the context otherwise requires:

a. "Average accrued benefit" means the average of the amounts representing the present value of the accrued benefit earned by the member determined by the former system and the present value of the accrued benefit earned by the member determined by the current system.

b. "Current system" means the eligible retirement system in which a person has commenced employment covered by the system after having terminated employment covered by the former system.

c. "Eligible retirement system" means the system created under this chapter and the statewide fire and police retirement system established in chapter 411.

d. "Former system" means the eligible retirement system in which a person has terminated employment covered by the system prior to commencing employment covered by the current system.

e. "Refund liability" means the amount the member may elect to withdraw from the former system under section 411.23.

2. Commencing July 1, 1996, a vested member of an eligible retirement system who terminates employment covered by one eligible retirement system and, within one year, commences employment covered by the other eligible retirement system may elect to transfer the greater of the average accrued benefit or the refund liability earned from the former system to the current system. The member shall file an application with the current system for transfer of the greater of the average accrued benefit or the refund liability within ninety days of the commencement of employment with the current system.

3. Notwithstanding subsection 2, a vested member whose employment with the current system commenced prior to July 1, 1996, may elect to transfer the average accrued benefit earned under the former system to the current system by filing an application with the current system for transfer of the average accrued benefit on or before July 1, 1997.

4. Upon receipt of an application for transfer as provided in this section, the current system shall calculate the average accrued benefit and the refund liability and the former system shall transfer to the current system assets in an amount equal to the greater of the average accrued benefit or the refund liability. Once the transfer is completed, the member's service under the former system shall be treated as membership service under the current system for purposes of this chapter and chapter 411.

96 Acts, ch 1187, §98; 2002 Acts, ch 1135, §5, 6; 2004 Acts, ch 1103, §13