

**97.51 Special fund created — refunds.**

There is hereby created as a special fund, separate and apart from all other public moneys or funds of this state, the "*Iowa Old-Age and Survivors' Insurance Liquidation Fund*", this fund to consist of all unexpended moneys collected under the provisions of chapter 97, Code 1950, as amended, together with all interest thereon, and also to include all securities and other assets acquired by and through the use of the moneys belonging to the Iowa old-age and survivors' insurance trust fund, and any other moneys that may be paid into this fund. There is hereby transferred to the Iowa old-age and survivors' insurance liquidation fund all funds and assets of the old-age and survivors' insurance trust fund created by the provisions of section 97.5, Code 1950. There shall also be deposited in the Iowa old-age and survivors' insurance liquidation fund all receipts after June 30, 1953, as a result of the collection of taxes or other moneys, as provided by section 97.8, Code 1950.

1. The treasurer of state is the custodian and trustee of this fund and shall administer the fund in accordance with the directions of the Iowa public employees' retirement system created in section 97B.1. It is the duty of the trustee:

a. To hold said trust funds.

b. Under the direction of the system and as designated by the system, invest such portion of said trust funds as are not needed for current payment of benefits, in interest-bearing securities issued by the United States, or interest-bearing bonds issued by the state of Iowa, or bonds issued by counties, school districts or general obligations or limited levy bonds issued by municipal corporations in this state as authorized by law; also to sell and dispose of same when needed for the payment of benefits.

c. To disburse the trust funds upon warrants drawn by the director of the department of administrative services pursuant to the order of the system.

2. All moneys which are paid or deposited into this fund are hereby appropriated and made available to the system to be used only for the purposes herein provided:

a. To be used by the system for the payment of claims for benefits.

b. To be used by the system for the payment in accordance with any agreement with the federal social security administration of amounts required to obtain retroactive federal social security coverage of Iowa public employees, dating from January 1, 1951, and for the payment of refunds which were authorized by the provisions of section 97.7, Code 1950, and for the payment of such other refunds to employees as may be authorized by the general assembly, and such other purposes as may be authorized by the general assembly.

3. The system shall administer the Iowa old-age and survivors' insurance liquidation fund and shall also administer all other provisions of this chapter.

4. Any public employee subject to coverage under the provisions of chapter 97, Code 1950, as amended, in public service as of June 30, 1953, and who has not applied for and qualified for benefit payments under the provisions of chapter 97, Code 1950, as amended, who had contributed to the Iowa old-age and survivors' insurance fund prior to the repeal of chapter 97, Code 1950, as amended, shall be entitled to a refund of contributions paid into the Iowa old-age and survivors' insurance fund by such employee without interest, but there shall be deducted from the amount of any such refund any amount which has been or will be paid in the employee's behalf as the employee's contribution as an employee to obtain retroactive federal social security coverage. Any former public employee not in public service as of June 30, 1953, who has contributed to the Iowa old-age and survivors' insurance fund, the employee's beneficiaries or estate, when no benefit has been paid under chapter 97, Code 1950, based upon such employee's prior record, shall be entitled to a refund of seventy-five percent of all contributions paid by the employee into said fund, without interest. The system shall prescribe rules in regard to the granting of such refunds. In the event of such refund any individual receiving the same shall be deemed to have waived any and all rights in behalf of the individual or any beneficiary or the individual's estate to further benefits under the provisions of chapter 97, Code 1950, as amended.

5. Any employee in public service as of June 30, 1953, may, in lieu of receiving the cash refund of the employee's contributions, elect to come under the coverage of any new retirement system which may be created by the general assembly, to which the employee is eligible, with credits toward future benefits in consideration of the employee's prior

contributions and length of service, and may direct the transfer of the amount payable to the employee to the assets of such new retirement system.

6. In the payment of any benefits in the future, as a result of the provisions of chapter 97, Code 1950, as amended, the system shall follow the same procedure as provided by chapter 97, Code 1950, as amended, as though said chapter had not been repealed, except the requirements of subsection 4, paragraph "a", and subsection 5 of section 97.21, Code 1950, shall not be applicable, but no primary benefit, based upon employment prior to June 30, 1953, shall be paid to any individual for any month during which the individual receives compensation for work in any position which would have been subject to coverage under the provisions of chapter 97, Code 1950, as amended, if the individual's earnings for such month exceed one hundred dollars, nor shall any benefit be paid to a wife or dependent of such employee for such months, except that after a retired member reaches the age of seventy-two years, the member, the member's wife and dependents shall be entitled to the benefits of this chapter regardless of the amount earned.

7. Beginning July 1, 1975, any person receiving benefits under the provisions of chapter 97, Code 1950, as amended, shall receive a monthly increase in benefits equal to one hundred percent of the monthly benefits received for June 1975 or for which the person was eligible to receive for June 1975. Any person who becomes eligible for benefits under chapter 97, Code 1950, on or after July 1, 1975, shall receive the same percentage increase.

8. a. Effective July 1, 1980, a person receiving benefits, or who becomes eligible to receive benefits, on or after July 1, 1980, under this chapter, shall receive the monthly increase in benefits provided in section 97B.49G, subsection 3, paragraph "a".

b. There is appropriated from the general fund of the state to the Iowa old-age and survivors' insurance liquidation fund from funds not otherwise appropriated an amount sufficient to finance the provisions of this subsection.

9. a. Effective July 1, 1984, a person receiving benefits, on or after July 1, 1984, under this chapter, shall receive a monthly increase in benefits equal to ten percent of the monthly benefits received for June 1984 or which the person was eligible to receive for June 1984, except as otherwise provided in this subsection. A person who becomes eligible for benefits under chapter 97, Code 1950, on or after July 1, 1984, shall receive the ten percent increase.

b. A person eligible to receive benefits under this chapter on June 30, 1984, may elect in writing to the Iowa department of job service\* not to receive the monthly benefit increase granted in this subsection.

c. There is appropriated annually from the general fund of the state to the Iowa old-age and survivors' insurance liquidation fund from funds not otherwise appropriated an amount sufficient to pay the benefit increases provided in this subsection.

10. a. Effective July 1, 1992, a person receiving benefits, on or after July 1, 1992, under this chapter, shall receive a monthly increase in benefits of ten dollars per month. A person who becomes eligible for benefits under chapter 97, Code 1950, on or after July 1, 1992, shall receive the ten dollar increase.

b. There is appropriated annually from the general fund of the state to the Iowa old-age and survivors' insurance liquidation fund from funds not otherwise appropriated an amount sufficient to pay the benefit increases provided in this subsection.

[C46, 50, §97.5, 97.7 – 97.9, 97.12, 97.23, 97.35; C54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §97.51] 84 Acts, ch 1285, §1; 86 Acts, ch 1245, §242; 92 Acts, ch 1201, §1; 98 Acts, ch 1183, §8; 2003 Acts, ch 145, §165, 166, 286; 2005 Acts, ch 19, §27, 28; 2005 Acts, ch 179, §111; 2008 Acts, ch 1032, §201

Referred to in §97.53, 97B.1A, 97B.42, 97B.43, 97B.56, 97C.14

[P] \*Department of workforce development, chapter 84A, is the successor agency