



THOMAS J. VILSACK  
GOVERNOR

OFFICE OF THE GOVERNOR

SALLY J. PEDERSON  
LT. GOVERNOR

April 2, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit:

**House File 2497**, an Act providing for a sick leave and vacation incentive program for state employees and providing an effective date.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas J. Vilsack".

Thomas J. Vilsack  
Governor

TJV:jmc

cc: Secretary of the Senate  
Chief Clerk of the House





HOUSE FILE 2497

AN ACT

PROVIDING FOR A SICK LEAVE AND VACATION INCENTIVE PROGRAM FOR STATE EMPLOYEES AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. 2004 SICK LEAVE AND VACATION 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 for which, but for participation in the program, the sum of the number of years of credited service and the employee's age in years as of December 31, 2004, equals or exceeds seventy-five.

c. "Employee" means an employee of the executive branch of this state, including an employee of a judicial district department of correctional services if the district elects to participate in the program, an employee of the state board of regents if the board elects to participate in the program, and an employee of the department of justice. However, "employee" does not mean an elected official.

d. "Participant" means a person who timely submits an election to participate, and does participate, in the sick leave and vacation incentive program established under this section.

e. "Program" means the sick leave and vacation incentive program established under this section.

f. "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.

g. "Sick leave and vacation incentive benefit" means an amount equal to the entire value of an eligible employee's accumulated but unused vacation plus the lesser of seventy-five percent of the value of the eligible employee's accumulated and unused sick leave or seventy-five percent of the employee's regular annual salary.

2. To become a participant in the program, an eligible employee shall do all of the following:

a. Submit by May 21, 2004, a written application, on forms prescribed by the department of administrative services, seeking participation in the program.

b. Agree to waive any and all rights to receive payments of sick leave balances under section 70A.23 and accrued vacation balances in a form other than as provided in this section.

c. 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.

d. 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 on or after the date the eligible employee separates from employment as provided in this section.

e. Agree to separate from employment with the state on or after July 2, 2004, but no later than August 12, 2004.

3. a. Upon acceptance to participate in the program and separation from employment with the state on or after July 2, 2004, but no later than August 12, 2004, a participant shall receive a sick leave and vacation incentive benefit. The state shall pay to the participant a portion of the sick leave and vacation incentive benefit each fiscal year for a period of five years commencing with the fiscal year ending June 30, 2005.

b. A participant in the program shall be eligible to continue participation in the group plan or under the group contract at the participant's own expense in the same manner as a retired employee pursuant to section 509A.13. In addition, a participant shall be deemed an eligible retired state employee for purposes of eligibility for continuation of group insurance covering spouses as provided in section 509A.13A.

4. a. The department of administrative services shall administer the program, including the determination of eligibility for participation in the program, and shall adopt administrative rules to administer the program. The department may adopt rules on an emergency basis under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement this section and the rules shall be effective immediately upon filing unless a later date is specified in the rules.

b. Records of the Iowa public employees' retirement system may be released for the purposes of administering and monitoring the program subject to the requirements of section 97B.17, subsection 5.

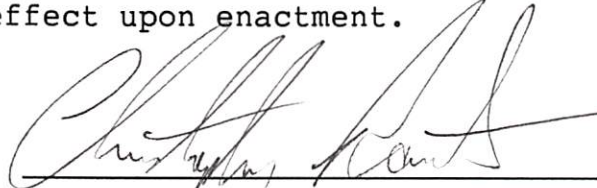
c. The department of administrative services, in collaboration with the department of management, shall present an interim report to the general assembly, including copies to the legislative services agency and the fiscal committee of the legislative council, by October 1, 2004, concerning the operation of the program. The department shall also submit an annual update concerning the program by October 1 of each year for four years, commencing October 1, 2005. The reports shall include information concerning the number of program participants, the cost of the program including any payments made to participants, the number of state employment positions eliminated pursuant to the program, and the number of positions vacated by a program participant that have been refilled.

5. The legislative council shall provide an incentive program for employees of the legislative branch consistent with the program provided in this section for executive branch employees. The legislative council shall collaborate with the department of administrative services to establish the program as required under this subsection as nearly identical as possible to the program provided executive branch employees under this section. The program provided pursuant to this subsection shall establish the same guidelines used to establish an eligible employee and benefit calculations as provided under the program for executive branch employees.

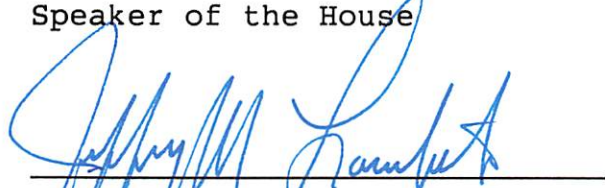
Sec. 2. SPAN OF CONTROL. The department of administrative services, in consultation with the department of management and after discussion and collaboration with executive branch agencies, shall pursue a goal of increasing the ratio of the

number of employees per supervisor for executive branch agencies in the aggregate to twelve employees for one supervisor by December 31, 2005.

Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.



CHRISTOPHER C. RANTS  
Speaker of the House



JEFFREY M. LAMBERTI  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2497, Eightieth General Assembly.



MARGARET THOMSON  
Chief Clerk of the House

Approved April 2, 2004



THOMAS J. VILSACK  
Governor