

February 23, 1967

Passed on File

Governmental Affairs 2-27, Pass as Amended 3-9

Board of Control 4-12, Pass

Commerce 4-28, Pass as amended 5-3

Passed Senate, Date 4-7-67

Passed House, Date 4-13-67

Vote: Ayes 42 Nays 4

Vote: Ayes 103 Nays 3

Approved June 30, 1967

*Passed Senate as amended by House
6-21-67, 51-5*

*Substituted for H.F. 259, 4-12
motion to reconsider, 4-14 w/d 4-28
Passed House 6-14, 109-3*

A BILL FOR

An Act to authorize the board of control to purchase annuity contracts for employees.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Chapter two hundred eighteen (218), Code 1966,
 2 is hereby amended by adding the following section:
 3 "At the request of an employee through contractual agreement
 4 the board of control or any institution under its jurisdiction
 5 may purchase an individual annuity contract for an employee,
 6 from such insurance organization authorized to do business
 7 in this state and through an Iowa licensed insurance agent
 8 as the employee may select, for retirement or other purposes
 9 and may make payroll deductions in accordance with such arrange-
 10 ments for the purpose of paying the entire premium due and to
 11 become due under such contract. The deductions shall be made
 12 in the manner which will qualify the annuity premiums for the
 13 benefits afforded under section four hundred three b (403b)
 14 of the Internal Revenue Code of 1954 and amendments thereto.
 15 The employee's rights under such annuity contract shall be non-
 16 forfeitable except for the failure to pay premiums."

1 Sec. 2. This Act being deemed of immediate importance, shall
 2 take effect and be in full force from and after its publication
 3 in The Manchester Press, a newspaper published in Manchester,
 4 Iowa, and in The Hopkinton Leader, a newspaper published in
 5 Hopkinton, Iowa.

1 Amend Senate File 335 as follows:
2 Amend section three (3) as follows:
3 1. By inserting in line eight (8) after the word "bonds"
4 the following:
5 "for refunding purposes, but prior to the issuance of bonds
6 for other purposes the board shall submit to the voters of
7 the county the proposition of issuing the bonds".
8 2. By striking lines twenty-six (26) through twenty-nine
9 (29) and inserting in lieu thereof the following:
10 "Irrespective of the provisions of section seventy-five
11 point one (75.1) of the Code, if the vote in favor of the
12 issuance of the bonds exceeds fifty (50) percent of the
13 total vote cast for and against the proposition at the elec-
14 tion, the proposition shall be declared carried and the
15 bonds may be issued. Before the issuance of bonds under".

Filed
March 7, 1967

Div 1 adopted 6-2
Div 2 withdrawn 6-2

By KOSEK, RILEY, and
ELY

1 Amend Senate File 335 as follows:
2 1. Amend Senate File 335 by renumbering section six (6) as
3 section seven (7).
4 2. Further amend Senate File 335 by inserting the following
5 as section six (6):
6 "Nothing herein shall be construed to add to or detract
7 from the authority of any county or the board thereof to
8 provide health services direct to any person or persons."

Filed - *Withdrawn 6-2*
May 10, 1967

By RILEY, ELY, and KOSEK

1 Amend the governmental affairs committee amendment to
2 Senate File 334, filed March 9, 1967, as follows:
3 1. By striking lines five (5) and six (6) and by insert-
4 ing in lieu thereof the following:
5 "Amend section one (1) by striking from line two (2) the
6 word 'is' and by inserting in lieu thereof the words 'and
7 seventy-nine point fifteen (79.15), Code 1966, are'".

Filed - *adopted 4-7*
March 31, 1967

By GAUDINEER.

1 Amend Senate File #335 as follows:
2 Amend section two (2) line three (3) by striking
3 thirty thousand (130,000), and inserting in lieu thereof:
4 thousand (100,000),

Filed - *adopted 6-2*
March 30, 1967

By JEPSEN

1 Amend Senate File 335 by striking from lines nine (9) and
2 ten (10), section one (1), the following:
3 "nursing, long range custodial and extended care programs,".

Filed - *Withdrawn 6-2*
May 12, 1967

By SCHABEN and FREY

1 Amend the House Amendment to Senate File 334 as follows:
2 1. By adding the following new section:
3 Sec. 2. Section two hundred ninety-four point sixteen
4 (294.16), Code 1966, is amended by striking from lines two
5 (2) and three (3) the words "through contractual agreement"
6 and inserting in lieu thereof the words, "state department
7 of public instruction, county or joint county board of
8 education, or".
9 2. By striking from line twenty-five (25) the period (.)
10 and inserting in lieu thereof the words "and certain other
11 governmental agencies".

Filed - *Withdrawn 6-21*
June 16, 1967

By ELY and KIBBIE

1 Amend the House amendment to Senate File 334 as follows:
2 1. By adding the following new section:
3 "Sec. 2. Section two hundred ninety-four point sixteen
4 (294.16), Code 1966, is amended by inserting after the word
5 'agreement' in lines two (2) and three (3) the words 'the
6 state department of public instruction, county or joint county
7 board of education, merged area school district, or'."
8 2. By striking from line twenty-five (25) the period (.)
9 and inserting in lieu thereof the words "and certain other
10 governmental agencies".

Filed - *Withdrawn 6-21*
June 19, 1967

By ELY and KIBBIE

1 1. Amend the title by striking all after "Act" in line one
2 (1) and by
3 inserting the following in lieu thereof: "relating to the
4 purchase of annuity
5 contracts for employees of the institutions under the juris-
6 diction of the
7 board of control or of other state agencies."
8 2. By adding the following after the figures (218) in line
9 one (1) of
10 section one (1): "and seventy-nine point fifteen (79.15)".
11 3. By striking all of line four (4) of section one (1) and
12 by inserting
13 in lieu thereof the following: ", the board of control or any
institution
under its jurisdiction or other qualified state agencies".
4. By striking all of lines thirteen (13) and fourteen (14)
of section
one (1) and by inserting in lieu thereof the following: "bene-
fits afforded
under section four hundred three b (403b) (26 USC Sec. 403b)
of the federal
internal revenue code and amendments thereto.

Filed - *Adopted 4-7*
March 9, 1967

By GOVERNMENTAL AFFAIRS COMMITTEE

1 Amend Senate File 334 as amended and passed by the House
2 by adding the following new section to the House Amendment:
3 Sec. 2. Section two hundred ninety-four point sixteen
4 (294.16), Code 1966, is amended by striking from lines two
5 (2) and three (3) the words 'through contractual agreement'
6 and inserting in lieu thereof the words, 'state department
7 of public instruction, county or joint county board of
8 education, or'.
9 Further amend Senate File 334 by inserting after the
10 word "control" in the title the words "and certain other
11 governmental agencies".

Filed - *Withdrawn 6-21*
June 16, 1967

By ELY and KIBBIE

1 Amend Senate File 334 by striking all after the
2 enacting clause and substituting the following:
3 Section 1. Chapter two hundred eighteen (218),
4 Code 1966, is hereby amended by adding the following
5 section:
6 "At the request of an employee through contractual
7 agreement, the board of control or any institution
8 under its jurisdiction may purchase an individual annuity
9 contract for an employee, from such insurance
10 organization authorized to do business in this state
11 and through an Iowa-licensed insurance agent as the
12 employee may select, for retirement or other purposes
13 and may make payroll deductions in accordance with
14 such arrangements for the purpose of paying the entire
15 premium due and to become due under such contract.
16 ~~The deductions shall be made in the manner which will~~
17 qualify the annuity premiums for the benefits afforded
18 under section four hundred three b (403b) of the
19 Internal Revenue Code of 1954 and amendments thereto.
20 The employee's rights under such annuity contract
21 shall be nonforfeitable except for the failure to pay
22 premiums."
23 Amend the title to Senate File 334 by striking
24 from lines two (2) and three (3) the words "or
25 of other state agencies".

Filed. *Senate concurred 6-21*
June 15, 1967

House Amendment

1 Amend the Commerce Committee amendment, Filed May 3, 1967,
2 by inserting in line seven (7) after the word "individual"
3 "or group." the words

Filed and lost
June 14, 1967

S 334
MALONEY of Polk.

1 Amend Senate File 334 by striking everything after the
2 enacting clause and substituting the following:
3 Section 1. Chapter two hundred eighteen (218), Code 1966,
4 is hereby amended by adding the following section:
5 "At the request of an employee through contractual agreement,
6 the board of control or any institution under its jurisdiction
7 may purchase an individual annuity contract for an employee,
8 from such insurance organization authorized to do business
9 in this state and through an Iowa licensed insurance agent
10 as the employee may select, for retirement or other purposes
11 and may make payroll deductions in accordance with such arrange-
12 ments for the purpose of paying the entire premium due and to
13 become due under such contract. The deductions shall be made
14 in the manner which will qualify the annuity premiums for the
15 benefits afforded under section four hundred three b (403b)
16 of the Internal Revenue Code of 1954 and amendments thereto.
17 The employee's rights under such annuity contract shall be non-
18 forfeitable except for the failure to pay premiums."
19 Sec. 2. This Act being deemed of immediate importance, shall
20 take effect and be in full force from and after its publication
21 in ~~The Manchester Press~~, a newspaper published in Manchester,
22 Iowa, and in ~~The Hopkinton Leader~~, a newspaper published in
23 Hopkinton, Iowa.

Filed - *adopted & amended 6-14*
May 3, 1967

COMMITTEE ON COMMERCE.

1 Amend the title to Senate File 334 as follows:
2 1. By striking in line one (1) the word "authorize" and
3 insert in lieu of the words "allow the employees of".
4 2. By striking in line two (2) the words "for employees".

Filed - *adopted, reconsidered, withdrawn 6-14*
May 8, 1967

VAN DRIE of Story.
WINKELMAN of Calhoun.

1 Amend the Commerce Committee Amendment filed May 3
2 to Senate File 334 by striking all of Section 2.

Filed - *adopted 6-14*
June 13, 1967

VAN DRIE of Story.

1 Amend the committee amendment to Senate File 334 filed
2 May 3 as follows:
3 1. By adding the following as Section 2:
4 Sec. 2. Section two hundred ninety-four point
5 sixteen (294.16), Code 1966, is hereby amended by
6 inserting in line three (3) after the word "district"
7 the words ", a county school system, county-employed
8 teachers or a merged-area school district".
9 2. By renumbering Section 2 as Section 3.
10 3. Amend by adding the following amendment to the
11 title:
12 Amend the title by inserting in line one (1)
13 after the second word "of" the words "county boards of
14 education and".

Filed *voted in germane 6-14*
June 14, 1967

MILLER of Jones.

1 Senate File 334 is hereby amended as follows:

2 By striking all after the enacting clause and inserting
3 in lieu thereof the following:

4 Section 1. Chapter two hundred eighteen (218), Code
5 1966, is hereby amended by adding the following subsection:

6 "At the request of an employee through contractual
7 agreement the board of control or any institution under its
8 jurisdiction may purchase an individual annuity contract
9 for an employee, from such insurance organization authorized
10 to do business in this state and through an Iowa licensed
11 insurance agent as the employee may select, for retirement
12 or other purposes and may make payroll deductions in accor-
13 dance with such arrangements for the purpose of paying the
14 entire premium due and to become due under such contract.
15 The deductions shall be made in the manner which will qualify
16 the annuity premiums for the benefits afforded under section
17 four hundred three b (403b) [26 USC Sec 403b] of the federal
18 internal revenue code and amendments thereto. The employee's
19 rights under such annuity contract shall be nonforfeitable
20 except for the failure to pay premiums."

21 Sec. 2. Section seventy-nine point fifteen (79.15),
22 Code 1966, is hereby amended by adding the following sub-
23 section:

24 "At the request of an employee through contractual agree-
25 ment any qualified state agency may purchase an individual
26 annuity contract for an employee, from such insurance organi-
27 zation authorized to do business in this state and through an
28 Iowa licensed insurance agent as the employee may select, for
29 retirement or other purposes and may make payroll deductions
30 in accordance with such arrangements for the purpose of
31 paying the entire premium due and to become due under such
32 contract. The deductions shall be made in the manner which
33 will qualify the annuity premiums for the benefits afforded
34 under section four hundred three b (403b) [26 USC Sec 403b]
35 of the federal internal revenue code and amendments thereto.
36 The employee's rights under such annuity contract shall be
37 nonforfeitable except for the failure to pay premiums."

38 Sec. 3. This Act being deemed of immediate importance,
39 shall take effect and be in full force from and after its
40 publication in The Manchester Press, a newspaper published
41 in Manchester, Iowa, and in The Hopkinton Leader, a news-
42 paper published in Hopkinton, Iowa.

Filed - *Adopted 4-13*
April 12, 1967

PATTON of Delaware.

1 Mr. Speaker: I move to reconsider the vote by which Senate
2 File 334 passed the House.

April 14, 1967 *Withdrawn 4-28*

DODERER of Johnson.

1 Senate File 334, Section 1, is hereby amended by
2 inserting in line nine (9) immediately after the word
3 "agent" the following: ", or broker approved by the board
4 of control,".

Filed *Withdrawn 4-28*
April 18, 1967

PATTON of Delaware.

1 Amend Senate File 334 as amended and passed
2 by the House as follows:
3 1. Section 2, by inserting after the words
4 "qualified state agency" in line five (5) the words
5 "or county board of education".
6 2. By striking the word "state" from the last
7 line of the title and inserting in lieu thereof
8 the word "public".

Filed
April 20, 1967

MILLER of Jones.

1 Amend the House amendment to Senate File 334 as follows:
2 1. By inserting in line five (5) of section one (1) after the
3 word "individual" the words "or group".
4 2. By inserting in line eight (8) of section one (1) after
5 the word "agent" the following: "or broker, approved by the
6 board of control,".
7 3. By striking all of section two (2) and inserting in lieu
8 thereof the following:
9 "Sec. 2. Section seventy-nine point fifteen (79.15), Code
10 1966, is hereby amended by adding the following subsection:
11 'At the request of an employee through contractual agreement
12 any qualified state agency may, with approval of the executive
13 council, purchase an individual or group annuity contract for an
14 employee from (1) such insurance organization authorized to do
15 business in this state and through an Iowa licensed insurance
16 agent or broker, as the employee may select, or (2) any such
17 insurance company organized and operated, without profit to any
18 private shareholder or individual, exclusively for the purpose
19 of aiding educational and scientific institutions organized
20 operated without profit to any private shareholder or individual
21 by issuing insurance and annuity contracts direct from the home
22 office of the company and without agents or representatives in
23 this state only to and for the benefit of such institutions or
24 individuals engaged in the services of such institutions, for
25 retirement or other purposes, and may make payroll deductions in
26 accordance with such arrangements for the purpose of paying the
27 entire premium due and to become due under such contract. The
28 deductions shall be made in the manner which will qualify the
29 annuity premiums for the benefits afforded under section four
30 hundred three b (403b) (26 USC Sec 403b) of the federal internal
31 revenue code and amendments thereto. The employee's rights
32 under such annuity contract shall be nonforfeitable except for
33 the failure to pay premiums.'"

Filed - *Adopted 4-25*
April 21, 1967

PATTON of Delaware.
DODERER of Johnson.

1 Amend the House amendment to Senate File 334 as follows:
2 1. By striking all of Section 2.
3 2. By renumbering the remaining section.

Filed
April 25, 1967

PATTON of Delaware.

1 Amend Senate File 334, Section 1, by inserting in line
2 nine (9) immediately after the word "agent" the following:
3 ", approved by the board of control,".

Filed
April 27, 1967

PATTON of Delaware.