

April 3, 1969  
Passed on File  
*Schools 5-9*

SENATE FILE 593

By COMMITTEE ON SCHOOLS

Passed Senate, Date *5-8-69* Passed House, Date *5-19-69*

Vote: Ayes *41* Nays *2* Vote: Ayes *91* Nays *9*

Approved .....  
*Passed Senate as amended by House 5-22; 48-0.* *Passed House as further amended by Senate 5/25; 98-4*

# A BILL FOR

- 1 An Act to authorize purchase of tax-sheltered annuities for
- 2 employees of county boards of education.
- 3 *Be It Enacted by the General Assembly of the State of Iowa:*
- 4 Section 1. Section two hundred seventy-three point thirteen
- 5 (273.13), Code 1966, is hereby amended by adding the following
- 6 new subsection:
- 7 "Enter into agreements with its employees so as to obtain
- 8 for them the benefit afforded under section four hundred three
- 9 b (403b) of the internal revenue code and amendments thereto.
- 10 The employees' rights under any such annuity contract shall
- 11 be nonforfeitable except for the failure to pay premiums."

## EXPLANATION OF SENATE FILE 593

The purpose of this bill is to better enable county boards of education to retain the services of experienced personnel through the availability of employee benefits similar to those available to local school district employees under section 294.16 of the Code.

- 1 Amend Senate File 593 by adding the following new section:
- 2 1. "Sec. 2. Section two hundred eighty A point twenty-
- 3 three (280A.23), Code 1966, is hereby amended by adding the
- 4 following new subsection:
- 5 'Enter into agreements with its employees so as to obtain
- 6 for them the benefit afforded under section four hundred
- 7 three b (403b) of the Internal Revenue Code and amendments
- 8 thereto. The employees' rights under any such annuity
- 9 contract shall be nonforfeitable except for the failure to
- 10 pay premiums.'"
- 11 2. Further amend by inserting after the word "education"
- 12 in line two (2) of the title the words "and merged area
- 13 schools".

Filed - *Adopted 5-8*  
May 2, 1969

By VAN GILST and BENDA

- 1 Amend the House amendment to Senate File 593 as it appears in the  
2 Senate clip sheet:  
3 1. By striking lines 5 and 6 and inserting in lieu thereof the  
4 words "agreement the board may".  
5 2. By adding a new division as follows after line 20:  
6 "By striking from page 1, line 5, the words and figures  
7 'Code 1966, is' and inserting in lieu thereof the words and figures  
8 ', section two hundred eighty A point twenty-three (280A.23), and  
9 section two hundred fifty-seven point ten (257.10), Code 1966,  
10 are'".  
11 3. By inserting in line 23 after the word "instruction" the  
12 words ", merged area schools".

Filed and adopted  
May 22, 1969

By DODERER and BENDA

HOUSE AMENDMENT TO SENATE FILE 593

- 1 Amend Senate File 593 as follows:  
2 1. By striking all after the word "subsection:" in line  
3 six (6) and inserting in lieu thereof the following:  
4 "At the request of an employee through contractual  
5 agreement, county boards of education, the state board of  
6 public instruction, and boards of merged area schools may  
7 arrange for the purchase of an individual annuity contract  
8 for any of their respective employees from any company  
9 the employee may choose that is authorized to do business  
10 in this state and through an Iowa-licensed insurance agent  
11 that the employee may select, for retirement or other  
12 purposes and may make payroll deductions in accordance  
13 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  
16 qualify the annuity premiums for the benefits afforded  
17 under section four hundred three b (403b) of the Internal  
18 Revenue Code of 1954 and amendments thereto. The employee's  
19 rights under such annuity contract shall be nonforfeitable  
20 except for the failure to pay premiums."  
21 2. Amend the title by inserting after the word  
22 "education" in line two (2) the following: ", the state  
23 board of public instruction,".

*Senate  
concurred  
5-22*

- 1 Amend Senate File 593 by adding the following new section:  
2 1. "Sec. 2. Section two hundred eighty A point twenty-  
3 three (280A.23), Code 1966, is hereby amended by adding the  
4 following new subsection:  
5 'Enter into agreements with its employees so as to obtain  
6 for them the benefit afforded under section four hundred  
7 three b (403b) of the Internal Revenue Code and amendments  
8 thereto. The employees' rights under any such annuity  
9 contract shall be nonforfeitable except for the failure to  
10 pay premiums.'"  
11 2. Further amend by inserting after the word "education"  
12 in line two (2) of the title the words "and merged area  
13 schools".

Filed  
April 30, 1969

*Withdrawn 5-19*

HANSEN of Black Hawk

- 1 Amend Senate File 593, as passed by the Senate, as follows:
- 2 By striking from the bill all after the word "subsection:"
- 3 "At the request of an employee through contractual agreement,
- 4 county boards of education and boards of merged area schools
- 5 may arrange for the purchase of an individual annuity contract
- 6 for an employee from any company the employee may choose that
- 7 is authorized to do business in this state and through an Iowa-
- 8 licensed insurance agent that the employee may select, for
- 9 retirement or other purposes and may make payroll deductions in
- 10 accordance with such arrangements for the purpose of paying the
- 11 entire premium due and to become due under such contract. The
- 12 deductions shall be made in the manner which will qualify the
- 13 annuity premiums for the benefits afforded under section four
- 14 hundred three b (403b) of the Internal Revenue Code of 1954 and
- 15 amendments thereto. The employee's rights under such annuity
- 16 contract shall be nonforfeitable except for the failure to pay
- 17 premiums."

Filed  
May 12, 1969

*Adopted 5-19*

KOCH of Woodbury

- 1 Amend the Koch amendment to Senate File 593, filed May 12,
- 2 1969, as follows:
- 3 1. By inserting after the word "education" in line four
- 4 (4) the words ", the state board of public instruction,".
- 5 2. By striking from line six (6) the words "an employee"
- 6 and inserting in lieu thereof the words "any of their respective
- 7 employees".

Filed  
May 15, 1969

*Adopted 5-19*

WAUGH of Monona

SENATE FILE 593

- 1 Amend the title by inserting after the word "education" in line  
two (2)
- 2 the following: ", the state board of public instruction,".

Filed and adopted ✓  
May 19, 1969

*593*

WAUGH of Monona

SENATE AMENDMENT TO HOUSE AMENDMENT  
TO SENATE FILE 593

- 1 Amend the House amendment to Senate File 593 as follows:
- 2 1. By striking lines 5 and 6 and inserting in lieu thereof the words
- 3 "agreement the board may".
- 4 2. By adding a new division after line 20 as follows:
- 5 "By striking from page 1, line 5, the words and figure
- 6 'Code 1966, is' and inserting in lieu thereof the following:
- 7 ' section two hundred eighty A point twenty-three (280A.23),
- 8 and section two hundred fifty-seven point ten (257.10), Code 1966,
- 9 are'".

Received - *House concurred 5/23*  
May 22, 1969