

FEB 14 1973

HOUSE FILE 206

Place On Calendar

By COMMITTEE ON STATE GOVERNMENT  
(Committee on State Government)

*Vote for 6.7.200 4/26*

Passed House, Date 2-22-73 (395) Passed Senate, Date 2-26-73 (422)

Vote: Ayes 72 Nays 24 Vote: Ayes 29 Nays 15

Approved 3-9-73

## A BILL FOR

1 An Act relating to the age of retirement for a public employee.

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

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

1 Section 1. Chapter ninety-seven B (97B), Code 1973, is  
2 amended by adding the following new section:

3 NEW SECTION. The provisions of section ninety-seven B  
4 point forty-five (97B.45) of the Code shall not be construed  
5 to render invalid any provisions of a policy established by  
6 an employer which prescribes retirement at an age not less  
7 than sixty-five years.

8 Sec. 2. This Act, being deemed of immediate importance,  
9 shall take effect and be in force from and after its  
10 publication in The Ogden Reporter, a newspaper published in  
11 Ogden, Iowa, and in The Mitchellville, a  
12 newspaper published in Mitchellville, Iowa. <sup>Index</sup>

13 EXPLANATION

14 This bill is designed to overcome a question as to the  
15 legality and enforcement of a public employees retirement  
16 policy at age 65, which issue has been raised in Iowa  
17 Attorney General Opinion rendered January 8, 1973.

18 As this ruling pertains to all public school boards in  
19 Iowa who generally have had and practiced a retirement policy  
20 at age 65, and since all public school boards are governed by  
21 contract procedures and datelines of late March and early  
22 April each year as prescribed in Section 279.13 of the Code,  
23 it is imperative that this correction be implemented by  
24 enactment of this bill promptly so as to become effective  
25 not later than March 30, 1973.

26 *Proof of publication 3/26 (6.26)*  
27 *Ogden Reporter 3/14*  
28 *Mitchellville Index 3/22*

29  
30  
31  
32  
33  
34  
35

HOUSE CLIP SHEET

Tuesday, February 20, 1973

HOUSE FILE 206

H-64

1 Amend House File 206 as follows:

2 1. Page 2, by inserting before line 1, the follow-  
3 ing:

4 Section 1. Section ninety-seven B point eleven  
5 (97B.11), Code 1973, is amended to read as follows:

6 97B.11 CONTRIBUTIONS BY EMPLOYER AND EMPLOYEE.

7 Each employer shall deduct from the wages of each member  
8 of the system a contribution in the amount of three  
9 and one-half percent of the covered wages paid by the  
10 employer until the first of the month after the member's  
11 ~~seventieth~~ sixty-fifth birthday or his termination or  
12 retirement from employment, whichever is earlier. The  
13 contributions of the member shall be matched by the  
14 employer.

15 Sec. 2. Section ninety-seven B point forty-one  
16 (97B.41), subsection one (1), paragraph b, subparagraph  
17 four (4), Code 1973, is amended to read as follows:

18 (4) Effective July 1, ~~1967~~ 1973, covered wages shall  
19 not include wages to a member after the first of the  
20 month coinciding with or next following his ~~seventieth~~  
21 sixty-fifth birthday, or after the effective date of  
22 his retirement unless he is re-employed, as provided  
23 under section 97B.48, subsection 3.

24 Sec. 3. Section ninety-seven B point forty-one  
25 (97B.41), subsection eighteen (18), Code 1973, is amended  
26 to read as follows:

27 18. "Membership service" means service rendered  
28 by a member after July 4, 1953, and prior to the first  
29 of the month coinciding with or next following his  
30 ~~seventieth~~ sixty-fifth birthday. Years of membership  
31 service shall be counted to the complete quarter calendar  
32 year.

33 Sec. 4. Section ninety-seven B point forty-five  
34 (97B.45), Code 1973, is amended by striking the section  
35 and inserting in lieu thereof the following:

36 97B.45 RETIREMENT AGE AT SIXTY-FIVE. A member's  
37 normal retirement date shall be the first of the month  
38 coinciding with or next following his sixty-fifth  
39 birthday. A member shall retire after his sixty-fifth  
0 birthday except as otherwise provided in section ninety-  
1 seven B point forty-six (97B.46) of the Code. A member  
42 retiring after his normal retirement date, as provided

43 in section ninety-seven B point forty-six (97B.46) of  
44 the Code, shall submit a written notice to the commission  
45 setting forth the date the retirement is to become  
46 effective, provided that such date shall be after his  
47 last day of service and not before the first day of  
48 the sixth calendar month preceding the month in which  
49 the notice is filed, except that credit for service  
50 shall cease after the normal retirement date.

51 Sec. 5. Section ninety-seven B point forty-six  
52 (97B.46), Code 1973, is amended to read as follows:

53 97B.46 SERVICE AFTER AGE ~~SEVENTY~~ SIXTY-FIVE. A  
54 member may, on the request of the employer, remain in  
55 the active employ of the employer beyond the date he  
56 attains the age of ~~seventy~~ sixty-five for such period  
57 or periods as the employer from time to time shall  
58 approve, provided, however, that credit for such service  
59 shall cease when contributions cease as provided in  
60 section 97B.11. The member shall retire from the  
61 employment of the employer at the end of the last  
62 approved period, on the first day of the month next  
63 following or coinciding with such date. A member  
64 remaining in service past his seventy-second birthday  
65 shall be entitled to receive a retirement allowance  
66 under subsections 2 and 3 of section 97B.49 ~~on-the-first~~  
67 ~~day-of-the-month-within-which-the-notice-is-filed~~  
68 commencing with payment for the calendar month within  
69 which the written notice is submitted to the commission,  
70 except that if he fails to submit the notice on a timely  
71 basis, retroactive payments shall be made for no more  
72 than six months immediately preceding the month in which  
73 the written notice is submitted.

74 Sec. 6. Section ninety-seven B point forty-seven  
75 (97B.47), Code 1973, is amended to read as follows:

76 97B.47 RETIREMENT DATE. A member's early retirement  
77 date shall be the first of any month coinciding with  
78 or following his fifty-fifth birthday and prior to his  
79 normal retirement date, provided such date shall be  
80 after the last day of service. A member may retire  
81 on his early retirement date by submitting written  
82 notice to the commission setting forth the early  
83 retirement date which shall ~~be no more than thirty days~~  
84 prior to the filing of such notice not be before the  
85 first day of the sixth calendar month preceding the  
86 month in which such notice is filed.

87 Sec. 7. Section ninety-seven B point forty-eight  
88 (97B.48), Code 1973, is amended by striking subsections  
89 two (2) and three (3) and inserting in lieu thereof  
90 the following:

91 2. The first monthly payment of a normal retirement  
92 allowance shall be paid as of the normal retirement  
93 effective date, which date shall be the later of the  
94 normal retirement date or the first day of the sixth  
95 calendar month preceding the month in which written  
96 notice of normal retirement is submitted to the  
97 commission. Payment of an early retirement allowance

98 or an allowance for retirement after the normal retire-  
99 ment date shall be paid as of the effective date of  
100 retirement subject to the provisions of sections ninety-  
101 seven B point forty-five (97B.45), ninety-seven B point  
102 forty-six (97B.46), or ninety-seven B point forty-seven  
103 (97B.47) of the Code. The payments shall be continued  
104 thereafter for the lifetime of the retired member except  
105 as provided in subsection three (3) of this section.

106 3. If at any time after the first day of the month  
107 coinciding with or next following his fifty-fifth  
108 birthday and until his sixty-fifth birthday, a member  
109 who is retired under this chapter is in regular full-  
110 time employment, his retirement allowance shall be  
111 suspended for as long as he remains in employment.  
112 However, employment shall not be regarded as full-time  
113 employment until he receives remuneration in an amount  
114 in excess of one thousand eight hundred dollars for  
115 any calendar year. Effective the first of the month  
116 coinciding with or next following his sixty-fifth  
117 birthday, a retired member shall be entitled to receive  
118 a retirement allowance after return to covered employment  
119 regardless of the amount of remuneration received.  
120 As of the first of the month coinciding with or next  
121 following the member's seventy-second birthday, he shall  
122 be entitled to receive a retirement allowance determined  
123 under section ninety-seven B point forty-nine (97B.49)  
124 of the Code, regardless of the amount of remuneration  
125 received. Upon any retirement after reemployment, a  
126 retired member shall be entitled to have his retirement  
127 allowance redetermined under sections ninety-seven B  
128 point forty-eight (97B.48), ninety-seven B point forty-  
129 nine (97B.49), or ninety-seven B point fifty (97B.50)  
130 of the Code, whichever is applicable, based upon the  
131 employee's and his employer's additional contributions,  
132 and any membership service of the employee after his  
133 reemployment and prior to his normal retirement date.  
134 2. By renumbering the remaining sections as needed.

Filed, offered and pending  
February 19, 1973

By SCHROEDER of Pottawattamie

*W. Schroeder 2/22*

H-75

1 Amend House File 206, page 2, line 7 by inserting  
2 after the word "years" the following: " ; provided,  
3 however, that in the application or such a retirement  
4 policy to any particular employee, the burden shall be  
5 on the employer to establish that such required  
6 retirement is based upon the nature of the occupation  
7 or upon the particular employee's inability to properly  
8 perform the function or his employment as a result or  
9 age".

Filed *Feb 2/22*  
February 20, 1973

By O'HALLORAN of Black Hawk

H-73

1 Amend the Schroeder amendment H-64 to House File  
2 206 by striking lines 2 through 134 and inserting  
3 in lieu thereof the following:  
4 Page 2 by inserting after line 7 the following  
5 new paragraph:  
6 Nothing in this Act shall be construed to pre-  
7 vent an employer from retaining an employee in the  
8 active employ of the employer beyond the date the  
9 employee attains the age of sixty-five for such  
10 period or periods as the employer from time to  
11 time shall approve. The employee shall retire from  
12 the employment of the employer at the end of the  
13 last approved period, on the first day of the  
14 month next following or coinciding with such date.

Filed *Withdrawn 2/22*  
February 20, 1973

By BITTLE of Polk

H-77

1 Amend House File 206 as follows:  
2 1. Page 2, line 6, by striking the words "an age  
3 not less" and inserting in lieu thereof the word "age".  
4 2. Page 2, line 7, by striking the word "than".  
5 3. Page 2, by adding after line 7 the following:  
6 "Sec. 2. Section ninety-seven B point forty-five  
7 (97B.45), Code 1973, is amended to read as follows:  
8 97B.45 RETIREMENT AGE AT SIXTY-FIVE. A member's  
9 normal retirement date shall be the first of the month  
10 coinciding with or next following his sixty-fifth  
11 birthday. A member may retire after his normal  
12 retirement date by submitting a written notice to the  
13 commission setting forth the date the retirement is  
14 to become effective, provided that such date shall be  
15 after his last day of service and no more than thirty  
16 days prior to the filing of such notice. A member shall  
17 retire after his ~~seventeenth~~ sixty-fifth birthday unless  
18 on request of the employer he remains in active  
19 employment in the manner provided in section ninety-  
20 seven B point forty-six (97B.46) and except as other-  
21 wise provided in section 97B.46."  
22 4. By renumbering the remaining section.

Filed *Feb 5/22*  
February 20, 1973

By SCHROEDER of Pottawattamie