

Sen. Transp. Amend per 52601 To Pass 2/27 (p. 113)

FEB 8 1990

HOUSE FILE 2338

Place On Calendar

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO H.F. 2125)

Passed House, Date 2/19/90 (p. 449) Passed Senate, Date 3/21/90 (p. 1220)

Vote: Ayes 96 Nays 0 Vote: Ayes 46 Nays 0

Approved April 3, 1990

A BILL FOR

1 An Act relating to special motor vehicle registration plates for
2 recipients of the purple heart medal.

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

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5277, 5260

HF 2338

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1 Section 1. Section 321.34, Code Supplement 1989, is
 2 amended by adding the following new subsection:
 3 NEW SUBSECTION. 13. PURPLE HEART PLATES. The owner of a
 4 motor vehicle subject to registration pursuant to section
 5 321.109, subsection 1, light delivery truck, panel delivery
 6 truck, or pickup who was awarded a purple heart medal by the
 7 United States government for wounds received in military or
 8 naval combat against an armed enemy of the United States, may
 9 upon written application to the department and presentation of
 10 satisfactory proof of the award of the purple heart medal,
 11 order special registration plates. The design of the plates
 12 shall include a representation of a purple heart medal and
 13 ribbon centered on the left side of the plate and the words
 14 "Combat Wounded" centered on the bottom of the plate. The
 15 plates shall be numbered in sequence beginning with 00001.
 16 The application is subject to approval by the department in
 17 consultation with the adjutant general. The special
 18 registration plates shall be issued to the applicant in
 19 exchange for the registration plates previously issued to the
 20 person. The fee for the purple heart plates shall be twenty-
 21 five dollars which shall be in addition to the regular annual
 22 registration fee. The department shall validate the special
 23 plates in the same manner as regular registration plates are
 24 validated under this section.

5260'

EXPLANATION

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 26 This bill allows recipients of a purple heart medal to
 27 receive special motor vehicle registration plates. An
 28 additional fee of \$25 is charged to the purple heart recipient
 29 for the special plates.

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SENATE FILE 2338
FISCAL NOTE

A fiscal note for Senate File 2338 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2338 makes changes to the public retirement systems.

Major changes to Chapter 97A (POR--Peace Officers' Retirement) include:

1. Vesting at ten years (with corresponding change to death benefit and benefit calculation formula).
2. Increasing the pension from 50% to 60% of covered wage, in 2% increments.
3. Reducing the accidental disability pension from 66.6% to 60% of average final compensation.
4. Increasing the surviving spouse's allowance from 50% to 75% of the member's pension allowance.
5. Increasing the pension escalator from 25% to 26% for member and surviving spouse.
6. Allowing members who terminate before vesting to withdraw their contributions plus interest.

Major changes to Chapter 97B (IPERS) include:

1. Treating legislators' daily allowance for nontravel expenses as wages covered by IPERS.
2. Increasing covered wage increment from \$2,000 to \$3,000 annually until the \$40,000 maximum is reached.
3. Allowing Board of Regents employees to elect coverage under another retirement system (TIAA-CREF).
4. Calculating years of prior service by quarters rather than rounding to whole years.
5. Allowing IPERS members who are employed by an area vocational school or area community college to participate in TIAA-CREF as an additional benefit; the employee pays both employee and employer contributions.
6. Allowing any retired member to return to public employment without any earning limitation that would halt payment of pension benefits.
7. Increasing the pension from 50% to 60% of covered wage, in 2% increments.
8. Increasing the retirement dividend.
9. Expanding the correctional officer category to include correctional supervisors and other employees with ongoing, direct contact with inmates.
10. Expanding the definition of peace officer to include Department of Transportation weight officers.
11. Paying for the benefits for weight officers from the Road Use Tax Fund.
12. Accrual of interest on payable death benefit, unless delayed by dispute among heirs.
13. Allowing buy-back of years of service under another public retirement system and veterans credit for up to four years of military service, and easing restrictions on buy-back of IPERS years of service for which

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contributions were withdrawn.

The bill creates Chapter 97D which states the goals for future changes in the public retirement systems.

Chapter 280A.3 is amended to allow employees of area vocational schools and area community colleges to participate in TIAA-CREF by making both employee and employer contributions.

Major changes to Chapter 411 (Police and Fire Fighters) include:

1. Vesting at ten years (with corresponding change to death benefit and benefit calculation formula).
2. Increasing the pension from 50% to 60% of covered wage, in 2% increments.
3. Reducing accidental disability pension from 66.6% to 60.0% of average final compensation.
4. Increasing the surviving spouse's allowance from 50% to 75% of the member's pension allowance.
5. Increasing the pension escalator from 25% to 26% for member and surviving spouse.
6. Allowing members who terminates before vesting to withdraw their contributions plus interest.

Assumptions:

1. Costs are calculated in terms of percentage of covered payroll.
2. Covered payroll is assumed to increase 5% annually. Covered payroll for Chapter 97A systems is \$15,896,486 in FY 1990, and is assumed to be \$16,691,310 in FY 1991 and \$17,525,876 in FY 1992. The Chapter 97B (IPERS) system's covered payroll for FY 1991 is \$2,283,887,280; it is assumed to be \$2,398,081,644. Covered payroll for the Chapter 411 systems is assumed to be \$99,613,027 in FY 1991 and \$104,593,678.
3. The IPERS Trust Fund will have sufficient surpluses to pay for the increased costs.
4. The actuarial calculation for the Chapter 97A increase of the pension from 50% to 60% of covered wage was stated as a single percentage. The actuarial estimate for the same change in Chapters 97B and 411 increase incrementally, i.e., the first year 2% increment costs 0.86% of covered wage, the second year increment costs an additional 0.86% (1.72% cumulative), continuing until 60% of covered wage is reached.
5. Since no change was made to the employee's contribution rate, it assumed that the increased costs will be absorbed in the calculation of the "normal contributions" for the employer's rates.
6. Since the bill contains no General Fund appropriations, it is assumed affected State departments will absorb the costs in their normal budgets.

Fiscal Impact:

The following table shows the cost projections for each change for FY 1991 and FY 1992. The costs for the Chapter 97A changes (Peace Officers Retirement System) will be paid by the employer, i. e., the State or local agencies, as part of their "normal contribution." Chapter 97B (IPERS) will be absorbed by the IPERS Trust Fund. The costs for Section 28 are paid from the Road Use Tax

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Fund for the benefit enhancements for Department of Transportation Weight Officers. The costs to the Chapter 411 systems will be born by the employer as part of the annual "normal contribution.

Bill Sections	Cost for FY 1991	Percentage of Covered	Cost for FY 1992	Percentage of Covered
Chapter 97A Changes:				
1, 2, 3, 5	\$1,215,127	7.28%	\$1,275,884	7.28%
2.6	(\$25,037)	-0.15%	(\$26,289)	-0.15%
4, 6	\$584,196	3.50%	\$613,406	3.50%
8	\$45,067	0.27%	\$47,320	0.27%
Total Chapt. 97A	\$1,819,353	10.90%	\$1,910,320	10.90%
Chapter 97B changes:				
IPERS Trust Fund				
12	\$4,567,775	0.20%	\$4,796,163	0.20%
21, 26	\$19,641,431	0.86%	\$41,247,004	1.72%
22a	\$1,370,332	0.06%	\$1,438,849	0.06%
22b	\$913,555	0.04%	\$959,233	0.04%
24	\$685,166	0.03%	\$719,424	0.03%
25	\$228,389	0.01%	\$239,808	0.01%
33	\$7,993,605	0.35%	\$8,393,286	0.35%
Total IPERS	\$35,400,253	1.55%	\$57,793,768	2.41%
Road Use Tax Fund Costs				
28	\$60,127		\$63,139	
Chapter 411 changes:				
39, 43, 45	\$5,110,148	5.13%	\$5,365,656	5.13%
40, 42, 46	\$199,226	0.20%	\$209,187	0.20%
41	\$4,891,000	4.91%	\$10,271,099	9.82%
41.6	(\$1,364,698)	-1.37%	(\$1,432,933)	-1.37%
44.6a	\$378,530	0.38%	\$397,456	0.38%
44.6b	\$647,485	0.65%	\$679,859	0.65%
47	\$896,517	0.90%	\$941,343	0.90%
Total Chapt. 411	\$10,758,207	10.80%	\$16,431,667	15.71%

Source: Department of Public Safety
IPERS, Department of Personnel
(actuarial assessments provided by each)

(LSB 8375sv, MDF)

FILED MARCH 13, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2338

S-5277

Amend House File 2338, as passed by the House, as follows:

1. Page 1 by inserting before line 1 the following:
"Section 1. Section 321.34, subsection 10, paragraph b, Code Supplement 1989, is amended by adding the following new subparagraph:
NEW SUBPARAGRAPH. (4) In lieu of the letter number designation provided under subparagraphs (1) through (3), the collegiate registration plates may be designated in the manner provided for personalized registration plates under subsection 5, paragraph "a", in the colors designated for the respective universities under subparagraphs (1) through (3).
Sec. 2. Section 321.34, subsection 10, Code Supplement 1989, is amended by adding the following new paragraph:
NEW PARAGRAPH. e. A collegiate registration plate shall not be issued if its combination of alphanumeric characters are identical to those contained on a current personalized registration plate issued under subsection 5. However, the owner of a motor vehicle who has a personalized registration plate issued for the motor vehicle may, after proper application and payment of fees, be issued a collegiate registration plate containing the same alphanumeric characters as those on the personalized plate. Upon receipt of the collegiate registration plates, the owner shall surrender the personalized registration plates to the county treasurer."
2. Title Page, line 2, by inserting after the word "medal" the following: "and to personalized collegiate registration plates".
3. By renumbering as necessary.

By WALLY HORN

S-5277 FILED FEBRUARY 28, 1990

w/d 3/21 (p 1220)

HOUSE FILE 2338

S-5260

Amend House File 2338, as passed by the House, as follows:

1. Page 1, by inserting after line 24 the following:
"Sec. ____.
This Act takes effect January 1, 1991."
2. Title page, line 2, by inserting after the word "medal" the following: "and providing an effective date".
3. Renumber sections as necessary.

By COMMITTEE ON TRANSPORTATION
C. JOSEPH COLEMAN, Chairperson

S-5260 FILED FEBRUARY 27, 1990

w/d 3/2 (p 1214)

plates in the same manner as regular registration plates are validated under this section.

HOUSE FILE 2338

AN ACT

RELATING TO SPECIAL MOTOR VEHICLE REGISTRATION PLATES FOR RECIPIENTS OF THE PURPLE HEART MEDAL.

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

Section 1. Section 321.34, Code Supplement 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 13. PURPLE HEART PLATES. The owner of a motor vehicle subject to registration pursuant to section 321.109, subsection 1, light delivery truck, panel delivery truck, or pickup who was awarded a purple heart medal by the United States government for wounds received in military or naval combat against an armed enemy of the United States, may upon written application to the department and presentation of satisfactory proof of the award of the purple heart medal, order special registration plates. The design of the plates shall include a representation of a purple heart medal and ribbon centered on the left side of the plate and the words "Combat Wounded" centered on the bottom of the plate. The plates shall be numbered in sequence beginning with 00001. The application is subject to approval by the department in consultation with the adjutant general. The special registration plates shall be issued to the applicant in exchange for the registration plates previously issued to the person. The fee for the purple heart plates shall be twenty-five dollars which shall be in addition to the regular annual registration fee. The department shall validate the special

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2338, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House
Approved April 3, 1990

TERRY E. BRANSTAD
Governor

HF 2338