

MAR 9 1995

STATE GOVERNMENT

HOUSE FILE 312  
BY NELSON of Marshall

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the period during which certain employees of  
2 community colleges may file an election for coverage under an  
3 alternative retirement benefits system rather than continuing  
4 coverage under the Iowa public employees' retirement system.

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

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HF 312

1 Section 1. Section 97B.42, unnumbered paragraph 6, Code  
2 1995, is amended to read as follows:  
3 Notwithstanding any other provision of this section,  
4 commencing July 1, 1994, a member who is employed by a  
5 community college may elect coverage under an alternative  
6 retirement benefits system, which is issued by or through a  
7 nonprofit corporation issuing retirement annuities exclusively  
8 to educational institutions and their employees, in lieu of  
9 continuing or commencing contributions to the Iowa public  
10 employees' retirement system, if the board of directors of the  
11 community college has approved the alternative system pursuant  
12 to section 260C.14. However, the employer's annual  
13 contribution in dollars to the alternative retirement benefits  
14 system shall not exceed the annual contribution in dollars  
15 which the employer would contribute if the employee had  
16 elected to remain an active member under this chapter, as set  
17 forth in section 97B.11. A member employed by a community  
18 college who elects coverage under an alternative retirement  
19 benefits system may withdraw the member's accumulated  
20 contributions effective when coverage under the alternative  
21 benefits system commences. A member who is employed by a  
22 community college prior to July 1, 1994, must file an election  
23 for coverage under the alternative retirement benefits system  
24 with the department and the employing community college within  
25 ~~eighteen-months~~ two years of the first day on which coverage  
26 commences under the community college's alternative retirement  
27 benefits system, or the employee shall remain a member under  
28 this chapter and shall not be eligible to elect to participate  
29 in that community college's alternative retirement benefits  
30 system at a later date. Employees of a community college  
31 hired on or after July 1, 1994, must file an election for  
32 coverage under the alternative retirement benefits system with  
33 the department and the employing community college within  
34 sixty days of commencing employment, or the employee shall  
35 remain a member under this chapter and shall not be eligible

1 to elect to participate in that community college's  
2 alternative retirement benefits system at a later date. The  
3 department shall cooperate with the boards of directors of the  
4 community colleges to facilitate the implementation of this  
5 provision.

6 EXPLANATION

7 This bill extends from 18 months to two years the period  
8 during which an individual who commenced employment with a  
9 community college prior to July 1, 1994, may file an election  
10 so that the employee is covered under an alternative re-  
11 tirement benefits system rather than the Iowa public  
12 employees' retirement system. The election must be filed with  
13 both the department of personnel and the community college.

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