

3/13/95 State Gov.

FILED MAR 13 1995

SENATE FILE 310
BY FINK

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the requirements for a member to be eligible
2 for benefits under the Iowa public employees' retirement
3 system by defining the first month of entitlement, and
4 providing effective and retroactive applicability date
5 provisions.

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

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S.F. 310

1 Section 1. Section 97B.41, subsection 14, Code 1995, is
2 amended to read as follows:

3 14. "Retired member" means a member who has applied for
4 ~~and-commenced-receiving~~ the member's retirement allowance and
5 has attained at least the first day of the member's first
6 month of entitlement.

7 Sec. 2. Section 97B.41, Code 1995, is amended by adding
8 the following new subsection:

9 NEW SUBSECTION. 9A. "First month of entitlement" means
10 the first month for which a member is qualified to receive
11 retirement benefits under this chapter. Effective January 1,
12 1992, a member who meets all of the following requirements is
13 qualified to receive retirement benefits under this chapter:

14 a. If the member has not attained seventy years of age,
15 has terminated employment with all of the member's employers,
16 as employer is defined in this section, effective on the date
17 of the member's retirement.

18 b. Has filed a completed application for benefits which
19 has been approved by the department.

20 c. Has attained the month for which the member's first
21 retirement allowance is issued by the system.

22 Sec. 3. Section 97B.51, subsection 2, Code 1995, is
23 amended to read as follows:

24 2. The election by a member ~~or-the-contingent-annuitant~~ of
25 the option stated under subsection 1 of this section shall be
26 null and void if the member dies prior to the department
27 ~~issuing-payment-of-the-member's-first-retirement-allowance~~
28 member's first month of entitlement.

29 Sec. 4. Section 97B.52, subsections 1 and 2, Code 1995,
30 are amended to read as follows:

31 1. If a member dies prior to the ~~date-the member's first~~
32 ~~retirement-allowance-is-issued-by-the-system~~ first month of
33 entitlement, the accumulated contributions of the member at
34 the date of death plus the product of an amount equal to the
35 highest year of covered wages of the deceased member and the

1 number of years of membership service divided by thirty shall
2 be paid to the member's beneficiary in a lump sum payment.
3 However, a lump sum payment made to a beneficiary under this
4 subsection due to the death of a member shall not be less than
5 the amount that would have been payable on the death of the
6 member on June 30, 1984, under this subsection as it appeared
7 in the 1983 Code.

8 Effective July 1, 1978, a method of payment under this
9 subsection filed with the department by a member does not
10 apply.

11 2. If a member dies on or after the ~~date-the-member's~~
12 ~~first-retirement-allowance-is-issued-by-the-retirement-system~~
13 first day of the member's first month of entitlement, the
14 excess, if any, of the accumulated contributions by the member
15 as of said date, over the total monthly retirement allowances
16 received by the member under the retirement system will be
17 paid to the member's beneficiary unless the retirement
18 allowance is then being paid in accordance with subsection 1,
19 4, 5, or 6 of section 97B.51.

20 Sec. 5. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
21 This Act, being deemed of immediate importance, takes effect
22 upon enactment and applies retroactively to January 1, 1992.

23 EXPLANATION

24 This bill adds a definition for the first month of
25 entitlement, for a member retiring under the Iowa public
26 employees' retirement system. A member who has terminated
27 employment (if under 70 years of age), who has been approved
28 for benefits by the department of personnel, and who has
29 attained the month for which the member's first retirement
30 allowance is issued has reached the first month of entitlement
31 and is eligible to receive benefits.

32 The bill takes effect immediately and is retroactive to
33 January 1, 1992.

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