4-7-97 Rereferred to Judición

MAR 1 8 1997

Place On Calendar

HOUSE FILE COMMITTEE ON JUDICIARY BY

(SUCCESSOR TO HF 595)

Passed	House,	Date	Passed	Senate,	Date	
Vote:	Ayes	Nays	Vote:	Ayes	Nays	B
	P	Approved			_	

A BILL FOR

1 An Act concerning compliance with the terms of an employee 2

pension plan and providing a penalty.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: 4

8-1268

HOUSE FILE 664

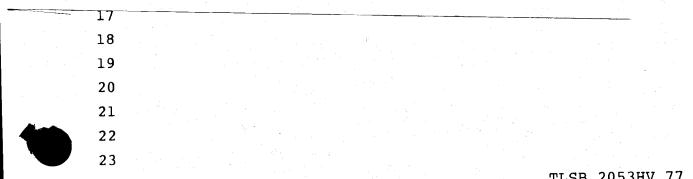
1 Amend House File 664 as follows:

1. Page 1, line 2, by inserting before the word 2 3 "PENALTY" the following: "CIVIL".

2. Page 1, lines 15 and 16, by striking the words 4 5 "commits a serious misdemeanor" and inserting the 6 following: "shall be subject to a civil penalty of an 7 amount equivalent to ten percent of the contributions 8 of employees not timely deposited. The civil penalty 9 shall be recovered by the county attorney of the 10 county where the violation occurred".

By MILLAGE of Scott

H-1268 FILED MARCH 20, 1997



TLSB 2053HV 77 ec/sc/14

H.F. 664 S.F.

1 Section 1. <u>NEW SECTION</u>. 730.6 EMPLOYEE PENSION PLANS --2 PENALTY.

3 1. For purposes of this section:

4 a. "Employee pension plan" means a qualified pension plan
5 subject to the requirements of section 401(k) of the Internal
6 Revenue Code.

b. "Timely deposit" means within a period of time
8 consistent with federal requirements governing the time
9 employers are required to deposit an employee's pension
10 contribution into an employee pension plan.

11 2. A person who fails to timely deposit an employee's 12 contributions following a payroll deduction of the 13 contribution from the employee's pay into the employee pension 14 plan for the employee violates this section.

15 3. A person who violates this section commits a serious16 misdemeanor.

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EXPLANATION

This bill provides that a person commits a serious 19 misdemeanor if the person fails to timely deposit an 20 employee's contribution made through a payroll deduction into 21 an employee pension plan. An employee pension plan is defined 22 as a qualified plan under section 401(k) of the Internal 23 Revenue Code. Timely deposit is defined consistently with 24 federal requirements.

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