House Study Bill 106

Bill Text

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Section 1. Section 12B.10, subsection 6, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. Investments under the deferred compensation plan established by the executive council pursuant to section 509A.12.

Sec. 2. Section 12B.10A, subsection 6, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. The deferred compensation plan established by the executive council pursuant to section 509A.12.

Sec. 3. Section 12B.10B, subsection 3, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. The deferred compensation plan established by the executive council pursuant to section 509A.12.

Sec. 4. Section 12B.10C, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 7. The deferred compensation plan established by the executive council pursuant to section 509A.12.

Sec. 5. Section 12C.1, subsection 1, Code 1997, is amended to read as follows:

1. All funds held ~~in the hands of~~ by the following officers or institutions shall be deposited in one or more depositories first approved by the appropriate governing body as indicated: For the treasurer of state, by the executive council; for judicial officers and court employees, by the supreme court; for the county treasurer, recorder, auditor, and sheriff, by the board of supervisors; for the city treasurer or other designated financial officer of a city, by the city council; for the county public hospital or merged area hospital, by the board of hospital trustees; for a memorial hospital, by the memorial hospital commission; for a school corporation, by the board of school directors; for a city utility or combined utility system established under chapter 388, by the utility board; for a regional library established under chapter 256, by the regional board of library trustees; and for an electric power agency as defined in section 28F.2, by the governing body of the electric power agency. However, the treasurer of state and the treasurer of each political subdivision or the designated financial officer of a city shall invest all funds not needed for current operating expenses in time certificates of deposit in approved depositories pursuant to this chapter or in investments permitted by section 12B.10. The list of public depositories and the amounts severally deposited in the depositories are matters of public record. This subsection does not limit the definition of "public funds" contained in subsection 2. Notwithstanding provisions of this section to the contrary, public funds of a state government deferred compensation plan established by the executive council may also be invested in the investment products authorized under section 509A.12.

Sec. 6. Section 49.20, Code 1997, is amended to read as follows:

49.20 COMPENSATION OF MEMBERS.

The members of election boards shall be deemed temporary ~~state~~ county employees ~~who are compensated by the county in which they serve,~~ and shall receive compensation at a rate established by the county board of supervisors, which shall be not less than three dollars and fifty cents per hour, while engaged in the discharge of their duties and shall be reimbursed for actual and necessary travel expense, except that persons who have advised the commissioner prior to their appointment to the election board that they are willing to serve without pay at elections conducted for any school district or a city of three thousand five hundred or less population, shall receive no compensation for service at those elections. Compensation shall be paid to members of election boards only after the vote has been canvassed and it has been determined in the course of the canvass that the election record certificate has been properly executed by the election board.

Sec. 7. Section 70A.31, Code 1997, is amended to read as follows:

70A.31 ELIGIBILITY.

The phased retirement incentive program requires that participants agree to work a maximum of thirty-two hours per week and a minimum of twenty hours per week for the first ~~year~~ four years after entering the program. After the fourth year of participation in the program, participants shall agree to work a maximum of twenty hours per week. Participants shall agree to retire from state government employment effective on the last day of their fifth year of participation in the program.

Sec. 8. Section 70A.32, subsection 4, Code 1997, is amended to read as follows:

4. Continuation of membership in the state employees disability insurance program. During the five-year period, monthly earnings of the employee for purposes of the disability insurance program shall equal the monthly earnings as if the participant were a full-time employee.

Sec. 9. Section 70A.33, unnumbered paragraph 1, Code 1997, is amended to read as follows:

A state employee meeting the requirements of section 70A.31 may file a request to participate in the program with the head of the employee's state department, agency, or commission. The employee shall specify the number of hours per week the employee intends to work for each of the five years of participation, subject to the requirements of section 70A.31. Participation in the program is dependent upon the approval of the head of the department, agency, or commission. The cost to the state department, agency, or commission shall be paid from the funds appropriated to the department, agency, or commission for salaries, support, maintenance, and miscellaneous purposes.

Sec. 10. Section 509A.12, unnumbered paragraph 1, Code 1997, is amended to read as follows:

~~At the request of an employee, the governing body or the county board of supervisors shall by contractual agreement acquire an individual or group life insurance contract, annuity contract, interest in a mutual fund, security, or any other deferred payment contract for the purpose of funding a deferred compensation program.~~ A governing body or county board of supervisors may establish a deferred compensation program under this section. The contributions made on behalf of an employee who chooses to participate in the program shall be invested at the direction of the employee in a life insurance contract, annuity contract, mutual fund, security, or any other deferred payment contract offered as an investment option under the program. The contract acquired for an employee shall be in accordance with the plan document and shall be acquired from ~~any~~ a company, or a salesperson for that company, that is authorized to do business in this state~~,~~ ~~or through an Iowa-licensed salesperson that the employee selects on a group or individual basis~~. When the state of Iowa acquires an investment product pursuant to the plan document the state does not become a shareholder, stockholder, or owner of a corporation in violation of Article VIII, section 3, of the Constitution of the State of Iowa or any other provision of law.

EXPLANATION

This bill concerns investment guidelines for state deferred compensation and phased retirement plans, and makes changes in the classification of local election board members.

The bill adds state deferred compensation plans established by the executive council to the list of entities exempt from public fund investment standards, maturity and procedural limitations, written investment policy requirements, and regulation of public fund custodial agreements established in Code sections 12B.10, 12B.10A, 12B.10B, and 12B.10C, respectively. The bill also provides that public funds invested for purposes of a state deferred compensation plan may be invested in a deferred compensation investment product authorized in Code section 509A.12. The bill modifies the eligibility provisions contained in Code section 70A.31 for employees participating in the phased retirement program to provide that they must retire at the end of the fifth year in the program.

The bill amends Code section 49.20 to provide that members of local election boards shall be classified as temporary county employees rather than temporary state employees.

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