JAN 3 1 2000

STATE GOVERNMENT

HOUSE FILE 2098

BY DIX and BRUNKHORST

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to Iowa public employees' retirement system
2 coverage and eligibility for benefits for elected officials.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 Section 1. Section 97B.1A, subsection 8, paragraph a,
2 subparagraph (1), Code 1999, is amended to read as follows:
3 (1) Elective officials in positions for which the
4 compensation is on a fee basis, elective officials of school
5 districts, elective officials of townships, and elective
6 officials of other political subdivisions who are in part-time
7 positions. An elective official covered under this chapter
8 may terminate membership under this chapter by informing the
9 department in writing of the expiration of the member's term
10 of office <u>or by informing the department of the member's</u>
11 <u>intent to terminate membership for employment as an elective</u>
12 <u>official and establishing that the member has a bona fide</u>
13 <u>termination of employment from all employment covered under</u>
14 <u>this chapter other than as an elective official and that the</u>
15 <u>member has filed a completed application for benefits form</u>
16 <u>with the department</u>. A county attorney is an employee for
17 purposes of this chapter whether that county attorney is
18 employed on a full-time or part-time basis.
19 Sec. 2. Section 97B.52A, subsection 1, paragraph b, Code
20 1999, is amended to read as follows:
21 b. For a member whose first month of entitlement is July
22 1998 or later, the member does not return to any employment
23 with a covered employer until the member has qualified for no
24 fewer than four calendar months of retirement benefits. <u>For</u>
25 <u>purposes of this paragraph, effective July 1, 2000, any</u>
26 <u>employment with a covered employer does not include employment</u>
27 <u>as an elective official or member of the general assembly if</u>
28 <u>the member is not covered under this chapter for that</u>
29 <u>employment.</u>
30 Sec. 3. Section 97B.52A, subsection 2, Code 1999, is
31 amended to read as follows:
32 2. A member may commence receiving retirement benefits
33 under this chapter upon satisfying eligibility requirements.
34 However, a retired member who commences receiving a retirement
35 allowance but ~~returns to employment before qualifying for no~~

1 ~~fewer than four calendar months of retirement benefits~~ fails
2 to meet the applicable requirements of subsection 1 does not
3 have a bona fide retirement and any retirement allowance
4 received by such a member must be returned to the system
5 together with interest earned on the retirement allowance
6 calculated at a rate determined by the department. Until the
7 member has repaid the retirement allowance and interest, the
8 department may withhold any future retirement allowance for
9 which the member may qualify.
10 EXPLANATION
11 This bill relates to optional coverage for certain elective
12 officials under the Iowa public employees' retirement system
13 and for the ability of elective officials and members of the
14 general assembly to remain in the elected position and receive
15 a retirement allowance under IPERS following termination of
16 other employment covered under IPERS.
17 Code section 97B.1A, subsection 8, paragraph "a",
18 subparagraph (1), which provides for the ability of an elected
19 official to opt for coverage, is amended to allow an elected
20 official who has opted to be covered under IPERS to opt out of
21 coverage while still in office. Specifically, the bill
22 permits an official to opt out of IPERS coverage if the
23 official terminates employment from all employment covered
24 under this chapter other than as an elective official and
25 applies to receive a retirement benefit.
26 Code section 97B.52A, concerning bona fide retirement, is
27 modified to permit an elective official or member of the
28 general assembly to remain in that position and still receive
29 a retirement allowance following termination of other covered
30 employment so long as the elective official or member of the
31 general assembly is not receiving IPERS coverage for the
32 elected position.
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