

FILED FEB 24 1999

SENATE FILE 223

BY REHBERG

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to a bona fide retirement under the Iowa public  
2 employees' retirement system.

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

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SF 223  
STATE GOVERNMENT

1 Section 1. Section 97B.52A, Code 1999, is amended to read  
2 as follows:

3 97B.52A ELIGIBILITY FOR BENEFITS -- BONA FIDE RETIREMENT.

4 1. A member has a bona fide retirement when the member  
5 terminates all employment covered under the chapter or  
6 formerly covered under the chapter pursuant to section 97B.42,  
7 files a completed application for benefits form with the  
8 department, survives into the month for which benefits are  
9 first payable, and meets the following applicable requirements:

10 a. ~~For a member whose first month of entitlement is prior~~  
11 ~~to July 17, 1998, the member~~ does not return to covered  
12 employment until the member has qualified for no fewer than  
13 four calendar months of retirement benefits.

14 b. ~~For a member whose first month of entitlement is July~~  
15 ~~1998 or later, the member does not return to any employment~~  
16 ~~with a covered employer until the member has qualified for no~~  
17 ~~fewer than four calendar months of retirement benefits.~~

18 2. A member may commence receiving retirement benefits  
19 under this chapter upon satisfying eligibility requirements.  
20 However, a retired member who commences receiving a retirement  
21 allowance but returns to employment before qualifying for no  
22 fewer than four calendar months of retirement benefits does  
23 not have a bona fide retirement and any retirement allowance  
24 received by such a member must be returned to the system  
25 together with interest earned on the retirement allowance  
26 calculated at a rate determined by the department. Until the  
27 member has repaid the retirement allowance and interest, the  
28 department may withhold any future retirement allowance for  
29 which the member may qualify.

30 3. A member ~~whose first month of entitlement is before~~  
31 ~~July 1998 and~~ who terminates covered employment but maintains  
32 an employment relationship with an employer that made  
33 contributions to the system on the member's behalf does not  
34 have a bona fide retirement until all employment, including  
35 employment which is not covered by this chapter, with such

1 employer is terminated for at least thirty days. In order to  
2 receive retirement benefits, the member must file a completed  
3 application for benefits form with the department before  
4 returning to any employment with the same employer.

5 EXPLANATION

6 This bill provides, under the Iowa public employees'  
7 retirement system (IPERS), that a person may continue to  
8 receive a retirement allowance unless the person returns to  
9 employment with the same employer within 30 days or returns to  
10 employment covered by IPERS for four months after the person's  
11 retirement. Current law does not allow a person to continue  
12 to receive a retirement allowance if they return to any  
13 employment, whether covered under IPERS or not, with an  
14 employer covered by IPERS within four months after retirement.

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