

FILED MAR 6 '03

SENATE FILE 318  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO SSB 1114)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

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

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

SF 318

1 Section 1. Section 97B.52A, subsection 1, paragraph c,  
2 Code 2003, is amended to read as follows:

3 c. For a member whose first month of entitlement is July  
4 2000 or later, but before July 2003, the member does not  
5 return to any employment with a covered employer until the  
6 member has qualified for at least one calendar month of  
7 retirement benefits, and the member does not return to covered  
8 employment until the member has qualified for no fewer than  
9 four calendar months of retirement benefits. ~~For purposes of  
10 this paragraph, effective July 1, 2000, any employment with a  
11 covered employer does not include employment as an elective  
12 official or member of the general assembly if the member is  
13 not covered under this chapter for that employment.~~

14 Sec. 2. Section 97B.52A, subsection 1, Code 2003, is  
15 amended by adding the following new paragraphs:

16 NEW PARAGRAPH. d. For a member whose first month of  
17 entitlement is July 2003 or later, the member does not return  
18 to any employment with a covered employer until the member has  
19 qualified for at least one calendar month of retirement  
20 benefits.

21 NEW PARAGRAPH. e. For purposes of this subsection,  
22 effective July 1, 2000, any employment with a covered employer  
23 does not include employment as an elective official or member  
24 of the general assembly if the member is not covered under  
25 this chapter for that employment.

26 EXPLANATION

27 This bill provides that a person who retires and receives a  
28 retirement allowance under the Iowa public employees'  
29 retirement system (IPERS) on July 2003, or later may return to  
30 employment that is covered by IPERS after having qualified for  
31 one calendar month of retirement benefits and still receive  
32 retirement benefits. Under current law, a person can return  
33 to noncovered employment with an IPERS covered employer after  
34 one month but must wait four months to return to employment  
35 covered by IPERS.

---

SF 318 - IPERS Waiting Period (LSB 1956 SV)  
Analyst: Ron Robinson (Phone: (515) 281-6256) (ron.robinson@legis.state.ia.us)  
Fiscal Note Version — New

---

**Description**

Senate File 318 provides that a person, who retires and begins receiving a retirement allowance under the Iowa Public Employees' Retirement System (IPERS) after June 2003, may return to IPERS' covered employment after one month of retirement benefits, instead of the current four months of retirement, and continue to receive retirement benefits after re-employment with an IPERS covered employer.

**Assumptions**

1. The Iowa Public Employees' Retirement System (IPERS) has not yet been able to determine the fiscal impact on the IPERS' Fund, in terms of possible additional benefits being paid from the Fund, due to a shorter waiting period.
2. Changes will need to be made in the IPERS' computer system to properly record the status of the re-employed members.
3. A member who has an agreement to be re-hired before the member begins taking retirement benefits does not qualify for retirement benefits.
4. The IPERS' staff will need to verify the member's retirement and investigate when complaints are received about members having an agreement to be re-hired before the member takes retirement.

**Fiscal Impact**

The estimated fiscal impact of SF 318 on the Iowa Public Employees' Retirement System (IPERS) Fund is approximately \$370,000 in FY 2004, and \$135,000 annually thereafter, for additional administrative expenses.

The fiscal impact of additional benefits being paid from the Fund, due to a shorter waiting period, cannot be determined at this time due to insufficient information.

**Source**

Iowa Public Employees' Retirement System (IPERS)

\_\_\_\_\_  
/s/ Dennis C Prouty

\_\_\_\_\_  
March 19, 2003

---

Drake  
Kibbie  
Tinsman

State Government

SSB 1114

SENATE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON STATE  
GOVERNMENT BILL BY  
CHAIRPERSON ZIEMAN)

Succeeded By  
SP/HF 318

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

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

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

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

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the establishment of a bona fide retirement  
2 under the Iowa public employees' retirement system.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

1 Section 1. Section 97B.52A, subsection 1, paragraph c,  
2 Code 2003, is amended to read as follows:

3 c. For a member whose first month of entitlement is July  
4 2000 or later, but before July 2003, the member does not  
5 return to any employment with a covered employer until the  
6 member has qualified for at least one calendar month of  
7 retirement benefits, and the member does not return to covered  
8 employment until the member has qualified for no fewer than  
9 four calendar months of retirement benefits. ~~For purposes of~~  
10 ~~this paragraph, effective July 1, 2000, any employment with a~~  
11 ~~covered employer does not include employment as an elective~~  
12 ~~official or member of the general assembly if the member is~~  
13 ~~not covered under this chapter for that employment.~~

14 Sec. 2. Section 97B.52A, subsection 1, Code 2003, is  
15 amended by adding the following new paragraphs:

16 NEW PARAGRAPH. d. For a member whose first month of  
17 entitlement is July 2003 or later, the member does not return  
18 to any employment with a covered employer until the member has  
19 qualified for at least one calendar month of retirement  
20 benefits.

21 NEW PARAGRAPH. e. For purposes of this subsection,  
22 effective July 1, 2000, any employment with a covered employer  
23 does not include employment as an elective official or member  
24 of the general assembly if the member is not covered under  
25 this chapter for that employment.

26 EXPLANATION

27 This bill provides that a person who retires and receives a  
28 retirement allowance under the Iowa public employees'  
29 retirement system (IPERS) on July 2003, or later may return to  
30 employment that is covered by IPERS after having qualified for  
31 one calendar month of retirement benefits and still receive  
32 retirement benefits. Under current law, a person can return  
33 to noncovered employment with an IPERS covered employer after  
34 one month but must wait four months to return to employment  
35 covered by IPERS.