

Senate Study Bill 1021 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON SMITH)

A BILL FOR

1 An Act authorizing a retirement system merger relating to an
2 alternative retirement system for certain school district
3 employees.

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

1 Section 1. Section 97B.42C, Code 2017, is amended to read
2 as follows:

3 **97B.42C Retirement system merger — ~~municipal utility~~**
4 **~~retirement system.~~**

5 A municipal water utility or waterworks that has established
6 a pension and annuity retirement system for its employees
7 pursuant to chapter 412, or a school district that has
8 established a pension and annuity retirement system for its
9 employees pursuant to chapter 294, may adopt a resolution to
10 authorize the merger of its pension and annuity retirement
11 system with and into the Iowa public employees' retirement
12 system. The system is authorized, but is not required, to
13 accept such a proposal. The governing body of the municipal
14 water utility or waterworks or school district and the Iowa
15 public employees' retirement system shall, acting in their
16 fiduciary capacities, mutually determine the terms and
17 conditions of such a merger, including any additional funds
18 necessary to fund the service credits being transferred to the
19 Iowa public employees' retirement system, and either party
20 may decline the merger if they cannot agree on such terms and
21 conditions. The system shall adopt such rules as it deems
22 necessary and prudent to effectuate mergers as provided by this
23 section.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 This bill authorizes the merger of a pension and annuity
28 retirement system for school district employees established
29 pursuant to Code chapter 294 with the Iowa public employees'
30 retirement system (IPERS). The bill authorizes the governing
31 body of the school district with an alternative retirement
32 system to adopt a resolution to authorize the merger. IPERS
33 is authorized, but not required, to accept the proposal to
34 merge subject to agreement by both parties of all terms and
35 conditions relative to the merger.