

Senate File 2215 - Introduced

SENATE FILE 2215

BY ZAUN

A BILL FOR

1 An Act relating to public retirement systems by allowing for
2 the forfeiture of certain portions of the pension of a
3 public employee who commits felony theft from a public
4 employer.

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

1 Section 1. NEW SECTION. 97E.1 Revocation of rights to
2 pension.

3 1. As used in this section:

4 a. "*Bona fide retirement*" means the retirement of a vested
5 member of the system who is eligible to receive benefits under
6 the system.

7 b. "*Conviction*" means a plea of guilty or a verdict of
8 guilty.

9 c. "*Public employee*" means any individual employed by a
10 public employer and who is entitled to a pension under chapter
11 97A, 97B, 411, or 602. "*Public employee*" includes a public
12 official as defined in section 68B.2.

13 d. "*Public employer*" means the state, its boards,
14 commissions, agencies, and departments, and its political
15 subdivisions including school districts and other special
16 purpose districts.

17 e. "*System*" means the Iowa department of public safety peace
18 officers' retirement, accident, and disability system under
19 chapter 97A; the Iowa public employees' retirement system under
20 chapter 97B; the municipal fire and police retirement system
21 under chapter 411; and the judicial retirement system under
22 chapter 602.

23 f. "*Theft*" means an offense classified as a felony under
24 section 714.2.

25 2. In addition to any other penalties provided by law, upon
26 the conviction of a public employee for theft from a public
27 employer, the public employee shall lose all rights in and to
28 the public employee's pension under a system prior to a bona
29 fide retirement and the pension shall be revoked by the system.

30 3. If a public employee is convicted of theft from a
31 public employer, the clerk of the district court shall notify
32 the applicable system that a public employee has been so
33 convicted. Any accumulated contributions made by the public
34 employee to the system that have not already been returned to
35 the public employee shall be returned to the public employee.

1 Any benefits received by the public employee in excess of
2 the public employee's contributions shall be returned to the
3 system.

4 4. The portion of the revoked pension that is not
5 attributable to contributions made to the system by the public
6 employee shall be considered property subject to forfeiture
7 under chapter 809A, and the public employee shall not be
8 entitled to such portion of the pension as a matter of law, and
9 the system shall proceed under the procedures of chapter 809A
10 to seize such portion of the pension.

11 5. This section shall not be construed in a manner that
12 impairs the rights of any individual under a marital property,
13 spousal support, or child support order. In addition, this
14 section shall not be construed to impair the statutory rights
15 of a governmental entity, including but not limited to the
16 right of a governmental entity to collect an amount from the
17 public employee for deposit in the victim compensation fund
18 established in chapter 915.

19 Sec. 2. Section 602.8102, Code 2024, is amended by adding
20 the following new subsection:

21 NEW SUBSECTION. 16. Notify the applicable system as defined
22 in section 97E.1 of a felony theft conviction by a public
23 employee from a public employer as required in section 97E.1,
24 subsection 3.

25 Sec. 3. Section 809A.4, Code 2024, is amended by adding the
26 following new subsection:

27 NEW SUBSECTION. 6A. The portion of a revoked pension not
28 attributable to the contributions of a public employee as
29 described in section 97E.1.

30 Sec. 4. Section 901.5, Code 2024, is amended by adding the
31 following new subsection:

32 NEW SUBSECTION. 15. If the defendant is a public employee
33 convicted of felony theft from a public employer as described
34 in section 97E.1, the court shall inform the defendant that
35 portions of the pension of the public employee are subject

1 to revocation pursuant to section 97E.1 and forfeiture under
2 chapter 809A.

3

EXPLANATION

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

6 This bill relates to public retirement systems by allowing
7 for the forfeiture of certain portions of the pension of
8 a public employee who commits felony theft from a public
9 employer.

10 The bill defines "public employee" to mean an individual
11 employed by a public employer and who is entitled to a pension
12 under Code chapter 97A (Iowa department of public safety peace
13 officers' retirement, accident, and disability system), 97B
14 (Iowa public employees' retirement system), 411 (municipal fire
15 and police retirement system), or 602 (judicial retirement
16 system). "Public employee" also includes a public official as
17 defined in Code section 68B.2.

18 In addition to any other penalties provided by law, the
19 bill provides that upon the conviction of a public employee
20 for theft from a public employer for which the penalty is a
21 felony, the public employee shall lose all rights in the public
22 employee's pension under a public retirement system prior to a
23 bona fide retirement and the pension shall be revoked by the
24 system.

25 If convicted, the clerk of the district court is required
26 to notify the applicable retirement system. Any accumulated
27 contributions made by the public employee to the system shall
28 be returned to the public employee. Any benefits received
29 by the public employee in excess of the public employee's
30 contributions shall be returned to the system.

31 Under the bill, the portion of the revoked pension that
32 is not attributable to contributions made to the system by
33 the public employee shall be considered property subject to
34 forfeiture under Code chapter 809A, and the system shall
35 proceed under the procedures of Code chapter 809A to seize such

1 portion of the pension.

2 The bill shall not be construed in a manner that impairs
3 the rights of any individual under a marital property,
4 spousal support, or child support order. In addition,
5 this section shall not be construed to impair the statutory
6 rights of a governmental entity to collect an amount from the
7 public employee for deposit in the victim compensation fund
8 established in Code chapter 915.