

**House File 2387 - Introduced**

HOUSE FILE 2387  
BY MEGGERS

**A BILL FOR**

1 An Act relating to early retirement benefits for members of the  
2 peace officers' retirement, accident, and disability system.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 97A.6, subsection 2A, Code 2026, is  
2 amended to read as follows:

3 2A. *Early retirement benefits.*

4 a. Notwithstanding the calculation of the service retirement  
5 allowance under subsection 2, beginning July 1, 1996 2026, a  
6 member who has completed ~~twenty-two~~ twenty-five years or more  
7 of creditable service and is at least fifty years of age, but  
8 less than fifty-five years of age, who has otherwise completed  
9 the requirements for retirement under subsection 1, may retire  
10 and receive a reduced service retirement allowance pursuant to  
11 this subsection. ~~The service retirement allowance for a member~~  
12 ~~less than fifty-five years of age shall be calculated in the~~  
13 ~~manner prescribed in subsection 2, except that the percentage~~  
14 ~~multiplier of the member's average final compensation used in~~  
15 ~~the determination of the service retirement allowance shall be~~  
16 ~~reduced by the board of trustees pursuant to paragraph "b".~~

17 b. ~~On July 1, 1996, and on each July 1 thereafter, the~~  
18 ~~board of trustees shall determine for the respective fiscal year~~  
19 ~~the percent by which the percentage multiplier under subsection~~  
20 ~~2 shall be reduced for each month that a member's retirement~~  
21 ~~date precedes the member's fifty-fifth birthday. The board~~  
22 ~~of trustees shall make this determination based upon the most~~  
23 ~~recent actuarial valuation of the system, the calculation of the~~  
24 ~~actuarial cost for each month of retirement of a member prior to~~  
25 ~~age fifty-five, and the premise that the provision of a service~~  
26 ~~retirement allowance to a member who is less than fifty-five~~  
27 ~~years of age will not result in any increase in cost to the~~  
28 ~~system.~~

29 (1) A member who has completed at least twenty-five years of  
30 creditable service but less than thirty-two years shall receive  
31 a reduced service retirement allowance of eighty-four percent of  
32 the amount calculated in the manner prescribed in subsection 2.

33 (2) A member who has completed at least thirty-two years of  
34 creditable service but less than thirty-four years shall receive  
35 a reduced service retirement allowance of eighty-eight percent of

1 the amount calculated in the manner prescribed in subsection 2.

2 (3) A member who has completed thirty-four years or more of  
3 creditable service shall receive a reduced service retirement  
4 allowance of ninety percent of the amount calculated in the  
5 manner prescribed in subsection 2.

6 b. On each July 1, the monthly pensions authorized in this  
7 subsection payable to retired members and to beneficiaries shall  
8 be adjusted by adding to that monthly pension an amount equal to  
9 one and one-half percent of the monthly pension payable on that  
10 date.

11 EXPLANATION

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

14 Under current law, a member of the department of public safety  
15 peace officers' retirement, accident, and disability system who  
16 has completed 22 years or more of creditable service and is at  
17 least 50 years of age, but less than 55 years of age, may retire  
18 and receive reduced retirement benefits based upon calculations  
19 by the board of trustees. This bill increases the required  
20 number of years of creditable service for early retirement to 25  
21 and strikes the benefits calculation by the board of trustees.  
22 Instead, the bill provides that a member who has completed at  
23 least 25 years of creditable service but less than 32 years  
24 may retire and receive 84 percent of the benefits the member  
25 would have received upon retiring at the age of 55 with 22  
26 years of creditable service, a member retiring with at least  
27 32 years of creditable service but less than 34 years shall  
28 receive 88 percent, and a member retiring with 34 years or  
29 more of creditable service shall receive 90 percent. The bill  
30 provides that the monthly pension for an early retirement shall  
31 be increased each year on July 1 by 1.5 percent of the member or  
32 beneficiary's monthly pension.