

House File 749 - Introduced

HOUSE FILE 749
BY JONES

A BILL FOR

- 1 An Act providing an early retirement option under the municipal
- 2 fire and police retirement system.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 411.6, subsection 1, paragraph a, Code
2 2025, is amended to read as follows:

3 a. Any member in service may retire upon written application
4 to the system, setting forth at what time, not less than thirty
5 nor more than ninety days subsequent to the execution and filing
6 of the application, the member desires to be retired. However,
7 the member at the time specified for retirement shall have
8 attained the age of fifty-five and shall have served twenty-two
9 years or more, and notwithstanding that, during the period of
10 notification, the member may have separated from the service.
11 However, a member may retire at fifty years of age and receive a
12 reduced retirement allowance pursuant to subsection 2A.

13 Sec. 2. Section 411.6, Code 2025, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 2A. *Early retirement benefits.*

16 a. Notwithstanding the calculation of the service retirement
17 allowance under subsection 2, beginning July 1, 2025, a member
18 who has completed twenty-two years or more of creditable service
19 and is at least fifty years of age, but less than fifty-five
20 years of age, who has otherwise completed the requirements for
21 retirement under subsection 1, may retire and receive a reduced
22 service retirement allowance pursuant to this subsection. The
23 service retirement allowance for a member less than fifty-five
24 years of age shall be calculated in the manner prescribed in
25 subsection 2, except that the percentage multiplier of the
26 member's average final compensation used in the determination of
27 the service retirement allowance shall be reduced by the board of
28 trustees pursuant to paragraph "b".

29 b. On July 1, 2025, and on each July 1 thereafter, the
30 board of trustees shall determine for the respective fiscal year
31 the percent by which the percentage multiplier under subsection
32 2 shall be reduced for each month that a member's retirement
33 date precedes the member's fifty-fifth birthday. The board
34 of trustees shall make this determination based upon the most
35 recent actuarial valuation of the system, the calculation of the

1 actuarial cost for each month of retirement of a member prior to
2 age fifty-five, and the premise that the provision of a service
3 retirement allowance to a member who is less than fifty-five
4 years of age will not result in any increase in cost to the
5 system.

6 Sec. 3. Section 411.6, subsection 11, unnumbered paragraph 1,
7 Code 2025, is amended to read as follows:

8 In the event of the death of any member receiving a retirement
9 allowance under the provisions of subsection 2, 2A, 4, or 6 of
10 this section there shall be paid a pension:

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 This bill provides that a member of the municipal fire and
15 police retirement system may elect to retire at 50 years of age
16 with 22 years of service and receive a reduced service retirement
17 allowance, rather than retire at age 55. Similar provisions
18 exist under current law for the peace officers' retirement,
19 accident, and disability system (Code section 97A.6(2A)).