

# House File 2497

HOUSE FILE \_\_\_\_\_  
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 694)

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

## A BILL FOR

1 An Act providing for a sick leave and vacation incentive program  
2 for state employees and providing an effective date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 6587HV 80  
5 ec/sh/8

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1 1 Section 1. 2004 SICK LEAVE AND VACATION INCENTIVE PROGRAM.  
1 2 1. As used in this section, unless the context provides  
1 3 otherwise:  
1 4 a. "Credited service" means service under the Iowa public  
1 5 employees' retirement system, as service is defined in section  
1 6 97B.1A, and membership service under the public safety peace  
1 7 officers' retirement, accident, and disability system, as  
1 8 defined in section 97A.1.  
1 9 b. "Eligible employee" means an employee for which, but  
1 10 for participation in the program, the sum of the number of  
1 11 years of credited service and the employee's age in years as  
1 12 of December 31, 2004, equals or exceeds seventy-five.  
1 13 c. "Employee" means an employee of the executive branch of  
1 14 this state, including an employee of a judicial district  
1 15 department of correctional services if the district elects to  
1 16 participate in the program, an employee of the state board of  
1 17 regents if the board elects to participate in the program, and  
1 18 an employee of the department of justice. However, "employee"  
1 19 does not mean an elected official.  
1 20 d. "Participant" means a person who timely submits an  
1 21 election to participate, and does participate, in the sick  
1 22 leave and vacation incentive program established under this  
1 23 section.  
1 24 e. "Program" means the sick leave and vacation incentive  
1 25 program established under this section.  
1 26 f. "Regular annual salary" means an amount equal to the  
1 27 eligible employee's regular biweekly rate of pay as of the  
1 28 date of separation from employment multiplied by twenty-six.  
1 29 g. "Sick leave and vacation incentive benefit" means an  
1 30 amount equal to the entire value of an eligible employee's  
1 31 accumulated but unused vacation plus the lesser of seventy=  
1 32 five percent of the value of the eligible employee's  
1 33 accumulated and unused sick leave or seventy-five percent of  
1 34 the employee's regular annual salary.  
1 35 2. To become a participant in the program, an eligible  
2 1 employee shall do all of the following:  
2 2 a. Submit by May 21, 2004, a written application, on forms  
2 3 prescribed by the department of administrative services,  
2 4 seeking participation in the program.  
2 5 b. Agree to waive any and all rights to receive payments  
2 6 of sick leave balances under section 70A.23 and accrued  
2 7 vacation balances in a form other than as provided in this  
2 8 section.  
2 9 c. Agree to waive all rights to file suit against the  
2 10 state of Iowa, including all of its departments, agencies, and  
2 11 other subdivisions, based on state or federal claims arising  
2 12 out of the employment relationship.  
2 13 d. Acknowledge, in writing, that participation in the  
2 14 program waives any right to accept permanent part-time or  
2 15 permanent full-time employment with the state other than as an  
2 16 elected official on or after the date the eligible employee  
2 17 separates from employment as provided in this section.  
2 18 e. Agree to separate from employment with the state on or  
2 19 after July 2, 2004, but no later than August 12, 2004.  
2 20 3. a. Upon acceptance to participate in the program and  
2 21 separation from employment with the state on or after July 2,  
2 22 2004, but no later than August 12, 2004, a participant shall

2 23 receive a sick leave and vacation incentive benefit. The  
2 24 state shall pay to the participant a portion of the sick leave  
2 25 and vacation incentive benefit each fiscal year for a period  
2 26 of five years commencing with the fiscal year ending June 30,  
2 27 2005.

2 28 b. A participant in the program shall be eligible to  
2 29 continue participation in the group plan or under the group  
2 30 contract at the participant's own expense in the same manner  
2 31 as a retired employee pursuant to section 509A.13. In  
2 32 addition, a participant shall be deemed an eligible retired  
2 33 state employee for purposes of eligibility for continuation of  
2 34 group insurance covering spouses as provided in section  
2 35 509A.13A.

3 1 4. a. The department of administrative services shall  
3 2 administer the program, including the determination of  
3 3 eligibility for participation in the program, and shall adopt  
3 4 administrative rules to administer the program. The  
3 5 department may adopt rules on an emergency basis under section  
3 6 17A.4, subsection 2, and section 17A.5, subsection 2,  
3 7 paragraph "b", to implement this section and the rules shall  
3 8 be effective immediately upon filing unless a later date is  
3 9 specified in the rules.

3 10 b. Records of the Iowa public employees' retirement system  
3 11 may be released for the purposes of administering and  
3 12 monitoring the program subject to the requirements of section  
3 13 97B.17, subsection 5.

3 14 c. The department of administrative services, in  
3 15 collaboration with the department of management, shall present  
3 16 an interim report to the general assembly, including copies to  
3 17 the legislative services agency and the fiscal committee of  
3 18 the legislative council, by October 1, 2004, concerning the  
3 19 operation of the program. The department shall also submit an  
3 20 annual update concerning the program by October 1 of each year  
3 21 for four years, commencing October 1, 2005. The reports shall  
3 22 include information concerning the number of program  
3 23 participants, the cost of the program including any payments  
3 24 made to participants, the number of state employment positions  
3 25 eliminated pursuant to the program, and the number of  
3 26 positions vacated by a program participant that have been  
3 27 refilled.

3 28 5. The legislative council shall provide an incentive  
3 29 program for employees of the legislative branch consistent  
3 30 with the program provided in this section for executive branch  
3 31 employees. The legislative council shall collaborate with the  
3 32 department of administrative services to establish the program  
3 33 as required under this subsection as nearly identical as  
3 34 possible to the program provided executive branch employees  
3 35 under this section. The program provided pursuant to this  
4 1 subsection shall establish the same guidelines used to  
4 2 establish an eligible employee and benefit calculations as  
4 3 provided under the program for executive branch employees.

4 4 Sec. 2. SPAN OF CONTROL. The department of administrative  
4 5 services, in consultation with the department of management  
4 6 and after discussion and collaboration with executive branch  
4 7 agencies, shall pursue a goal of increasing the ratio of the  
4 8 number of employees per supervisor for executive branch  
4 9 agencies in the aggregate to twelve employees for one  
4 10 supervisor by December 31, 2005.

4 11 Sec. 3. EFFECTIVE DATE. This Act, being deemed of  
4 12 immediate importance, takes effect upon enactment.

4 13 HF 2497  
4 14 ec/es/25