

**Retirement Portability for Officers**  
**Presented to Public Retirement Systems Committee**  
**November 3, 2005**

When 97A and 411 were amended effective July 1, 1996 the legislative intent was clearly to allow portability for peace officers between the two systems including a retroactive clause allowing peace officers who had previously been a member of one of the systems to transfer benefits to the system where they were currently employed. Due to unforeseen interpretations by the POR Board (97A) and the board that administers the 411 system the retroactive transfer of benefits was not implemented as intended by the legislature and only one officer was able to retroactively transfer his benefits, while other officers were denied their requests to transfer benefits.

This was due to the fact that the statewide 411 system created in 1992 did not receive the funds from the individual municipalities for the officers who left employment of the city police departments and became employed by the Iowa Department of Public Safety. The officers that left the police departments also did not receive any of their contributions back that they had paid into the individual municipal systems prior to 411 becoming a statewide system.

To remedy this inequity and allow the other officers who have proudly served Iowans as professional law enforcement officers throughout their career we request the 2006 legislative session pass a modified version of HF 592 (attached to this document and referenced as HF 592v.2). This modified version is based upon discussions with legislative representatives, three that serve on this committee, Senator Kibbie, Representative Elgin, and Representative Frevert, as well as the results of the actuarial study regarding portability and costs associated with POR providing the accumulated benefits for the officers previously denied.

Additionally HF 592v.2 clearly states to receive these benefits the officer must be an active member of POR, which clarifies the issue of whether or not POR would have to go back and refigure benefits for current retired members. Finally HF 592v.2 protects the other members of POR by having affirmative language that enactment of this bill will not cause other members to increase their contributions and provides a one-time allocation from the state general fund of one million eighty thousand dollars to cover the expense of providing these benefits to the officers.

Although we are a small group that have been affected by interpretation of the 1996 amendment regarding portability between 97A and 411 we have been involved in trying to get this remedied with each legislative session since 1998 when we were notified that our request to transfer our accrued benefits was denied. This is a one time fix that we believe will remedy the issue of retroactive portability that was intended when the 1996 legislative session amended 97A regarding portability.

On behalf of the officers affected by portability between the systems I thank the committee members for hearing our issue and giving it due consideration in the upcoming session. If additional information or clarification is needed regarding this issue please contact Steve Bogle, office number (515) 281-8709, or by email [bogle@dps.state.ia.us](mailto:bogle@dps.state.ia.us).

Proposed Revision to HF 592  
(HF 592v.2)

Section 1. Section 97A.4, Code 2005, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Upon application by an active member, the board of trustees shall credit as service for a member of the system a previous period of service as a member of a city fire retirement system and police retirement system operating under chapter 411 prior to January 1, 1992, for which service was not eligible to be transferred to this system pursuant to section 97A.17.

Sec. 2. PUBLIC SAFETY PEACE OFFICERS' RETIREMENT, ACCIDENT, AND DISABILITY SYSTEM == ADDITIONAL APPROPRIATION.

1. Notwithstanding any provision of section 97A.8 to the contrary, the Iowa department of public safety peace officers' retirement, accident, and disability system as defined in section 97A.2 shall not increase the contribution rate of members of the system to cover any increase in cost to the system resulting from this Act.

2. In addition to any payments to the pension accumulation fund as provided in section 97A.8, there shall be appropriated from the general fund of the state to the pension accumulation fund described in section 97A.8 a one time amount equal to one million eighty thousand dollars for the fiscal period beginning July 1, 2006.

EXPLANATION

This bill makes changes to the public safety peace officers' retirement, accident, and disability system (PORS) created in Code chapter 97A.

Code section 97A.4 is amended to provide that a member of PORS can have service credited under PORS for service in a city fire and police retirement system operating under Code chapter 411 prior to those systems' consolidation on January 1, 1992, if the person was not previously eligible to transfer that service from the Code chapter 411 system to PORS.

The bill further provides that members of PORS shall not have their contribution rates increased to pay for the new benefit provided by the bill.

In addition, the bill provides for a one-time appropriation to the pension accumulation fund of PORS for the fiscal period beginning July 1, 2005, of \$1,080,000.