

## CHAPTER 121

## TEACHERS' RETIREMENT SYSTEM

S. F. 252

AN ACT to permit the liquidation of the pension and annuity retirement system of public school teachers as such pension system has been established in accordance with the provisions of section two hundred ninety-four point eight (294.8), Code 1950.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section two hundred ninety-four point eleven (294.11),  
 2 Code 1950, as amended by section twenty-one (21) of chapter one  
 3 hundred sixty-five (165) laws of the fifty-fourth general assembly, is  
 4 hereby repealed and the following substituted in lieu thereof:  
 5 "Any independent school district which has in operation the pen-  
 6 sion and annuity retirement system created pursuant to sections two  
 7 hundred ninety-four point eight (294.8) to two hundred ninety-four  
 8 point ten (294.10), Code 1950, inclusive, may terminate such system  
 9 by the adoption by the board of directors of such district, of a reso-  
 10 lution declaring such system terminated as of a date specified therein."

1 SEC. 2. Section two hundred ninety-four point twelve (294.12),  
 2 Code 1950, is hereby amended by striking all after the word "retire-  
 3 ment" in line fifteen (15) of such section and inserting in lieu thereof  
 4 the following:

5 "liquidation fund. Such liquidation fund shall be held for the bene-  
 6 fit of those surviving beneficiaries under such system as of said date  
 7 of termination, and of members of such system as of date of termina-  
 8 tion. There shall be set aside from such retirement liquidation fund  
 9 an amount sufficient to provide for the payment of all surviving  
 10 beneficiaries who shall be entitled to receive benefits under such sys-  
 11 tem as of said date of termination, providing an actuarial computa-  
 12 tion has been made of the amount required to meet such benefit pay-  
 13 ments, providing the amount in the retirement liquidation fund is  
 14 sufficient for this purpose, and the amount set aside shall be used for  
 15 no other purpose than for the payment of claims to such beneficiaries.  
 16 Any amount in excess of the actuarial equivalent of the sum required  
 17 to pay such benefit payments shall be apportioned to persons who  
 18 were as of the effective date of the termination of the system, mem-  
 19 bers of such system, in proportion to the amount which the accumu-  
 20 lated contribution of each such person bears to the total funds of  
 21 such retirement system subject to such apportionment. Any member  
 22 of such system as of the date of termination thereof, may, in lieu of  
 23 receiving the cash refund of his share of the liquidation fund, elect  
 24 to come under the coverage of any new pension and annuity retire-  
 25 ment system established by the district, to which he is eligible, with  
 26 credits toward future benefits in consideration of his prior contribu-  
 27 tions and length of service, and may direct the transfer of the amount  
 28 payable to him to the assets of the new pension and annuity retire-  
 29 ment system. In any case where the board of directors of a school  
 30 district including a teachers retirement system established under the  
 31 provisions of section two hundred ninety-four point eight (294.8),  
 32 whose members were not under coverage of the Iowa Old Age and  
 33 Survivors Insurance system prior to May 1, 1953, the board of direc-  
 34 tors may authorize the payment from funds in excess of the actuarial

35 amount estimated as required for the payment of benefits to persons  
36 entitled to them, and for the purpose of obtaining retroactive social  
37 security coverage from January 1, 1951 until the effective date of  
38 federal coverage of Iowa public employees as provided by Laws of  
39 the Fifty-fifth General Assembly. Each surviving beneficiary entitled  
40 to receive retirement benefits of the date of termination of the sys-  
41 tem will be entitled to receive retirement benefits at the time and in  
42 the amount in effect with respect to such beneficiary immediately  
43 prior to the date of termination."

1 SEC. 3. The board of directors of said district shall annually, for  
2 a period of five years after the effective date of the termination of its  
3 pension system, at the meeting at which it estimates the amount re-  
4 quired for the general fund, in accordance with the provisions of sec-  
5 tion two hundred ninety-eight point one (298.1), estimate the addi-  
6 tional amount if any necessary to pay to participants in the pension  
7 system who are not entitled to receive benefits under such system at  
8 the date of termination thereof, one-fifth of the amount paid into said  
9 pension fund by such participants therein, without interest, which  
10 amount shall be levied by the board of supervisors, in accordance with  
11 provisions of section two hundred ninety-eight point eight (298.8)  
12 and, in addition thereto, the board of directors of said district shall  
13 each year at the meeting at which it estimates the amount required  
14 for the general fund, in accordance with the provisions of section  
15 two hundred ninety-eight point one (298.1), estimate the additional  
16 amount, if any, necessary to provide the required annual payments  
17 to surviving beneficiaries of said pension system, as defined in section  
18 two hundred ninety-four point twelve (294.12), which amount shall  
19 be levied by the board of supervisors, in accordance with the provi-  
20 sions of section two hundred ninety-eight point eight (298.8). Upon  
21 the death of the last beneficiary, as defined in section two hundred  
22 ninety-four point twelve (294.12), to survive, any balance remain-  
23 ing in said fund, including any undisposed of accumulations, shall be  
24 transferred to the general fund of said school district.

1 SEC. 4. This Act, being deemed of immediate importance, shall be  
2 in full force and effect from and after its publication in the Daily  
3 Reporter, a newspaper published at Sioux City, Iowa, and in The Dan-  
4 bury Review, a newspaper published at Danbury, Iowa.

Approved April 16, 1953.

I hereby certify that the foregoing Act, Senate File 252, was published in the Daily Reporter, Sioux City, Iowa, April 20, 1953, and in The Danbury Review, Danbury, Iowa, April 23, 1953.

MELVIN D. SYNHORST, *Secretary of State.*