

February 19, 1951.
Social Security.

House File 464
By SLOANE and RYAN.

Passed House, Date
Vote: Ayes..... Nays.....
Passed Senate, Date
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act to amend chapter ninety-seven (97), Code 1950, relating to old age and survivors insurance and providing refunds in certain situations.

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

1 Section 1. Chapter ninety-seven (97), Code 1950, is

2 hereby amended as follows:

3 1. Strike from section ninety-seven point forty-five

4 (97.45) subsection four (4) paragraph a, lines four (4), five

5 (5), six (6), seven (7) and eight (8), the following: "if

6 such average monthly wage exceeds fifty dollars (\$50.00),

7 sixty per cent (60%) of fifty dollars (\$50.00), plus ten

8 per cent (10%) of the amount by which such average monthly

9 wage exceeds fifty dollars (\$50.00) and does not exceed two

10 hundred fifty dollars (\$250.00)," and insert in lieu thereof

11 the following: "If such average monthly wage exceeds one

12 hundred dollars (\$100.00), sixty per cent (60%) of one hundred

13 dollars (\$100.00), plus twenty per cent (20%) of the amount

14 by which such average monthly wage exceeds one hundred dollars

15 (\$100.00) and does not exceed two hundred fifty dollars

16 (\$250.00),”

17 2. Strike from section ninety-seven point forty-five
18 (97.45) subsection six (6) paragraph a, lines eight (8), nine
19 ((9) and ten (10) the following: “who has passed his sixtieth
20 birthday prior to the first day of January, 1946,”

21 3. Add thereto the following new sections:

22 “Any employee working less than forty (40) quarters or
23 the time necessary for all coverage and who leaves the public
24 service shall be allowed one of the following options:

25 (1) To be refunded ninety per cent (90%) of the amount
26 paid by such employee, ten per cent (10%) to be retained for
27 administrative cost for carrying, and a like amount to be
28 refunded to the employer; or

29 (2) In lieu of a refund the employee shall receive
30 coverage equal to ten per cent (10%) of total coverage for
31 each year paid by employee.

32 Casual or temporary employees shall be excluded from the
33 provisions of this chapter. Casual or temporary employees
34 shall be defined for this purpose as any employee who is
35 employed and works a period less than twelve (12) months.”

EXPLANATION OF H. F. 464

This Act will refund to employees who are required to contribute hereafter 4 per cent of their salaries to the retirement benefit program and leave the employ of the public employer before becoming eligible for benefits 90 per cent of their involuntary contributions and a like sum will be refunded to the employer.

It also exempts from contribution casual or temporary employees.

This refund will be paid from the retirement, old age and survivors insurance trust fund and would be without expense to the state because of the 10 per cent withheld from each to cover costs.