

February 23, 1951.
Passed on File.

House File 531
By SOCIAL SECURITY COMMITTEE.

Passed House, Date

Vote: Ayes..... Nays.....

Passed Senate, Date

Vote: Ayes..... Nays.....

Approved

A BILL FOR

An Act to amend section ninety-seven point forty-five (97.45),
Code 1950, relating to old age and survivors insurance.

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

1 Section 1. Section ninety-seven point forty-five,
2 Code 1950, is hereby amended by striking from subsection
3 two (2) thereof all of paragraph (b) and inserting in lieu
4 thereof the following: “(b) Any service performed in any
5 calendar quarter in which the remuneration for such service
6 does not equal or exceed the sum of two hundred dollars
7 (\$200.00) ; provided, however, that in any case in which
8 the individual is already in employment under the provisions
9 of this act, such coverage will continue to be under the
10 provisions of this act although such remuneration for
11 such service does not equal or exceed the sum of two
12 hundred dollars (\$200.00).”

1 Sec. 2. Further amend section ninety-seven point
2 forty-five (97.45), Code 1950, by adding after paragraph
3 (b) of subsection two (2) thereof the following: “(c)
4 Services performed during school vacations or outside of

5 school hours by students who devote their time and efforts
6 chiefly to their studies rather than to incidental
7 employment.”

8 “(d) Any individual performing service for the state
9 or any political subdivision thereof that is exempt from
10 coverage under the provisions of this act because the
11 remuneration for such employment does not equal or exceed
12 the sum of two hundred dollars (\$200.00) in any calendar
13 quarter may become covered under the provisions of this
14 chapter by filing an election to so become covered. Such
15 election shall be in writing and filed with the Iowa
16 employment security commission and upon approval by such
17 commission such individual shall thereafter be covered
18 under the provisions of this chapter for all services
19 performed as an employee of the state of Iowa or any
20 political subdivision thereof.”

1 Sec. 3. Further amend section ninety-seven point
2 forty-five (97.45), Code 1950, by placing a period after
3 the word “chapter” in line eight (8) of subsection five (5)
4 of such section and by striking the remainder of said
5 subsection.

1 Sec. 4. Further amend section ninety-seven point
2 forty-five (97.45), Code 1950, by striking from line
3 forty-two (42) of subsection six (6) of such section the
4 words “paid not less than fifty dollars (\$50.00) in wages”
5 and inserting in lieu thereof the words “in employment

6 under this chapter”.

1 Sec. 5. Further amend section ninety-seven point
 2 forty-five (97.45), Code 1950, by striking therefrom all
 3 of subsection seven (7) and enacting in lieu thereof the
 4 following: “7. An individual who has been in employment
 5 under the provisions of this chapter for one quarter
 6 shall be a currently insured individual against death in
 7 each subsequent quarter in which he is or has been so
 8 employed and for as many quarters after he has been
 9 separated from such employment as he was employed therein.”

EXPLANATION OF H. F. 531

Section 1 rewrites paragraph (b) of Section 97.45, subsection two. This section increases the amount of earnings to \$200 in the place of \$50 now contained in the law. The purpose of this section is to exclude from employment any individual who did not earn a sum equal to or exceeding \$200 in a calendar quarter. This is to cut our occasional and intermittent workers.

Sec. 2 of the bill adds a new section of the law which will exclude from coverage under the act students, trainees, and other persons who are devoting their time to getting their education or training but who earn some wages during the time they are in school. This provision is contained in paragraph (c). Paragraph (d) provides that any individual performing service who would be excluded from coming under the provisions of the retirement act because their earnings were less than \$200 in a calendar quarter may become covered under the act by applying to the commission for coverage.

Secs. 3 and 4 have corrections of the law to make them comply with Sec. 1 in case Sec. 1 becomes the law. Under the sections referred to in Sec. 3 and 4 of this bill the language provides that you are in employment if your wage is more than \$50 in a calendar quarter. The proposed bill will not cure all complaints that have been made against the operation of the law thus far but it will go a long ways in taking care of the occasional worker and the student and it will also give them something for the money they are paying in during the first five calendar quarters they are working.

Sec. 5 of the bill rewrites subsection 7 which relates to a “currently insured individual.” Under the present law current insurance is valuable to the insured only in case of death and a person does not become insured currently until this person has been in employment for six calendar quarters. This proposed amendment makes the person insured after the first calendar quarter. This is to correct an inequity that would prevail if one person worked for five quarters and then was laid off from work and would have no insurance rights while another person worked six quarters and in case of death there would be insurance rights for his beneficiaries.