

January 23, 1963.

Passed on File.

Social Security 1/24

Senate File 46

By SHAFF, WILEY, BUCK, O'MALLEY,
MINCKS and COLEMAN.

Passed Senate, Date.....

Passed House, Date.....

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

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

Approved.....

A BILL FOR

An Act to amend chapter four hundred eleven (411), Code 1962,
relating to retirement systems for policemen and firemen.

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

1 Section 1. Chapter four hundred eleven point one (411.1),

2 Code 1962, is hereby amended by striking all of subsection

3 sixteen (16) and inserting in lieu thereof the following:

4 " 'Final compensation' shall mean the earnable compensation
5 of the member on the date of his retirement or death."

1 Sec. 2. Chapter four hundred eleven point six (411.6), Code

2 1962, is hereby amended as follows:

3 1. By striking from line four (4) of paragraph "b" of sub-
4 section two (2) the word "average".

5 2. By striking from lines three (3), six (6), seven (7) and
6 ten (10) of paragraph "b" of subsection four (4) the word
7 "average".

8 3. By striking from line two (2) of paragraph "b" of
9 subsection six (6) the word "average".

10 4. By striking from line twelve (12) of paragraph "b" of
11 subsection eight (8) the word "average".

12 5. By striking from lines one (1) and two (2) of paragraph
13 "b" of subsection nine (9) the word "average".

1 Sec. 3. Chapter four hundred eleven point six (411.6),

2 Code 1962, is further amended by adding thereto the following

3 subsection:

4 "Pensions payable under this chapter shall be adjusted as
5 follows:

6 "a. As of the first day of each July the monthly pension
7 payable to each retired member and to each beneficiary, except
8 children, of a deceased member in accordance with provisions of
9 this section of the Code shall be recomputed on the basis of the
10 same formulas, as may be amended from time to time, contained in
11 this section as were used to compute the retired member's or
12 beneficiary's pension at the time of retirement or death, using
13 in such formulas the *earnable compensation payable on such July*
14 *first to an active member having the same rank or position as*
15 *was held by such retired or deceased member at the time of his*
16 *retirement or death, in lieu of the final compensation of such*
17 *retired or deceased member, except at no time shall this monthly*
18 *pension be less than it was at the time of member's retirement or*
19 *death.*

20 "b. As of the first day of each July the monthly pension
21 payable to each surviving child in accordance with subsections
22 eight (8), nine (9) and thirteen (13) of this section shall be
23 adjusted to equal six percent (6%) of the monthly salary payable
24 on such July first to an active member having the rank of first-
25 class fireman, in the case of a child of a deceased member of the
26 fire department, or of a first-class patrolman, in the case of a
27 child of a deceased member of the police department, except that
28 if the monthly pension so computed is less than the amount
29 provided in subsections eight (8), nine (9) and thirteen (13) of
30 this section, then the amounts provided for in said subsections
31 shall be payable.

32 "c. The monthly pensions adjusted as provided for in this
33 subsection shall be payable beginning on the July first as of
34 which said adjustment is made and shall continue in effect until
35 the next following July first at which time the monthly pensions
36 shall again be adjusted.

37 "d. The adjustment of pensions required by this section
38 shall recognize the retired or deceased member's position on the
39 salary scale within his rank at the time of his retirement or
40 death. In the event that the rank or position held by the retired
41 or deceased member at the time of his retirement or death is sub-
42 sequently abolished, adjustments in his or his widow's or
43 children's pensions shall be computed as though such rank or
44 position had not been abolished and salary increases had been
45 granted to such rank or position on the same basis as that
46 granted to other ranks and positions in the department."

1 Sec. 4. The provisions of this Act shall be retroactive to
2 July 1, 1963.

EXPLANATION OF SENATE FILE 46

This bill will provide that pensions payable to retired members of the fire or police departments, or their beneficiaries, will be adjusted up or down each year according to salaries paid to active members of these departments, and would eliminate hardships to those on a fixed pension income caused by inflationary increases in the cost of living.