



IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Gregory S. Samorajski, CFA
Chief Executive Officer

Kim Reynolds
Governor

Chris Cournoyer
Lt. Governor

AGENDA

Monday, March 30, 2026

1:00 p.m.

IPERS BENEFITS ADVISORY COMMITTEE

Virtual Meeting

Conference Telephone # 646-558-8656

Meeting ID: 848-2622-2083#

- 1) Call to Order / 1:00 p.m.
 - a) Roll Call of Members
 - b) Approval of Minutes – February 23, 2026
- 2) CEO Report – Greg Samorajski
- 3) BAC Public Member Representative Update – Greg Samorajski
- 4) 2026 Legislative Session – Megan Schlesky
- 5) Administrative Rules Review – Elizabeth Hennessey
- 6) Staff Reports
 - a) Member Operations Division Update – Steve Herbert
 - b) Investment Update – Sriram Lakshminarayanan
 - c) Appeals Report – Elizabeth Hennessey
 - d) Strategy Division Update – Shawna Lode
- 7) Other Business
- 8) Public Comments
- 9) Confirm Next Meeting Date – Monday, April 27, 2026
 - a) Thursday, June 18, 2026 – Investment Board Meeting
 - b) Monday, August 24, 2026 – BAC Meeting



**BENEFITS ADVISORY COMMITTEE
MEETING MINUTES
IPERS BOARD Room
7401 Register Drive, Des Moines, IA
February 23, 2026**

The following people attended the IPERS Benefits Advisory Committee (BAC) meeting on Monday, February 23, 2026.

Members of the Benefits Advisory Committee - Present

Matt Carver, Chair	John Hieronymus
Melissa Peterson, Vice Chair	Steve Hoffman
Sue Cave	Connie Kuennen
Len Cockman	Brian McDonough
Lowell Dauenbaugh	Ty Wheeler
Andrew Hennessey	

Members of the Benefits Advisory Committee - Absent

Todd Copley
Tamara Marcus
Nathan Reckman

IPERS Administration and Staff

Greg Samorajski, Chief Executive Officer	Elizabeth Hennessey, General Counsel
Steve Herbert, Chief Benefits Officer	Shawna Lode, Chief Strategy Officer
Melinda McElroy, Executive Assistant	Megan Schlesky, Legislative Liaison
Sriram Lakshminarayanan, CIO	

Call to Order

Matt Carver, chair, called the meeting to order at 1:00 p.m.

Approval of Meeting Minutes

Lowell Dauenbaugh moved to approve the minutes from the January 26, 2026, BAC meeting, and Len Cockman seconded the motion. The motion carried by unanimous voice vote.

CEO Report – Greg Samorajski

Greg Samorajski's report focused primarily on staffing challenges in the Member Services Division, particularly during peak call periods, including the first quarter when many teachers are preparing to retire. He described the growing reliance on temporary workers to assist members with accessing their online account, which lowers the call volume for full-time staff. He also provided several personnel updates, including the introduction of Jamie Purviance a new executive assistant and upcoming changes in HR staffing.

BAC Public Member Representative – Matt Carver

Matt Carver announced Lowell Dauenbaugh's upcoming departure from the BAC, noting that Lowell's term as the public member will end on April 30, 2026. The BAC agreed that forming a small working group to propose candidates to replace Lowell is the most efficient approach. Matt Carver, Sue Cave and Andrew Hennessey volunteered. It was also reiterated that the public member cannot be an IPERS member.

2026 Legislative Session – Megan Schlesky

Megan Schlesky shared the status of several bills IPERS is monitoring this legislative session. She noted that IPERS' modernization bill and the bill to enhance benefits for Protection Occupation members and aligning them with the benefits provided to Sheriffs and Deputy Sheriffs members successfully made it through the first funnel.

Administrative Rules – Elizabeth Hennessey

Elizabeth Hennessey reviewed the next set of proposed administrative rules changes, presenting Chapters 9, 10, 11 and 12. Lowell Dauenbaugh moved to support the rules package as presented, and Andrew Hennessey seconded the motion. The motion carried by unanimous voice vote.

Staff Reports

Benefits Update – Steve Herbert provided an operational update, explaining that IPERS recently hired additional retirement benefits officers and continues to analyze demand and service improvements. He also noted that more members are coming to IPERS' office for service.

Investment Update – Sriram Lakshminarayanan reported that the IPERS Trust Fund balance is \$50.423 billion and provided a general update on the investment market. The Investment Board’s March meeting will cover calendar-year performance.

Strategy Division Update – Shawna Lode highlighted recent outreach efforts, including a Saturday event in Des Moines that featured group education sessions and one-on-one counseling. She noted that a similar event is planned for Council Bluffs.

Other Business

None

Public Comments

The BAC heard public comments from former Senator Patrick Deluhery.

Future Meeting Dates

The next scheduled BAC meeting is set for Monday, March 31, 2026. With no additional business to come before the committee, Len Cockman moved to adjourn the meeting, and Andrew Hennesy seconded the motion. The motion carried by unanimous voice vote. The meeting adjourned at 2:00 p.m.

IPERS BENEFITS ADVISORY COMMITTEE
CITIZEN REPRESENTATIVE APPLICATION

The Benefit Advisory Committee (BAC) is an advisory committee that serves as a channel for employers and employees to help formulate policies and recommendations regarding the provisions of retirement benefits and services to members of IPERS. In addition to employer and employee representation, a voting position is designated for a citizen representative with pension experience, who is not a member of IPERS. The citizen representative is elected by the voting members of the BAC (4 representing employers and 4 representing employees) for a three-year term.

This form will assist the BAC and the staff of IPERS in evaluating the qualifications of an applicant for the citizen representative position.

Please complete the entire form and return to:

Greg Samorajski, Chief Executive Officer, IPERS
P.O. Box 9117, Des Moines, Iowa 50306-9117
Phone: (515) 281-0070 Fax: (515) 281-0045

PERSONAL DATA

First Name _____ MI _____ Last Name _____ Salutation _____

Address _____

City _____ State _____ Zip _____ County _____

Employer or Business Name _____

Address _____

City _____ State _____ Zip _____ County _____

Occupation _____

Home Phone _____ Business Phone _____ ext _____

Cell Phone _____ E-mail _____

Signature _____ Date: ____/____/____

EDUCATION List schools attended, include high school. *A current resume may be substituted for this section.*

School	City & State of Iowa	Dates	Degree/Major

EMPLOYMENT & EXPERIENCE List major paid employment, significant volunteer activities, and any Boards or Commission served on. List chronologically beginning with most recent experience. *A current resume may be substituted for this section.*

Dates (from – to)	Employer/Organization	City & State	Title/Position

INTEREST IN APPOINTMENT

Describe in detail why you are interested in serving on IPERS’ Benefits Advisory Committee. Include information about your background that supports your interest. *You may complete this section on a separate sheet.*

Describe your knowledge of various types of pension plan designs (i.e. defined benefit, defined contribution, hybrid plans, deferred compensation). *You may complete this section on a separate sheet.*

I will accept appointment if selected by the Benefits Advisory Committee.

Signature _____ Date: ____/____/____

**EXECUTIVE APPOINTMENTS
BACKGROUND INFORMATION**

The following information is not required by law, *and will be deemed to have been submitted to IPERS' CEO in confidence*. The information contained within this application will be used for purposes of the appointment process. This information will not be made available to public inspection (except as required by Iowa Code Chapter 22).

If your answer to any of the following is "yes", please give full details on a separate sheet of paper.

- (a) Have you ever been convicted of any serious misdemeanor or felony crime? Do not include minor traffic offenses resulting in fines of less than \$100, juvenile offenses, or offenses otherwise sealed by court order.

Yes _____ No _____

- (b) Have you ever been investigated on allegations of professional misconduct?

Yes _____ No _____

- (c) Have you ever been the subject of any professional disciplinary proceeding or had any professional license or permit revoked or restricted upon a finding of professional misconduct?

Yes _____ No _____

- (d) Is there anything else that we should be aware of that you want to disclose that would help IPERS and the BAC select the best candidate as the citizen representative?

Yes _____ No _____

Signature _____ Date: ____/____/____

**Benefits Advisory Committee
Legislative Update**

Bill number	Title	Committee	Floor	IPERS Impact
SF 2297 (SSB 3038) HF 2345 (HSB 585)	A bill for an act relating to matters under the purview of the Iowa public employees' retirement system, and including effective date provisions.	S- State Gov 2/11/2026 H- State Gov 2/3/26	H-3/5/2026	Provides policy modernization as proposed by IPERS. Amended to strike section 1 (digital signatures), add "city of last known address" to section 2 (Great Iowa Treasure Hunt), and to allow MFPRSI to participate in GITH.
SF 2431 (SSB 3009)	A bill for an act relating to the appointment and duties of township officers and township budgets, and including effective date and applicability provisions.	S-Local Gov 2/19/2026 S-W&M		Transitions all township trustees to appointees in January, 2027. Part time elected officials may currently opt out of IPERS, generally appointees are mandatory members.
HF 1008	A bill for an act relating to the creation of land redevelopment trusts. See also: SF 655, Sen. Lofgren etc.	S- W&M	H-4/17/2025	Amends chapter 97B to establish a land redevelopment trust as an IPERS-covered employer and employees as mandatory IPERS members.
HF 1023	A bill for an act relating to benefits for members of the Iowa public employees' retirement system who are employed in a protection occupation.	S- W&M 2/11/2026	H-4/17/2025	Amends chapter 97B to make benefits for Protection Occupations members the same as benefits for Sheriff/Deputy Sheriff members. Senate Committee proposed floor amendment to raise retirement age from 50 to 55. Conforms to HF 969 from 2025.
SF 2425 (SF 2175) HF 2713 (HSB 735)	A bill for an act relating to education, including by modifying provisions related to charter schools, the Iowa public employees' retirement system, financing programs for charter schools and nonpublic schools administered by the Iowa finance authority, the statewide voluntary preschool program for four-year-old children, education savings accounts, the school start date, independent accrediting agencies, teacher training and licensure, and making appropriations, and including applicability and retroactive applicability provisions.	S-Education 2/18/2026 S-Approps H-Education 2/18/2026 H-Approps		Division II codifies charter schools established under Iowa Code 256E as covered employees / employers. Both chambers amended the bill in committee to add that charter schools must also meet federal requirements to participate and to ensure payments to IPERS are prioritized in case of harter school closure. Charter schools are currently participating in IPERS.

MEMORANDUM

Date: March 25, 2026

To: Members of the Benefits Advisory Committee

From: Elizabeth Hennessey, General Counsel

Subject: Changes to Iowa Administrative Code 495-Chapters 8, 13-16, 20-21, 32

This memorandum serves to update the BAC and provide additional information regarding the proposed changes to Iowa Administrative Code 495 – Chapters 8, 13-16, 20-21 and 32. On January 10, 2023, Governor Reynolds issued Executive Order 10, also known as the “red tape review.” The executive order requires all state agencies to complete a comprehensive evaluation and cost benefit analysis of existing rules to evaluate their public benefits, whether the benefits justify the cost, and whether there are less restrictive alternatives to achieve their intended goal. In addition, agencies have been directed to rescind rules that are merely duplicative of statute. IPERS staff reviewed Chapters 8, 13-16, 20-21, 32 and propose the changes as part of the red tape review analysis. The proposed changes include removing unnecessary language and rescinding rules that are already in Iowa Code 97B.

IPERS deadline to complete the red tape review is December 31, 2026. The BAC has historically reviewed IPERS’ administrative rules prior to filing. IPERS legal department anticipates presenting administrative rule chapters to the BAC for review at the regularly scheduled meetings until all administrative rule chapters have been reviewed. This package includes the following chapters:

1. Chapter 8: “Service Purchases”
2. Chapter 13: “Disability for Regular and Special Service Members”
3. Chapter 14: “Death Benefits and Beneficiaries”
4. Chapter 15: “Dividends”
5. Chapter 16: “Domestic Relations Orders and Other Assignments”
6. Chapter 20: “Recognition of Agents”
7. Chapter 21: “Mergers”
8. Chapter 32: “Qualified Benefits Arrangement”

Formatting and numbering have not been updated but will be prior to filing.

CHAPTER 8
SERVICE PURCHASES
[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—8.1(97B) Service eligible for purchase.

8.1(1) a. Scope. This section applies to service purchases under Iowa Code section 97B.80C.

~~b. a—Estimates and cost quotes. As set forth in Iowa Code section 97B.80C, IPERS calculates all service purchase estimates and cost quotes shall be calculated at actuarial cost. The following procedures and calculations shall apply:~~

~~a.c. Service purchase estimate prior to retirement. Upon completing and submitting a service purchase application, IPERS will calculate a written estimate of the cost of purchasing service under Iowa Code section 97B.80C. Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25), who are vested by service may request a service purchase estimate by completing and submitting a service purchase application. Once the application is submitted, IPERS shall complete a cost estimate. This calculation is an estimate only and is not considered binding. The cost estimate shall be calculated~~IPERS calculates the cost estimate as follows:

(1) IPERS will calculate the actuarial cost by capturing the projected baseline benefit attributes at the member's anticipated retirement date without any service purchase quarterly credits including: average salary, years of service, the Option 2 benefit amount, accumulated member contributions and the calculated present-day reserve value. The present-day reserve value is a lump sum value calculated with actuarial tables provided by the system's actuary which represents the lump sum value sufficient to pay the monthly benefits over the member's expected life span.

(2) With each potential purchasable quarterly service credit, IPERS will recalculate the Option 2 benefit amount. A new present-day reserve value will also be calculated. The cost of each quarterly service credit will be the difference between the new reserve amount and the previous one.

~~a.b. Final service purchase cost quote at retirement. Except as provided in paragraph f, on or before the date that a vested by service or retired member's, as defined under Iowa Code sections 97B.1A(18), (25) member's first benefit payment is issued, a member who is vested by service, may request a final service purchase cost quote by completing and submitting an application for retirement/disability benefit indicating the member's desire to receive a final service purchase cost quote. After the member submits the completed application has been submitted, IPERS shall generate a final service purchase cost quote once all of the member's wages are submitted to IPERS, which may be after the member's first month of entitlement. The final cost quote shall be~~is calculated as follows:

(1) IPERS will calculate the cost by capturing the baseline benefit attributes at the member's first month of entitlement without any service purchase quarterly credits including: average salary, years of service, the Option 2 benefit amount, accumulated member contributions and the calculated present-day reserve value. The present-day reserve value is a lump sum value calculated with actuarial tables provided by the system's actuary which represents the lump sum value sufficient to pay the monthly benefits over the member's expected life span. With each potential purchasable service credit, IPERS will recalculate the Option 2 benefit amount. A new present-day reserve value will also be calculated. The cost of each purchasable quarter of service credit will be the difference between the new reserve amount and the previous one.

(2) The retired member will have six months from the date in which IPERS generates the final service purchase cost quote to purchase additional service.

(3) If the retired member purchases service within the six-month deadline, the increase in the retirement benefit is shall be made effective with the month of the service purchase payment.

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(4) Retired members who do not indicate their desire for a final service purchase cost quote on or before the date their first payment is issued or do not complete the purchase within the six-month deadline indicated on the final service purchase cost quote ~~shall not be~~ not eligible to purchase additional credit.

(5) Retired members who selected Option 1 upon retirement may request the lump sum death benefit to be increased to take into account the additional contributions from making a service purchase. If the member requests an increase in the death benefit, the monthly benefit will be reduced to take into account the increased death benefit.

ee. Cost adjustments due to changes in the original retirement benefit. If an error in the service purchase cost is discovered or a retired member's account is adjusted in any manner after a purchase is made, IPERS may rescind the service purchase, make adjustments to the service purchase cost, or adjust the retirement allowance to ensure the member paid the actuarial cost of buying additional service. In the event that a retired member overpays due to an adjustment, IPERS will issue a refund to the retired member directly or to the rollover institution.

~~*f. Retired members remaining in service, as described in Iowa Code section 97B.46, who elect to receive a retirement allowance under Iowa Code section 97B.48 may request a final service purchase cost quote in the manner set forth in, and subject to the requirements of, paragraph d for the member's second FME, as defined in rule 11.3. IPERS will recalculate the member's monthly retirement allowance under the applicable formula based on the member's vesting status at the second FME, as defined in rule 11.3.*~~

8.1(2) Service credit for other public employment.

a. ~~A member vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25) may make application to IPERS apply for to purchasing credit for service rendered to another public employer as set forth in Iowa Code section 97B.80C(6). In order to be eligible, a member must:~~

~~(1) Have been a public employee in a position comparable to an IPERS covered position at the time the application for buy in is processed. Effective July 1, 1990, "public employee" includes a member who had service as a public employee in another state, or for the federal government, or within other retirement systems established in the state of Iowa; and~~

~~(2) Submit verification of service for that other public employer to IPERS IPERS requires a member to verify service for the other employer.~~

b. A period of service is defined as follows: (1) if a ~~member vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25)~~ was continuously employed by an employer, the entire time is one period of employment, regardless of whether a portion or all of the service was covered by one or more retirement systems; and (2) if a member is continuously employed by multiple employers within a single retirement system, the entire service credited by that retirement system is one period of employment. A member with service credit under another public employee retirement system who wishes to transfer only a portion of the service value of the member's public service in another public system to IPERS must provide a waiver of that service time to IPERS together with proof that the other public system has accepted this waiver and allowed partial withdrawal of service credit. Members ~~are allowed to~~ may purchase time credited by the other public employer as a leave of absence in the same manner as other service credit. However, members wishing to receive free credit for military service performed while ~~in the employ of~~ employed by a qualifying non-IPERS covered public employer must purchase the entire period of service encompassing the service time for that public employer or in the other retirement system, excluding the military time. Veterans' credit originally purchased in another retirement system may be purchased in the same manner as other service credit.

Commented [EA2]: Additional language addressing age 70 continuing to work members under Chapter 97B.48.

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8.1(3) *IPERS buy-back.* ~~Members Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25)~~ may buy back previously refunded IPERS service credit under the methodology of subrule 8.1(1).

8.1(4) *Veterans' credit.* A ~~member-vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25)~~ may make a service credit purchase for a period of active duty service in the armed forces of the United States if the member produces verification of active duty service in the armed forces of the United States.

8.1(5) *Legislative members.*

a. Active members. Persons who are members of the Seventy-first General Assembly or a succeeding general assembly during any period beginning July 4, 1953, may, upon proof of such membership in the general assembly, make contributions to the system for all or a portion of the period of such service in the general assembly.

b. Vested or retired former members of the general assembly.

(1) The member shall submit to IPERS proof of membership in the general assembly for the period claimed.

(2) Upon determining a member's ~~eligibility~~ and receiving the appropriate contributions from the member, IPERS ~~shall will~~ credit the member with the period of membership service for which contributions are made.

c. Actuarial cost. Effective January 1, 2016, the member must be vested by service and must pay 40 percent and the Iowa legislature ~~shall pay~~ 60 percent of the actuarial cost of a service purchase, as certified by IPERS. In calculating the actuarial cost, IPERS ~~shall applies~~ the same actuarial assumptions, procedures and cost methods as those described in subrule 8.1(1).

8.1(6) *Employer-approved leaves of absence.* ~~Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25) may purchase s~~Service credit for employer-approved leaves of absence that begin on or after July 1, 1998, ~~may be purchased.~~

8.1(7) *Service credit for elective coverage positions—coverage not elected.* ~~Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25) may purchase s~~Service credit for periods of time prior to January 1, 1999, when the member was employed in a position for which coverage could have been, ~~but was not, elected, but was not, may be purchased.~~

8.1(8) *Service credit for noncovered public employment in Iowa.* A ~~member-vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25)~~ who was previously employed in public employment for which optional coverage was not available, such as substitute teaching or other temporary employment, may purchase service credit for such employment subject to the requirements of Iowa Code section 97B.80C. ~~Members may not purchase s~~Service credit ~~may not be purchased~~ under this subrule for periods in which the individual was performing services as an independent contractor.

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 4337C, IAB 3/13/19, effective 4/17/19]
495—8.2(97B) Revocation of service purchase application and refund of amounts paid. A member may revoke a service purchase application and receive a refund without interest of all or a portion of amounts paid to IPERS to buy back prior service credit or to purchase credit for other service pursuant to Iowa Code chapter 97B. The revocation must be made in writing and must be made within 60 days after the date of receipt of such amounts by IPERS. Such refunds ~~shall be~~ in increments representing one or more quarters. ~~Furthermore, t~~ This rule ~~shall does~~ not limit IPERS' ability to refund service purchase amounts when required in order to meet the provisions of the Internal Revenue Code that apply to IPERS. This rule ~~shall be~~ effective for revocation requests received by IPERS on or after May 3, 1996.

[ARC 4337C, IAB 3/13/19, effective 4/17/19]

495—8.3(97B) IRC Section 415(n) compliance. Service purchases made under this chapter, including buy-backs and buy-ups, ~~shall not exceed the defined contribution dollar limit then in are subject to the limitations -effect under of~~ Internal Revenue Code Section 415(c)(1), per calendar year, as provided under IRC Section 415(n)(2)(B). In addition, the amounts contributed for service purchases under this chapter ~~shall may~~ not exceed the amount required to purchase the service according to the current cost schedules. In implementing these and the other requirements of IRC Section 415(n), IPERS ~~shall uses~~ the following procedures.

8.3(1) If the member's total benefit at retirement passes the fully reduced IRC Section 415(b) dollar limit test, IPERS shall pay the total benefit.

8.3(2) If the member's total benefit at retirement fails the fully reduced IRC Section 415(b) dollar limit test, and the member made one or more service purchases, IPERS shall perform the applicable IRC Section 415 tests, with adjustments for posttax service purchases and other posttax contributions, and pay excess amounts, if any, under a qualified benefits arrangement authorized under Iowa Code section 97B.49I.

8.3(3) IPERS permits the purchase of nonqualified service credit, as defined under IRC Section 415(n). "Nonqualified service" means:

- a. Service that is not qualified service under Iowa Code section 97B.80C; and
- b. Service for which no services were performed; and
- c. Service for which the member is entitled to receive retirement benefits under another retirement plan.

A ~~member-vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25)~~ must have 20 quarters of existing service to make such a purchase. Nonqualified service credit purchased ~~shall may~~ not exceed 20 quarters. This limit is an aggregate limit that applies to all quarters categorized as nonqualified service credit.

8.3(4) The limitations of this rule ~~shall appliesy~~ to buy-backs of prior refunds. In addition, the annual limit under this rule ~~shall does~~ not apply to service purchases grandfathered under the provisions of the Iowa Code and Section 1526 of the Taxpayer Relief Act of 1997.

8.3(5) If IPERS adopts rules and procedures permitting service to be purchased on a pretax basis, the amounts contributed will not be combined with posttax service purchases and other posttax contributions in applying the foregoing procedures.

8.3(6) The IRC Section 415(c) limitations ~~shall do~~ not apply to a service purchase that qualifies as a direct rollover from an eligible retirement plan or a direct transfer from a plan qualified under IRC Section 403(b) or 457.

8.3(7) IPERS reserves the right to apply the limitations of IRC Section 415(n) on a case-by-case basis to ensure that such limits are not exceeded.

[ARC 4337C, IAB 3/13/19, effective 4/17/19]

~~495—8.4(97B) Required quarters of wages on file. Rescinded ARC 4337C, IAB 3/13/19, effective 4/17/19.~~

495—8.5(97B) Additional information, procedures and limitations.

8.5(1) *Additional service purchase procedures.*

a. Service purchase cost quotes for members currently in special service positions ~~shall be are~~ prepared as special service credit.

b. Members covered under another retirement plan. Members who wish to buy service credit for employment that is covered by another retirement plan qualified under IRC Section 401, IRC Section 403 or 457 and similar plans and retirement pay from the United States government for active duty in the armed forces (except retirement pay for nonregular service pursuant to 10 U.S.C.

Sections 12731-12739) must waive their right to benefits based on the service credit that is being purchased under IPERS.

c. Effective January 1, 2007, IPERS may, notwithstanding certain provisions of Iowa Code section 97B.82 adopted in order to comply with prior rollover provisions of the Internal Revenue Code, utilize forms and procedures permitting direct rollover service purchases to include after-tax amounts as provided under the applicable rollover provisions of the Internal Revenue Code as amended subsequent to the enactment of Iowa Code section 97B.82.

8.5(2) Additional service purchase limitations.

a. ~~Under no circumstances shall service purchases be~~ Service purchases are not allowed for quarters already on file with IPERS as covered quarters.

b. If a member has requested a service purchase cost quote and, before the six-month expiration has passed, submits another request for a service purchase cost quote for the same or different employer, the new service purchase cost quote will be based on a combination of the two service purchase cost quotes. The latest service purchase cost quote ~~shall supersede~~ shall supersede all prior cost quotes provided to the member for the quarters that the member purchases after the issuance of the second cost quote.

c. Self-employed and independent contractor members. Members ~~shall arc not be~~ permitted to purchase service credit for periods of self-employment or as an independent contractor.

8.5(3) Buy-up of service credit through service purchase. Effective July 1, 2008, IPERS members may be allowed to “buy up” service credit. The term “buy up” means to convert regular service credit to special service credit by payment of the actuarial cost pursuant to the requirements of subrule 8.1(1).

a. *Mixture of service time.* If a member’s service time contains a mixture of regular, protection and sheriff service credit, IPERS ~~shall prepares~~ shall prepare buy-up cost quotes prior to other service credit purchases and ~~shall processes~~ shall process the buy-up as follows:

(1) If the member is currently employed in the sheriff class or retired as a sheriff, the cost quote ~~shall be~~ is prepared reflecting a buy-up to sheriff service credit.

(2) If the member is not currently employed in the sheriff class or did not retire as a sheriff, the cost quote ~~is shall be~~ is prepared reflecting a buy-up to protection occupation service credit.

b. *Wage adjustment after a buy-up.* If an employer wage adjustment completely removes a member’s service credit in a buy-up quarter, IPERS ~~shall will~~ shall correct the service credit and perform the necessary recalculations.

c. *IRS limitations.* Buy-up service purchases ~~will be~~ will aggregated with buy-in and buy-back service purchases during a calendar year and ~~shall cannot~~ shall not exceed the defined contribution dollar limit then in effect under Section 415(c) of the Internal Revenue Code. Amounts that are rolled over from other qualified plans for service purchases are excluded from these limits.

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 4337C, IAB 3/13/19, effective 4/17/19]

495—8.6(97B) Adjustments. If an error in the service purchase cost is discovered or a member’s account is adjusted in any manner after a purchase is made, IPERS may rescind the service purchase, make adjustments to the service purchase cost, or adjust the retirement allowance to ensure the active or retired member is paying the actuarial cost of buying additional service.

[ARC 1887C, IAB 2/18/15, effective 3/25/15]

These rules are intended to implement Iowa Code sections 97B.1A, 97B.1A(13), 97B.1A(20), 97B.43, 97B.80, 97B.80C, and 97B.82.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed 4/7/06, Notice 3/1/06—published 4/26/06, effective 5/31/06]

[Filed 5/3/07, Notice 3/28/07—published 5/23/07, effective 6/27/07]

[Filed emergency 6/25/08—published 7/16/08, effective 6/25/08]

[Filed 8/20/08, Notice 7/16/08—published 9/10/08, effective 10/15/08]

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[Filed ARC 1887C (Notice ARC 1800C, IAB 12/24/14), IAB 2/18/15, effective 3/25/15]

[Filed ARC 2402C (Notice ARC 2331C, IAB 12/23/15), IAB 2/17/16, effective 3/23/16]

[Filed ARC 4337C (Notice ARC 4238C, IAB 1/16/19), IAB 3/13/19, effective 4/17/19]

CHAPTER 8
SERVICE PURCHASES
[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—8.1(97B) Service eligible for purchase.

8.1(1) *a. Scope.* This section applies to service purchases under Iowa Code section 97B.80C.

b. Estimates and cost quotes. As set forth in Iowa Code section 97B.80C, IPERS calculates all service purchase estimates and cost quotes at actuarial cost.

c. Service purchase estimate prior to retirement. Upon completing and submitting a service purchase application, IPERS will calculate a written estimate of the cost of purchasing service under Iowa Code section 97B.80C. Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25), may request a service purchase estimate by completing and submitting a service purchase application. Once the application is submitted, IPERS shall complete a cost estimate. This calculation is an estimate only and is not considered binding. IPERS calculates the cost estimate as follows:

(1) IPERS will calculate the actuarial cost by capturing the projected baseline benefit attributes at the member's anticipated retirement date without any service purchase quarterly credits including: average salary, years of service, the Option 2 benefit amount, accumulated member contributions and the calculated present-day reserve value. The present-day reserve value is a lump sum value calculated with actuarial tables provided by the system's actuary which represents the lump sum value sufficient to pay the monthly benefits over the member's expected life span.

(2) With each potential purchasable quarterly service credit, IPERS will recalculate the Option 2 benefit amount. A new present-day reserve value will also be calculated. The cost of each quarterly service credit will be the difference between the new reserve amount and the previous one.

d. Final service purchase cost quote at retirement. Except as provided in paragraph *f*, on or before the date that a vested by service or retired member's, as defined under Iowa Code sections 97B.1A(18), (25) first benefit payment is issued, a member may request a final service purchase cost quote by completing and submitting an application for retirement/disability benefit indicating the member's desire to receive a final service purchase cost quote. After the member submits the completed application, IPERS shall generate a final service purchase cost quote once all of the member's wages are submitted to IPERS, which may be after the member's first month of entitlement. The final cost quote is calculated as follows:

(1) IPERS will calculate the cost by capturing the baseline benefit attributes at the member's first month of entitlement without any service purchase quarterly credits including: average salary, years of service, the Option 2 benefit amount, accumulated member contributions and the calculated present-day reserve value. The present-day reserve value is a lump sum value calculated with actuarial tables provided by the system's actuary which represents the lump sum value sufficient to pay the monthly benefits over the member's expected life span. With each potential purchasable service credit, IPERS will recalculate the Option 2 benefit amount. A new present-day reserve value will also be calculated. The cost of each purchasable quarter of service credit will be the difference between the new reserve amount and the previous one.

(2) The retired member will have six months from the date in which IPERS generates the final service purchase cost quote to purchase additional service.

(3) If the retired member purchases service within the six-month deadline, the increase in the retirement benefit is made effective with the month of the service purchase payment.

(4) Retired members who do not indicate their desire for a final service purchase cost quote on or before the date their first payment is issued or do not complete the purchase within the six-month

deadline indicated on the final service purchase cost quote are not eligible to purchase additional credit.

(5) Retired members who selected Option 1 upon retirement may request the lump sum death benefit to be increased to take into account the additional contributions from making a service purchase. If the member requests an increase in the death benefit, the monthly benefit will be reduced to take into account the increased death benefit.

e. Cost adjustments due to changes in the original retirement benefit. If an error in the service purchase cost is discovered or a retired member's account is adjusted in any manner after a purchase is made, IPERS may rescind the service purchase, make adjustments to the service purchase cost, or adjust the retirement allowance to ensure the member paid the actuarial cost of buying additional service. In the event that a retired member overpays due to an adjustment, IPERS will issue a refund to the retired member directly or to the rollover institution.

f. Retired members remaining in service, as described in Iowa Code section 97B.46, who elect to receive a retirement allowance under Iowa Code section 97B.48 may request a final service purchase cost quote in the manner set forth in, and subject to the requirements of, paragraph *d* for the member's second FME, as defined in rule 11.3. IPERS will recalculate the member's monthly retirement allowance under the applicable formula based on the member's vesting status at the second FME, as defined in rule 11.3.

8.1(2) Service credit for other public employment.

a. A vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25) may apply to purchase credit for service rendered to another public employer as set forth in Iowa Code section 97B.80C(6). IPERS requires a member to verify service for the other employer.

b. A period of service is defined as follows: (1) if a vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25) was continuously employed by an employer, the entire time is one period of employment, regardless of whether a portion or all of the service was covered by one or more retirement systems; and (2) if a member is continuously employed by multiple employers within a single retirement system, the entire service credited by that retirement system is one period of employment. A member with service credit under another public employee retirement system who wishes to transfer only a portion of the service value of the member's public service in another public system to IPERS must provide a waiver of that service time to IPERS together with proof that the other public system has accepted this waiver and allowed partial withdrawal of service credit. Members may purchase time credited by the other public employer as a leave of absence in the same manner as other service credit. However, members wishing to receive free credit for military service performed while employed by a qualifying non-IPERS covered public employer must purchase the entire period of service encompassing the service time for that public employer or in the other retirement system, excluding the military time. Veterans' credit originally purchased in another retirement system may be purchased in the same manner as other service credit.

8.1(3) IPERS buy-back. Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25) may buy back previously refunded IPERS service credit under the methodology of subrule 8.1(1).

8.1(4) Veterans' credit. A vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25) may make a service credit purchase for a period of active duty service in the armed forces of the United States if the member produces verification of active duty service in the armed forces of the United States.

8.1(5) Legislative members.

a. Active members. Persons who are members of the Seventy-first General Assembly or a succeeding general assembly during any period beginning July 4, 1953, may, upon proof of such

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membership in the general assembly, make contributions to the system for all or a portion of the period of such service in the general assembly.

b. Vested or retired former members of the general assembly.

(1) The member shall submit to IPERS proof of membership in the general assembly for the period claimed.

(2) Upon determining a member's eligibility and receiving the appropriate contributions from the member, IPERS will credit the member with the period of membership service for which contributions are made.

c. Actuarial cost. Effective January 1, 2016, the member must be vested by service and must pay 40 percent, and the Iowa legislature pays 60 percent of the actuarial cost of a service purchase, as certified by IPERS. In calculating the actuarial cost, IPERS applies the same actuarial assumptions, procedures and cost methods as those described in subrule 8.1(1).

8.1(6) Employer-approved leaves of absence. Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25) may purchase service credit for employer-approved leaves of absence that begin on or after July 1, 1998.

8.1(7) Service credit for elective coverage positions—coverage not elected. Vested by service or retired members, as defined under Iowa Code sections 97B.1A(18), (25) may purchase service credit for periods of time prior to January 1, 1999, when the member was employed in a position for which coverage could have been, but was not, elected.

8.1(8) Service credit for noncovered public employment in Iowa. A vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25) who was previously employed in public employment for which optional coverage was not available, such as substitute teaching or other temporary employment, may purchase service credit for such employment subject to the requirements of Iowa Code section 97B.80C. Members may not purchase service credit under this subrule for periods in which the individual was performing services as an independent contractor.

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 4337C, IAB 3/13/19, effective 4/17/19]

495—8.2(97B) Revocation of service purchase application and refund of amounts paid. A member may revoke a service purchase application and receive a refund without interest of all, or a portion of amounts paid to IPERS to buy back prior service credit or to purchase credit for other service pursuant to Iowa Code chapter 97B. The revocation must be made in writing and must be made within 60 days after the date of receipt of such amounts by IPERS. Such refunds are in increments representing one or more quarters. This rule does not limit IPERS' ability to refund service purchase amounts when required in order to meet the provisions of the Internal Revenue Code that apply to IPERS. This rule is effective for revocation requests received by IPERS on or after May 3, 1996.

[ARC 4337C, IAB 3/13/19, effective 4/17/19]

495—8.3(97B) IRC Section 415(n) compliance. Service purchases made under this chapter, including buybacks and buy-ups, are subject to the limitations of Internal Revenue Code Section 415(c)(1), per calendar year, as provided under IRC Section 415(n)(2)(B). In addition, the amounts contributed for service purchases under this chapter may not exceed the amount required to purchase the service according to the current cost schedules. In implementing these and the other requirements of IRC Section 415(n), IPERS uses the following procedures.

8.3(1) If the member's total benefit at retirement passes the fully reduced IRC Section 415(b)-dollar limit test, IPERS shall pay the total benefit.

8.3(2) If the member's total benefit at retirement fails the fully reduced IRC Section 415(b) dollar limit test, and the member made one or more service purchases, IPERS shall perform the applicable IRC Section 415 tests, with adjustments for posttax service purchases and other posttax

contributions, and pay excess amounts, if any, under a qualified benefits arrangement authorized under Iowa Code section 97B.49I.

8.3(3) IPERS permits the purchase of nonqualified service credit, as defined under IRC Section 415(n). “Nonqualified service” means:

- a. Service that is not qualified service under Iowa Code section 97B.80C; and
- b. Service for which no services were performed; and
- c. Service for which the member is entitled to receive retirement benefits under another retirement plan.

A vested by service or retired member, as defined under Iowa Code sections 97B.1A(18), (25) must have 20 quarters of existing service to make such a purchase. Nonqualified service credit purchased may not exceed 20 quarters. This limit is an aggregate limit that applies to all quarters categorized as nonqualified service credit.

8.3(4) The limitation of this rule applies to buy-backs of prior refunds. In addition, the annual limit under this rule does not apply to service purchases grandfathered under the provisions of the Iowa Code and Section 1526 of the Taxpayer Relief Act of 1997.

8.3(5) If IPERS adopts rules and procedures permitting service to be purchased on a pretax basis, the amounts contributed will not be combined with posttax service purchases and other posttax contributions in applying the foregoing procedures.

8.3(6) The IRC Section 415(c) limitations do not apply to a service purchase that qualifies as a direct rollover from an eligible retirement plan or a direct transfer from a plan qualified under IRC Section 403(b) or 457.

8.3(7) IPERS reserves the right to apply the limitations of IRC Section 415(n) on a case-by-case basis to ensure that such limits are not exceeded.

[ARC 4337C, IAB 3/13/19, effective 4/17/19]

495—8.4(97B) Additional information, procedures and limitations.

8.4(1) *Additional service purchase procedures.*

a. Service purchase cost quotes for members currently in special service positions are prepared as special service credit.

b. Members covered under another retirement plan. Members who wish to buy service credit for employment that is covered by another retirement plan qualified under IRC Section 401, IRC Section 403 or 457 and similar plans and retirement pay from the United States government for active duty in the armed forces (except retirement pay for nonregular service pursuant to 10 U.S.C. Sections 12731-12739) must waive their right to benefits based on the service credit that is being purchased under IPERS.

c. Effective January 1, 2007, IPERS may, notwithstanding certain provisions of Iowa Code section 97B.82 adopted in order to comply with prior rollover provisions of the Internal Revenue Code, utilize forms and procedures permitting direct rollover service purchases to include after-tax amounts as provided under the applicable rollover provisions of the Internal Revenue Code as amended subsequent to the enactment of Iowa Code section 97B.82.

8.4(2) *Additional service purchase limitations.*

a. Service purchases are not allowed for quarters already on file with IPERS as covered quarters.

b. If a member has requested a service purchase cost quote and, before the six-month expiration has passed, submits another request for a service purchase cost quote for the same or different employer, the new service purchase cost quote will be based on a combination of the two service purchase cost quotes. The latest service purchase cost quote supersedes all prior cost quotes provided to the member for the quarters that the member purchases after the issuance of the second cost quote.

c. Self-employed and independent contractor members. Members are not permitted to purchase service credit for periods of self-employment or as an independent contractor.

8.4(3) *Buy-up of service credit through service purchase.* Effective July 1, 2008, IPERS members may be allowed to “buy up” service credit. The term “buy up” means to convert regular service credit to special service credit by payment of the actuarial cost pursuant to the requirements of subrule 8.1(1).

a. Mixture of service time. If a member’s service time contains a mixture of regular, protection and sheriff service credit, IPERS prepares buy-up cost quotes prior to other service credit purchases and processes the buy-up as follows:

(1) If the member is currently employed in the sheriff class or retired as a sheriff, the cost quote is prepared reflecting a buy-up to sheriff service credit.

(2) If the member is not currently employed in the sheriff class or did not retire as a sheriff, the cost quote is prepared reflecting a buy-up to protection occupation service credit.

b. Wage adjustment after a buy-up. If an employer wage adjustment completely removes a member’s service credit in a buy-up quarter, IPERS will correct the service credit and perform the necessary recalculations.

c. IRS limitations. Buy-up service purchases are aggregated with buy-in and buy-back service purchases during a calendar year and cannot exceed the defined contribution dollar limit then in effect under Section 415(c) of the Internal Revenue Code. Amounts that are rolled over from other qualified plans for service purchases are excluded from these limits.

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 4337C, IAB 3/13/19, effective 4/17/19]

495—8.5(97B) Adjustments. If an error in the service purchase cost is discovered or a member’s account is adjusted in any manner after a purchase is made, IPERS may rescind the service purchase, make adjustments to the service purchase cost, or adjust the retirement allowance to ensure the active or retired member is paying the actuarial cost of buying additional service.

[ARC 1887C, IAB 2/18/15, effective 3/25/15]

These rules are intended to implement Iowa Code sections 97B.1A, 97B.1A(13), 97B.1A(20), 97B.43, 97B.80, 97B.80C, and 97B.82.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

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[Filed emergency 6/25/08—published 7/16/08, effective 6/25/08]

[Filed 8/20/08, Notice 7/16/08—published 9/10/08, effective 10/15/08]

[Filed ARC 1887C (Notice ARC 1800C, IAB 12/24/14), IAB 2/18/15, effective 3/25/15]

[Filed ARC 2402C (Notice ARC 2331C, IAB 12/23/15), IAB 2/17/16, effective 3/23/16]

[Filed ARC 4337C (Notice ARC 4238C, IAB 1/16/19), IAB 3/13/19, effective 4/17/19]

CHAPTER 13
DISABILITY FOR REGULAR AND SPECIAL SERVICE MEMBERS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—13.1(97B) Disability for persons retiring under Iowa Code section 97B.50(2).

13.1(1) For IPERS members retiring because of a disability:

~~a.~~ The member must be awarded federal social security or federal Railroad Retirement Act benefits due to a disability which existed on or before the member's first month of entitlement.

~~b.~~ Effective July 1, 1990, the member may also qualify for the IPERS disability provision by being awarded, and commencing to receive, disability benefits through the federal Railroad Retirement Act, 45 U.S.C. Section 231 et seq., due to a disability which existed at the time of retirement.

~~c.~~ The period for which up to 36 months of retroactive payments under Iowa Code section 97B.50(2) shall be paid is for up to 36 months preceding the month in which such completed application for IPERS disability is received by IPERS. In no event shall retroactive disability benefits payments under Iowa Code section 97B.50(2) precede the month the member actually receives the member's first social security or railroad retirement disability payment. The member shall provide IPERS with a copy of the Social Security Administration or railroad retirement award letter showing dates of eligibility.

~~a.d.~~ Continued qualification monitoring.

(1) ~~For On or after July 1, 2009,~~ a member retiring due to a disability under Iowa Code section 97B.50(2), ~~on or after July 1, 2009, the member shall must~~ provide IPERS, or IPERS' designee, with proof of continuing eligibility for federal social security disability benefits or railroad retirement disability benefits by June 30 of each calendar year, in order to continue qualification for IPERS disability benefits.

~~If the member fails to provide the records timely, IPERS shall suspend the member's disability benefits of any member if the records required are not timely provided.~~

(2) ~~The~~ annual certification of continued eligibility for federal social security disability benefits or railroad retirement disability benefits is not required as of the calendar year the member reaches normal retirement age as defined by Iowa Code section 97B.45, or for special service members aged 55, or sheriffs and deputies aged 50 with 22 years of service.

13.1(2) If a member returns to covered employment after achieving a bona fide retirement, ~~IPERS suspends or reduces the benefits being provided to the member under Iowa Code section 97B.50(2) "a" or "b" shall be suspended or reduced as follows:~~

~~(a)~~ If the member has not attained the age of 55 upon reemployment, benefit payments shall bear suspended in their entirety until the member subsequently terminates employment, applies for, and is approved to receive benefits under the provisions of Iowa Code chapter 97B.

~~(b)~~ If the member has attained the age of 55 or older upon reemployment, the member shall continue to receive monthly benefits adjusted as follows: ~~M~~ monthly benefits shall bear calculated under the same benefit option that was the member first selected, based on the member's age, years of service, and the applicable reductions for early retirement as of the month that the member returns to covered employment.

~~(i)~~ The suspension or reduction of benefits for returning to covered employment no longer applies as of the calendar year the member reaches normal retirement age, as defined by Iowa Code section 97B.45, or for special service members aged 55, or sheriffs and deputies aged 50 with 22 years of service.

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(ii) The member's benefit ~~shall also~~ be subject to the applicable provisions of Iowa Code section 97B.48A pertaining to reemployed retired members.

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13.1(3) Upon terminating a reemployment that resulted in the suspension of all or a portion of the member's disability retirement allowance, ~~the IPERS recomputes the~~ member's benefits ~~shall be recomputed~~ under Iowa Code section 97B.48A and rule 495—12.8(97B). To requalify for a monthly retirement allowance under Iowa Code section 97B.50(2), the member must furnish a new or updated Social Security Administration disability award letter, or other acceptable documentation from the Social Security Administration, indicating that the member is currently eligible for social security disability benefits.

13.1(4) If a member, whose IPERS disability benefits were suspended because of the member's return to covered employment, provides proof acceptable to IPERS that the member remains eligible for federal social security disability benefits or railroad retirement disability benefits, IPERS ~~shall~~ reinstates the member's disability benefits, subject to the member's continued compliance with paragraph 13.1(1) "d."

[ARC 1348C, IAB 2/19/14, effective 3/26/14; ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 5027C, IAB 4/8/20, effective 5/13/20; ARC 5489C, IAB 3/10/21, effective 4/14/21]

495—13.2(97B) **Disability claim process for special service members.** Except as otherwise indicated, this rule ~~shall apply~~ applies only to disability claims initiated under Iowa Code section 97B.50A. Except as otherwise indicated, disability claims under Iowa Code section 97B.50(2) ~~shall~~ ~~are~~ administered under rule 495—13.1(97B).

13.2(1) *Initiation of disability claim.* The disability claim process ~~shall originate~~ ~~on~~ as an application ~~designated by~~ to the system ~~and by the member.~~ ~~The application shall be forwarded to the system's designated retirement benefits officer.~~ An application shall be sent upon request to members who qualify pursuant to Iowa Code section 97B.50A(13). The application consists of the following sections which must be completed and returned to the system's designated retirement benefits officer:

- ~~1. General applicant information.~~
- ~~2. Applicant's statement.~~
- ~~3. Employer's statement.~~
- ~~4. Member's assigned duties.~~
- ~~5. Disability/injury reports.~~
- ~~6. Medical information release in the manner set forth in Chapter 495—11(97B).~~

13.2(2) *Preliminary processing.* ~~Completed forms shall be returned to the disability retirement benefits officer. If the forms are not complete, they will be returned for completion. The application package shall contain copies of all relevant medical records and the names, addresses, and telephone numbers of all relevant physicians. If medical records are not included, the designated retirement benefits officer shall have the authority to contact the listed physicians for copies of the files on the individual and shall request that any applicable files be sent to the medical board. In addition, IPERS may request workers' compensation records, social security records and such other official records as are deemed necessary. The application, including copies of the medical information, shall be forwarded to the medical board for review. All medical records that will be part of a member's permanent file shall be kept in locked locations separate from the member's other retirement records.~~

13.2(3) *Scheduling of appointments.* Upon receipt and forwarding of the application and sufficient medical records to the medical board, the disability retirement benefits officer shall establish an appointment for the applicant to be seen by the medical board in Iowa City. The member shall be notified in writing of the appointment and shall be given general instructions about where to go for the examinations. The appointment for the examinations shall be no later than 60 days after the completed application, including sufficient medical records, is provided. The member

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~~shall also be notified about the procedures to follow for reimbursement of travel expenses and lodging. Fees for physical examinations and medical records costs shall be paid directly by IPERS pursuant to its contractual arrangements with the medical providers required to implement Iowa Code section 97B.50A.~~

13.2(4) Medical board examinations. The medical board, consisting of three physicians from the University of Iowa occupational medicine clinic and other departments as required, shall examine the member and perform the relevant tests and examinations.

The medical board shall submit a letter of recommendation to the system, based on its findings and the job duties supplied in the member's application, whether or not the member is mentally or physically incapacitated from the further performance of the member's duties and whether or not the incapacity is likely to be permanent. "Permanent" means that the mental or physical incapacity is reasonably expected to last more than one year. The medical board's letter of recommendation ~~shall~~ **must** include a recommended schedule for reexaminations to determine the continued existence of the disability in question.

IPERS ~~shall not be~~ **is not** liable for any diagnostic testing procedures performed in accordance with Iowa Code section 97B.50A and this rule which are alleged to have resulted in injury to the members being examined.

The medical board ~~shall~~ **must** furnish its determination, test results, and supporting notes to IPERS and IPERS' designee ~~the system~~ no later than ten working days after the date of the examination. The medical board may use electronic signatures in fulfilling its reporting obligations under this rule. The medical board ~~shall~~ **is** not ~~be~~ required to have regular meetings, but ~~shall~~ **is** required to meet with IPERS' representatives at reasonable intervals to discuss the implementation of the program and performance review.

13.2(5) Member and employer comments. Upon receipt by the system, IPERS distributes ~~the medical board's determination regarding the existence or nonexistence of a permanent disability shall be distributed~~ to the member and to the employer for review. The member and the employer may forward to the system written statements pertaining to the medical board's findings within ten days of transmittal. If relevant medical information not considered in materials previously forwarded to the medical board is contained within such written statements, the system ~~shall~~ **submits** such information to the medical board for review and comment.

13.2(6) Fast-track review. IPERS ~~or IPERS' designee~~ ~~' disability retirement benefits officer~~ may refer any case to IPERS' chief benefits officer (CBO) for fast-track review. The CBO or the CBO's designee may, based upon a review of the member's application and medical records, ~~determine~~ ~~permit~~ that the medical board ~~be permitted~~ to make its recommendations based solely upon a review of the application and medical records, without requiring the member to submit to additional medical examinations by, or coordinated through, the medical board.

13.2(7) Initial administrative determination. ~~The medical board's letter of recommendation, test results, and supporting notes, and the member's file shall be forwarded to IPERS. Except as otherwise requested by IPERS, the medical board shall forward hospital discharge summary reports rather than the entire set of hospital records. The complete file shall be reviewed by the system's disability retirement benefits officer~~ IPERS, or IPERS' designee, ~~who shall~~, in consultation with the system's legal counsel, reviews the member's complete file, including the member's file, the medical board's letter of recommendation, test results, and supporting notes, and hospital discharge summary reports, and makes the initial disability determination. IPERS sends written notification of the initial disability determination ~~shall be sent~~ to the member and the member's employer within 14 business days after IPERS receives a complete file ~~has been returned to IPERS~~ for the initial disability determination.

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. These rules primarily effect IPERS operations and do not impose a duty on a member or member of the public.

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13.2(8) General benefits provisions. Effective July 1, 2000, if an initial disability determination is favorable, benefits ~~shall~~ begin as of the date of the initial disability determination or, if earlier, the member's last day on the payroll, but no more than six months of retroactive benefits are payable, subject to Iowa Code section 97B.50A(13). "Last day on the payroll" ~~shall include~~ any form of authorized leave time, whether paid or unpaid. If a member receives short-term disability benefits from the employer while awaiting a disability determination hereunder, disability benefits ~~will~~ accrue from the date the member's short-term disability payments are discontinued. If a member appeals an initial favorable determination is appealed, the member ~~shall continue~~ to receive payments pending the outcome of the appeal.

Any member who is awarded disability benefits under Iowa Code section 97B.50A and this rule ~~shall be~~ eligible to elect any of the benefit options available under Iowa Code section 97B.51. All such options ~~shall be~~ the actuarial equivalent of the lifetime monthly benefit provided in Iowa Code section 97B.50A(2) and (3).

The disability benefits established under this subrule ~~shall be~~ eligible for the favorable experience dividends payable under Iowa Code section 97B.49F(2).

If the award of disability benefits is overturned upon appeal, ~~the IPERS may require the member may be required~~ to repay the amount already received or, upon retirement, ~~have suspend or reduce payments suspended or reduced~~ until IPERS recovers the appropriate amount ~~is recovered~~.

13.2(9) In-service disability determinations. Subject to the presumptions ~~contained~~ in Iowa Code section 97B.50A in determining whether a member's mental or physical incapacity arises in the actual performance of duty, "duty" ~~shall~~ mean:

a. For special service members other than firefighters, any action that the member, in the member's capacity as a law enforcement officer:

(1) Is obligated or authorized by rule, regulation, condition of employment or service, or law to perform; or

(2) Performs in the course of controlling or reducing crime or enforcing the criminal law; or

b. For firefighters, any action that the member, in the member's capacity as a firefighter:

(1) Is obligated or authorized by rule, regulation, condition of employment or service, or law to perform; or

(2) Performs while on the scene of an emergency run (including false alarms) or on the way to or from the scene.

c. A presumption ~~shall exist~~ that a special service member contracted a disease while on active duty only if the disease is defined by Iowa Code section 97B.50A(2) "c." ~~as amended by 2010 Iowa Acts, House File 2518, section 31~~. If a presumption exists, IPERS may, in making its determination as to whether the member incurred a disability ~~was incurred~~ while ~~the member was~~ on active duty, ~~go forward proceed~~ with evidence to rebut the presumption. IPERS can rebut the presumption when credible evidence exists to the contrary or when the requirements ~~are met in meet~~ Iowa Code section 97B.50A(2) "c." ~~as amended by 2010 Iowa Acts, House File 2518, section 31~~. Under no circumstances ~~shall do~~ the burden of proof shift from the special service member to IPERS.

13.2(10) Appeal rights. The member or the employer, or both, may appeal IPERS' initial disability determination ~~w-~~ Within 30 days after IPERS mails the notification of IPERS' initial disability determination ~~was mailed, the member shall submit by submitting~~ to IPERS' CEO or CEO's designee a notice of appeal in writing setting forth:

a. The name, address, and social security number of the member or employee number of the employer;

b. A reference to the decision from which the appeal is being made;

c. The fact that an appeal from the decision is being made;

d. The grounds upon which the appeal is based;

- e. Additional medical or other evidence to support the appeal; and
- f. The request that a different decision be made by IPERS.

~~The~~ Upon notice of appeal, IPERS ~~system shall~~ conducts an internal review of the initial disability determination, and the CEO or CEO's designee ~~shall notify~~ ~~es~~ in writing the party who filed the appeal of IPERS' final disability determination with respect to the appeal. The CEO or CEO's designee may appoint a review committee to make nonbinding recommendations on such appeals. The disability retirement benefits officer, if named to the review committee, ~~shall do~~ ~~es~~ not vote on any such recommendations, nor ~~shall do~~ any members of IPERS' legal staff participate in any capacity other than a nonvoting capacity. Further appeals ~~shall~~ follow the procedures set forth in 495—Chapter 26.

13.2(11) *Notice of abuse of disability benefits.* The system ~~has the obligation and full authority to investigate~~ all allegations of abuse of disability benefits. ~~IPERS~~ ~~The system~~, in its sole discretion, may initiate investigations in the absence of a complaint. ~~The IPERS determines the scope of the investigation to be conducted shall be determined by the system~~ and may include the ordering of a sub rosa investigation of a disability recipient to verify the facts relating to an alleged abuse. ~~IPERS only considers A~~ a sub rosa investigation ~~shall only be considered~~ upon receipt and evaluation of an acceptable notice of abuse. ~~Acceptable written~~ The notification ~~includes must be in writing and include:~~

- a. The informant's name, address, telephone number, and relationship to the disability recipient; and
- b. A statement pertaining to the circumstances that prompted the notification, such as activities which the informant believes are inconsistent with the alleged disability.
- c. Anonymous calls ~~shall not constitute~~ ~~are not~~ acceptable notification.

IPERS may employ such investigators and other personnel, in IPERS' sole discretion, as may be deemed necessary. IPERS may also, in its sole discretion, decline to carry out such investigations if more than five years have elapsed since the date of the disability determination.

13.2(12) *Qualification for social security or railroad retirement disability benefits.* Upon qualifying for social security or railroad retirement disability benefits, a special service member may contact the system to have the member's disability benefits calculated under Iowa Code section 97B.50(2). The member and spouse must complete the designated application to stop having benefits calculated under Iowa Code section 97B.50A and to start having benefits calculated under Iowa Code section 97B.50(2). The decision is irrevocable, and must be made within 60 days after the member receives written notification of eligibility for disability benefits from social security or railroad retirement and has commenced receiving such payments.

13.2(13) *Reemployment/income monitoring.* A member who retires under Iowa Code section 97B.50A and this rule ~~shall be required to~~ ~~must~~ supply a copy of a complete set of the member's state and federal income tax returns, including all supporting schedules, by June 30 of each calendar year, in order to continue qualification for IPERS special service disability benefits. IPERS may suspend the benefits of any such member if such records are not timely provided. This subrule does not apply to a member who is at least 55 years of age and would have completed 22 years of service if the member had remained in active special service employment.

Only wages and self-employment income ~~shall be~~ ~~are~~ counted in determining a member's reemployment comparison amount, as adjusted for health care coverage for the member and member's dependents.

13.2(14) *Offset to allowance.* A member who retires under Iowa Code section 97B.50A ~~shall have~~ ~~has~~ benefits reduced by other disability-related payments the member receives for the same disability, including, but not limited to, benefits from:

- a. Social security.

- b. Long-term disability insurance.
- c. Workers' compensation, subject to the limitations set forth in Iowa Code section 97B.50A(5) "b" and "c."
- d. Unemployment insurance.
- e. Employer-paid disability plans, programs, or policies.
- f. Other laws.

For purposes of calculating the income offsets required under Iowa Code section 97B.50A, IPERS ~~shall~~ converts any lump sum workers' compensation award, disability insurance payments, or similar lump sum awards for the same illnesses or injuries to an actuarial equivalent, as determined by IPERS. IPERS ~~shall~~ converts any monthly, weekly, or other stated period workers' compensation award, disability insurance payments, or other awards for the same illnesses or injuries, dollar-for-dollar, to the same monthly, weekly, or other stated period, as determined by IPERS.

[ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 0662C, IAB 4/3/13, effective 5/8/13; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 5027C, IAB 4/8/20, effective 5/13/20; ARC 6215C, IAB 2/23/22, effective 3/30/22]

These rules are intended to implement Iowa Code sections 97B.50 and 97B.50A.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

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[Filed ARC 0662C (Notice ARC 0598C, IAB 2/6/13), IAB 4/3/13, effective 5/8/13]

[Filed ARC 1348C (Notice ARC 1256C, IAB 12/25/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1887C (Notice ARC 1800C, IAB 12/24/14), IAB 2/18/15, effective 3/25/15]

[Filed ARC 2402C (Notice ARC 2331C, IAB 12/23/15), IAB 2/17/16, effective 3/23/16]

[Filed ARC 5027C (Notice ARC 4925C, IAB 2/12/20), IAB 4/8/20, effective 5/13/20]

[Filed ARC 5489C (Notice ARC 5359C, IAB 12/30/20), IAB 3/10/21, effective 4/14/21]

[Filed ARC 6215C (Notice ARC 6117C, IAB 12/29/21), IAB 2/23/22, effective 3/30/22]

CHAPTER 13
DISABILITY FOR REGULAR AND SPECIAL SERVICE MEMBERS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—13.1(97B) Disability for persons retiring under Iowa Code section 97B.50(2).

13.1(1) For IPERS members retiring because of a disability:

a. The member must be awarded federal social security or federal Railroad Retirement Act benefits due to a disability which existed on or before the member's first month of entitlement.

In no event shall retroactive disability benefits payments under Iowa Code section 97B.50(2) precede the month the member actually receives the member's first social security or railroad retirement disability payment. The member shall provide IPERS with a copy of the Social Security Administration or railroad retirement award letter showing dates of eligibility.

b. Continued qualification monitoring.

(1) On or after July 1, 2009, a member retiring due to a disability under Iowa Code section 97B.50(2), must provide IPERS, or IPERS' designee, with proof of continuing eligibility for federal social security disability benefits or railroad retirement disability benefits by June 30 of each calendar year, in order to continue qualification for IPERS disability benefits.

If the member fails to provide the records timely, IPERS suspends the member's disability benefits.

(2) Annual certification of continued eligibility for federal social security disability benefits or railroad retirement disability benefits is not required as of the calendar year the member reaches normal retirement age as defined by Iowa Code section 97B.45, or for special service members aged 55, or sheriffs and deputies aged 50 with 22 years of service.

13.1(2) If a member returns to covered employment after achieving a bona fide retirement, IPERS suspends or reduces the benefits provided to the member under Iowa Code section 97B.50(2) "a" or "b" as follows:

a. If the member has not attained the age of 55 upon reemployment, benefit payments are suspended in their entirety until the member subsequently terminates employment, applies for, and is approved to receive benefits under the provisions of Iowa Code chapter 97B.

b. If the member has attained the age of 55 or older upon reemployment, the member continues to receive monthly benefits adjusted as follows: monthly benefits are calculated under the same benefit option the member first selected, based on the member's age, years of service, and the applicable reductions for early retirement as of the month that the member returns to covered employment.

(i) The suspension or reduction of benefits for returning to covered employment no longer applies as of the calendar year the member reaches normal retirement age, as defined by Iowa Code section 97B.45, or for special service members aged 55, or sheriffs and deputies aged 50 with 22 years of service.

(ii) The member's benefit is subject to the applicable provisions of Iowa Code section 97B.48A pertaining to reemployed retired members.

13.1(3) Upon terminating a reemployment that resulted in the suspension of all or a portion of the member's disability retirement allowance, IPERS recomputes the member's benefits under Iowa Code section 97B.48A and rule 495—12.8(97B). To requalify for a monthly retirement allowance under Iowa Code section 97B.50(2), the member must furnish a new or updated Social Security Administration disability award letter, or other acceptable documentation from the Social Security Administration, indicating that the member is currently eligible for social security disability benefits.

13.1(4) If a member, whose IPERS disability benefits were suspended because of the member's return to covered employment, provides proof acceptable to IPERS that the member remains eligible for federal social security disability benefits or railroad retirement disability benefits, IPERS

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reinstates the member's disability benefits, subject to the member's continued compliance with paragraph 13.1(1)“d.”

[ARC 1348C, IAB 2/19/14, effective 3/26/14; ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 5027C, IAB 4/8/20, effective 5/13/20; ARC 5489C, IAB 3/10/21, effective 4/14/21]

495—13.2(97B) Disability claim process for special service members. Except as otherwise indicated, this rule applies only to disability claims initiated under Iowa Code section 97B.50A. Except as otherwise indicated, disability claims under Iowa Code section 97B.50(2) are administered under rule 495—13.1(97B).

13.2(1) Initiation of disability claim. The disability claim process originates on an application designated by the system and in the manner set forth in Chapter 495—11(97B).

13.2(4) Medical board examinations. The medical board, consisting of three physicians from the University of Iowa occupational medicine clinic and other departments as required, shall examine the member and perform the relevant tests and examinations.

The medical board shall submit a letter of recommendation to the system, based on its findings and the job duties supplied in the member's application, whether or not the member is mentally or physically incapacitated from the further performance of the member's duties and whether or not the incapacity is likely to be permanent. "Permanent" means that the mental or physical incapacity is reasonably expected to last more than one year. The medical board's letter of recommendation must include a recommended schedule for reexaminations to determine the continued existence of the disability in question.

IPERS is not liable for any diagnostic testing procedures performed in accordance with Iowa Code section 97B.50A and this rule which are alleged to have resulted in injury to the members being examined.

The medical board must furnish its determination, test results, and supporting notes to IPERS and IPERS' designee no later than ten working days after the date of the examination. The medical board may use electronic signatures in fulfilling its reporting obligations under this rule.

The medical board is not required to have regular meetings, but is required to meet with IPERS' representatives at reasonable intervals to discuss the implementation of the program and performance review.

13.2(5) Member and employer comments. Upon receipt by the system, IPERS distributes the medical board's determination regarding the existence or nonexistence of a permanent disability to the member and to the employer for review. The member and the employer may forward to the system written statements pertaining to the medical board's findings within ten days of transmittal. If relevant medical information not considered in materials previously forwarded to the medical board is contained within such written statements, the system submits such information to the medical board for review and comment.

13.2(6) Fast-track review. IPERS or IPERS' designee may refer any case to IPERS' chief benefits officer (CBO) for fast-track review. The CBO or the CBO's designee may, based upon a review of the member's application and medical records, permit the medical board to make its recommendations based solely upon a review of the application and medical records, without requiring the member to submit to additional medical examinations by, or coordinated through, the medical board.

13.2(7) Initial administrative determination. IPERS, or IPERS' designee, in consultation with the system's legal counsel, reviews the member's complete file, including the member's file, the medical board's letter of recommendation, test results, and supporting notes, and hospital discharge summary reports, and makes the initial disability determination. IPERS sends written notification of the initial disability determination to the member and the member's employer within 14 business days after IPERS receives a complete file for the initial disability determination.

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13.2(8) General benefits provisions. Effective July 1, 2000, if an initial disability determination is favorable, benefits begin as of the date of the initial disability determination or, if earlier, the member's last day on the payroll, but no more than six months of retroactive benefits are payable, subject to Iowa Code section 97B.50A(13). "Last day on the payroll" includes any form of authorized leave time, whether paid or unpaid. If a member receives short-term disability benefits from the employer while awaiting a disability determination hereunder, disability benefits accrue from the date the member's short-term disability payments are discontinued. If a member appeals an initial favorable determination, the member continues to receive payments pending the outcome of the appeal.

Any member who is awarded disability benefits under Iowa Code section 97B.50A and this rule is eligible to elect any of the benefit options available under Iowa Code section 97B.51. All such options are the actuarial equivalent of the lifetime monthly benefit provided in Iowa Code section 97B.50A(2) and (3).

The disability benefits established under this subrule are eligible for the favorable experience dividends payable under Iowa Code section 97B.49F(2).

If the award of disability benefits is overturned upon appeal, IPERS may require the member to repay the amount already received or, upon retirement, suspend or reduce payments until IPERS recovers the appropriate amount.

13.2(9) In-service disability determinations. Subject to the presumptions in Iowa Code section 97B.50A in determining whether a member's mental or physical incapacity arises in the actual performance of duty, "duty" means:

a. For special service members other than firefighters, any action that the member, in the member's capacity as a law enforcement officer:

(1) Is obligated or authorized by rule, regulation, condition of employment or service, or law to perform; or

(2) Performs in the course of controlling or reducing crime or enforcing the criminal law; or

b. For firefighters, any action that the member, in the member's capacity as a firefighter:

(1) Is obligated or authorized by rule, regulation, condition of employment or service, or law to perform; or

(2) Performs while on the scene of an emergency run (including false alarms) or on the way to or from the scene.

c. A presumption exists that a special service member contracted a disease while on active duty only if the disease is defined by Iowa Code section 97B.50A(2) "c.". If a presumption exists, IPERS may, in making its determination as to whether the member incurred a disability while on active duty, proceed with evidence to rebut the presumption. IPERS can rebut the presumption when credible evidence exists to the contrary or when the requirements meet Iowa Code section 97B.50A(2) "c.". Under no circumstances does the burden of proof shift from the special service member to IPERS.

13.2(10) Appeal rights. The member or the employer, or both, may appeal IPERS' initial disability determination within 30 days after IPERS mails the notification of IPERS' initial disability determination by submitting to IPERS' CEO or CEO's designee a notice of appeal in writing setting forth:

a. The name, address, and social security number of the member or employee number of the employer;

b. A reference to the decision from which the appeal is being made;

c. The fact that an appeal from the decision is being made;

d. The grounds upon which the appeal is based;

e. Additional medical or other evidence to support the appeal; and

f. The request that a different decision be made by IPERS.

Upon notice of appeal, IPERS conducts an internal review of the initial disability determination, and the CEO or CEO's designee notifies in writing the party who filed the appeal of IPERS' final disability determination with respect to the appeal. The CEO or CEO's designee may appoint a review committee to make nonbinding recommendations on such appeals. The disability retirement benefits officer, if named to the review committee, does not vote on any such recommendations, nor do any members of IPERS' legal staff participate in any capacity other than a nonvoting capacity. Further appeals follow the procedures set forth in 495—Chapter 26.

13.2(11) *Notice of abuse of disability benefits.* The system investigates all allegations of abuse of disability benefits. IPERS, in its sole discretion, may initiate investigations in the absence of a complaint. IPERS determines the scope of the investigation and may include the ordering of a sub rosa investigation of a disability recipient to verify the facts relating to an alleged abuse. IPERS only considers a sub rosa investigation upon receipt and evaluation of an acceptable notice of abuse. Acceptable written notification includes:

- a. The informant's name, address, telephone number, and relationship to the disability recipient; and
- b. A statement pertaining to the circumstances that prompted the notification, such as activities which the informant believes are inconsistent with the alleged disability.
- c. Anonymous calls are not acceptable notification.

IPERS may employ such investigators and other personnel, in IPERS' sole discretion, as may be deemed necessary. IPERS may also, in its sole discretion, decline to carry out such investigations if more than five years have elapsed since the date of the disability determination.

13.2(12) *Qualification for social security or railroad retirement disability benefits.* Upon qualifying for social security or railroad retirement disability benefits, a special service member may contact the system to have the member's disability benefits calculated under Iowa Code section 97B.50(2). The member and spouse must complete the designated application to stop having benefits calculated under Iowa Code section 97B.50A and to start having benefits calculated under Iowa Code section 97B.50(2). The decision is irrevocable, and must be made within 60 days after the member receives written notification of eligibility for disability benefits from social security or railroad retirement and has commenced receiving such payments.

13.2(13) *Reemployment/income monitoring.* A member who retires under Iowa Code section 97B.50A and this rule must supply a copy of a complete set of the member's state and federal income tax returns, including all supporting schedules, by June 30 of each calendar year, in order to continue qualification for IPERS special service disability benefits. IPERS may suspend the benefits of any such member if such records are not timely provided. This subrule does not apply to a member who is at least 55 years of age and would have completed 22 years of service if the member had remained in active special service employment.

Only wages and self-employment income are counted in determining a member's reemployment comparison amount, as adjusted for health care coverage for the member and member's dependents.

13.2(14) *Offset to allowance.* A member who retires under Iowa Code section 97B.50A has benefits reduced by other disability-related payments the member receives for the same disability, including, but not limited to, benefits from:

- a. Social security.
- b. Long-term disability insurance.
- c. Workers' compensation, subject to the limitations set forth in Iowa Code section 97B.50A(5) "b" and "c."
- d. Unemployment insurance.
- e. Employer-paid disability plans, programs, or policies.

f. Other laws.

For purposes of calculating the income offsets required under Iowa Code section 97B.50A, IPERS converts any lump sum workers' compensation award, disability insurance payments, or similar lump sum awards for the same illnesses or injuries to an actuarial equivalent, as determined by IPERS. IPERS converts any monthly, weekly, or other stated period workers' compensation award, disability insurance payments, or other awards for the same illnesses or injuries, dollar-for-dollar, to the same monthly, weekly, or other stated period, as determined by IPERS.

[ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 0662C, IAB 4/3/13, effective 5/8/13; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 5027C, IAB 4/8/20, effective 5/13/20; ARC 6215C, IAB 2/23/22, effective 3/30/22]
These rules are intended to implement Iowa Code sections 97B.50 and 97B.50A.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

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[Filed ARC 0662C (Notice ARC 0598C, IAB 2/6/13), IAB 4/3/13, effective 5/8/13]

[Filed ARC 1348C (Notice ARC 1256C, IAB 12/25/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1887C (Notice ARC 1800C, IAB 12/24/14), IAB 2/18/15, effective 3/25/15]

[Filed ARC 2402C (Notice ARC 2331C, IAB 12/23/15), IAB 2/17/16, effective 3/23/16]

[Filed ARC 5027C (Notice ARC 4925C, IAB 2/12/20), IAB 4/8/20, effective 5/13/20]

[Filed ARC 5489C (Notice ARC 5359C, IAB 12/30/20), IAB 3/10/21, effective 4/14/21]

[Filed ARC 6215C (Notice ARC 6117C, IAB 12/29/21), IAB 2/23/22, effective 3/30/22]

CHAPTER 14
DEATH BENEFITS AND BENEFICIARIES

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—14.1(97B) Internal Revenue Code limitations.

~~a. D~~The death benefits payable under Iowa Code sections 97B.51 and 97B.52 ~~shall~~must not exceed the maximum amount possible under Internal Revenue Code Section 401(a)(9).

~~b. To ensure that the limit is not exceeded, a~~To satisfy paragraph (a), a member's combined lump sum death benefit under Iowa Code sections 97B.52(1) and 97B.52(2) ~~shall~~does not exceed 100 times the Option 2 amount that would have been payable to the member at the member's earliest normal retirement age. If a beneficiary of a special service member is eligible for an in-the-line-of-duty death benefit, IPERS takes any reduction required under this rule ~~shall be taken~~ first from a death benefit payable under Iowa Code section 97B.52(1). ~~The "100 times" limit shall apply~~The limit set forth above applies to active and inactive members. ~~The d~~Death benefits payable under this chapter for a reemployment period ~~of reemployment~~ for a retired reemployed member who dies during the period of reemployment ~~are~~shall also be subject to the limits described in this rule.

~~(c)~~ The maximum claims period for IPERS lump sum death benefits ~~is shall not exceed~~ the period required under Internal Revenue Code Section 401(a)(9), which may be less than five years for a member who dies after the member's required beginning date, unless the beneficiary is a spouse. The claims period for all cases in which the member's death occurs during the same calendar year in which a claim must be filed under this rule ~~shall end~~s April 1 of the year following the year of the member's death.

A member's beneficiary or heir may file a claim for previously forfeited death benefits. Interest, if any, for periods prior to the date of the claim will only be credited through the quarter that the death benefit was required to be forfeited by law. Interest for periods following the quarter of forfeiture will accrue beginning with the quarter that the claim for reinstatement is received by IPERS. For death benefits required to be forfeited in order to satisfy Section 401(a)(9) of the federal Internal Revenue Code, in no event will the forfeiture date precede January 1, 1988. IPERS ~~shall not be~~is liable for any excise taxes imposed by the Internal Revenue Service on reinstated death benefits.

Effective January 14, 2004, IPERS processes all claims for a previously forfeited death benefit ~~shall be processed~~ under the procedure set forth at rule 495—14.6(97B).

The system recognizes the validity of same gender marriages executed in Iowa on or after April 27, 2009, if the domestic relations order or other assignment otherwise meets the system's minimum requirements for such orders; the system ~~shall modify~~the tax treatment of distributions under such orders as required by the federal laws governing such distributions. IPERS shall adopt such rules and procedures as are deemed necessary to fully implement the provisions of this rule. The Iowa Supreme Court decision recognizing same gender marriages in Iowa specifically states that this recognition does not extend to same gender marriages of other states. The system recognizes the validity of same gender marriages based on the U.S. Supreme Court's decision in *United States v. Windsor*, 133 S.Ct.

Windsor, 133 S.Ct.

2675 (2013) and the direction of Rev.

Rul.

2013-17 and IRS Notice 2014-19. IPERS ~~shall~~recognize the federal tax treatment of distributions as required by the sources listed in this paragraph.

[ARC 8601B, IAB 3/10/10, effective 4/14/10; ARC 1348C, IAB 2/19/14, effective 3/26/14; ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 5027C, IAB 4/8/20, effective 5/13/20]

~~495—14.2(97B) Survival into first month of entitlement. When a member who has filed an application for retirement benefits and has survived into the first month of entitlement dies prior to the issuance of the first benefit check, IPERS will pay the death benefit allowed under the retirement option elected by the member in the application for retirement benefits.~~

495—14.23(97B) Designation of beneficiaries.

~~14.32(1) Designation of beneficiaries. To designate a beneficiary, the member must complete an IPERS designation of beneficiary form, which must be filed with IPERS.~~

~~a. Members may also designate their beneficiary through the IPERS website or in the manner set forth in Iowa Code section 97B.44.~~

~~b. The beneficiary designation of a beneficiary by a retiring member on the application for monthly benefits revokes all prior designation of beneficiary forms. IPERS may consider as valid a designation of beneficiary form filed with the member's employer prior to the death of the member, even if that form was not forwarded to IPERS prior to the member's death.~~

~~c. If a retired member is reemployed in covered employment, the most recently filed beneficiary form shall governs the payment of all death benefits for all periods of employment.~~

~~d. Notwithstanding paragraph (c) the foregoing sentence, a reemployed IPERS Option 4 or 6 retired member may name someone other than the member's contingent annuitant as beneficiary, but only for lump sum death benefits accrued during the period of reemployment and only if the contingent annuitant has died or has been divorced from the member before or during the period of reemployment unless a qualified domestic relations order (QDRO) directs otherwise. If a reemployed IPERS Option 4 or 6 retired member dies without filing a new beneficiary form, the death benefits accrued for the period of reemployment shall be paid to the member's contingent annuitant, unless the contingent annuitant has died or been divorced from the member. If the contingent annuitant has been divorced from the member, any portion of the lump sum death benefits awarded in a QDRO is shall be paid to the contingent annuitant as alternate payee, and the remainder of the lump sum death benefits is shall be paid to the member's estate or, if applicable, to the member's heirs if no estate is probated.~~

~~e. A funeral home shall may not be designated as a beneficiary.~~

~~14.32(2) Deceased beneficiary. If a named beneficiary predeceased the member, IPERS will pay that beneficiary's share shall be paid to the surviving named beneficiaries in equal shares.~~

~~14.32(3) Change of beneficiary. The beneficiary may be changed by the member by filing a new designation of beneficiary form with IPERS. Members may also change their beneficiary through the IPERS website or in accordance with Iowa Code section 97B.44(1). The latest dated designation of beneficiary form on file shall determines the identity of the beneficiary. Payment of a refund to a terminated member cancels the designation of beneficiary on file with IPERS.~~

~~14.3(4) Spousal signature. If the member designates someone other than a spouse as the sole primary beneficiary, the beneficiary designation form must contain a spousal signature, pursuant to Iowa Code section 97B.44. If a member's spouse cannot be located, the spousal signature requirement may be waived upon receipt of the notarized form specified by IPERS.~~

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2981C, IAB 3/15/17, effective 4/19/17; ARC 4337C, IAB 3/13/19, effective 4/17/19; ARC 5027C, IAB 4/8/20, effective 5/13/20; ARC 5489C, IAB 3/10/21, effective 4/14/21]

495—14.34(97B) Applications for death benefits. Before

~~a. IPERS pays any death benefit payable under Iowa Code section 97B.52, payments can be made, only after IPERS receives (i) application in writing must be submitted to IPERS for the benefit; and (ii) with a copy of the member's death certificate, or if a death certificate cannot be obtained, IPERS may rely on such resources as it has available, including but not limited to records from the Social Security Administration, bureau of health statistics, IPERS' own internal records, or reports~~

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derived from other public records, and other departmental or governmental records to which IPERS may have access together with information establishing the claimant's right to payment.

b. A named beneficiary must complete an IPERS application for death benefits based on the deceased member's account. If the claimant's claim is based on dissolution of marriage that revoked the IPERS beneficiary designation, the claim ~~must be~~ processed pursuant to rule 495—14.16(97B). [ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 5027C, IAB 4/8/20, effective 5/13/20] **495—14.54(97B) Commuted lump sums.**

~~14.5(1) Designated beneficiary is an estate, trust, church, charity, or similar organization. Where the designated beneficiary is an estate, trust, church, charity or similar organization, or is a person, such as a trustee, executor, or administrator who has been appointed to receive funds on behalf of such entities, payment of benefits shall be made in a lump sum only.~~

~~14.5(2) Multiple beneficiaries. Where multiple beneficiaries have been designated by the member, payment, including the payment of the remainder of a series of guaranteed annuity payments, shall be made in a lump sum only. The lump sum payment shall be paid to the multiple beneficiaries in equal shares.~~

14.54(3) Guaranteed payments. In addition to death benefits payments provided in Iowa Code section 97B.52(1)(c) ~~Where~~ a member has selected Option 5 and dies before receiving all guaranteed payments, and the member's designated beneficiary also dies before ~~IPERS makes all guaranteed payments~~ all guaranteed payments are made, ~~IPERS pays~~ any remaining guaranteed payments ~~shall be paid~~ in a lump sum.

[ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10]

495—14.65(97B) Payment of the death benefit when no designation of beneficiary or an invalid designation of beneficiary form is on file. When no designation of beneficiary or an invalid designation of beneficiary form is on file with IPERS, payment shall be made ~~in one of the following ways:~~

~~14.6(1) Where the estate is open, payment shall be made to the administrator or executor where said executor or administrator shall be duly appointed and serving under Iowa Code chapter 633 or 635.~~

~~14.6(2) Where no estate is probated or the estate is closed prior to the filing with IPERS of an application for death benefits, payment will be made in accordance with the intestacy laws of the state of Iowa. If someone other than those identified pursuant to the intestacy laws of the state of Iowa claims entitlement to a death benefit, an estate must be opened and the death benefit shall be payable to the administrator or executor of the estate as provided in Iowa Code sections 97B.44(4) and 97B.52(7).~~

[ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.76(97B) Waiver of beneficiary rights. A named beneficiary of a deceased member may ~~waive current and future rights to payments to which the beneficiary would have been entitled.~~

a. The ~~beneficiary~~ waiver of the rights ~~set forth in Iowa Code section 97B.52(6), must:~~

(i) ~~shall occur prior to receiving the receipt of a payment from IPERS to the beneficiary. T; and~~

(ii) ~~be binding and executed on a form provided by IPERS.~~

b. ~~he~~ waiver of rights ~~shall be binding and will be executed on a form provided by IPERS.~~ The waiver ~~of rights~~ may be general, in which case payment ~~shall be~~ divided equally among all remaining designated beneficiaries or, if there are none, to the member's estate.

Commented [AE6]: Propose deleting. Reduces word count by relying on 97B.52(1)(c)

Commented [AE7]: Propose deleting. Reduces word count by relying on cited Iowa code sections.

~~c. The waiver of rights may also expressly be made in favor of one or more of the member's designated beneficiaries or the member's estate as provided in Iowa Code section 97B.52(6). If the waiver of rights operates in favor of the member's estate and no estate is probated or claim made, or if the executor or administrator expressly waives payment to the estate, payment shall be paid to the member's surviving spouse unless there is no surviving spouse or the surviving spouse has waived the surviving spouse's rights. In that case, payment shall be made to the member's heirs excluding any person who waived the right to payment.~~

Commented [AE8]: Propose deleting. Reduces word count by relying on language in Iowa Code section 97B.52(6)

~~d. A release that is acceptable to IPERS, indemnifying IPERS from all liability to beneficiaries, heirs, or other claimants for any waiver executed by an executor, administrator, or other fiduciary, must accompany aAny waiver filed by an executor, administrator, or other fiduciary under this rule 14.7 and Iowa Code section 97B.52(6) must be accompanied by a release acceptable to IPERS indemnifying IPERS from all liability to beneficiaries, heirs, or other claimants for any waiver executed by an executor, administrator, or other fiduciary.~~

~~495—14.8(97B) Beneficiaries under the age of 18. Payment may be made to a conservator if the beneficiary is under the age of 18 and the total dollar amount to be paid by IPERS to a single beneficiary is \$25,000 or more. Payment may be made to a custodian if the total dollar amount to be paid by IPERS to a single beneficiary is less than \$25,000.~~

Commented [AE9]: Propose deleting. Reduces word count by relying on language in Iowa Code section 97B.34A.

~~495—14.97(97B) Simultaneous deaths. IPERS will appliesy the provisions of the Uniform Simultaneous Death Act, Iowa Code sections 633.523 et seq., in determining the proper beneficiaries of death benefits in applicable cases.~~

~~495—14.108(97B) Felonious deaths. IPERS will appliesy the provisions of the Felonious Death Act, Iowa Code sections 633.535 et seq., in determining the proper beneficiaries of death benefits in applicable cases.~~

~~495—14.911(97B) No interest on postretirement death benefits. Interest is only accrued on a member's death benefit if the member dies before the member's first month of entitlement (FME) or, accrues as set forth in Iowa Code section 97B.52(4)(b). For a retired reemployed member who, before the member's reemployment FME, and interest is only accrued accrues with respect toon the retired or retired reemployed member's accumulated contributions account.~~

Commented [AE10]: Reduces word count by relying on language in Iowa Code section 97B.52(4)(b).

~~495—14.120(97B) Preretirement death benefits.~~

~~14.120(1) Death prior to first month of entitlement. Where an active member, or an inactive member vested by service, dies prior to the first month of entitlement, the lump sum death benefit is shall be the greater of the amount provided in subrule 14.12(3) or 14.12(4). Sole beneficiaries may elect, in lieu of the lump sum amount, to receive a single life annuity that is the actuarial equivalent of such lump sum amount. Where an inactive member, not vested by service, dies prior to the first month of entitlement, the lump sum death benefit is shall be as provided in subrule 14.12(7).~~

Commented [AE11]: Propose deleting. Reduces word count by relying on Iowa Code 97B.52(1) language.

~~14.120(2) Death benefits under Iowa Code section 97B.52(1).~~

~~a. Definitions.~~

~~"Accrued benefit" means the monthly amount that would have been payable to the deceased member under IPERS Option 2 at the member's earliest normal retirement age, based on the member's covered wages and service credits at the date of death. If a deceased member's wage record consists of a combination of regular and special service credits, the monthly amount that would have been payable to the deceased member under Option 2 at the member's earliest normal retirement age is shall be determined separately for regular and special service credits, and then combined.~~

“Nearest age” means a member’s or beneficiary’s age expressed in whole years, after rounding for partial years of age. Ages ~~are shall be~~ rounded down to the nearest whole year if less than six complete months have passed following the month of the member’s or beneficiary’s last birthday, and ~~are shall be~~ rounded up if six complete months or more have passed following the month of the member’s or beneficiary’s last birthday.

b. Process for applying.

(1) A claim for a single life annuity under ~~Iowa Code section 97B.52(1) this subrule~~ must be filed as follows:

1. ~~For a~~ nonspouse beneficiary ~~must file a claim for a single life annuity,~~ within 12 months of the member’s death.

2. ~~AFor a surviving spouse~~ beneficiary ~~who is a surviving spouse must file a claim for a single life annuity,~~ within 12 months of the member’s death, or by the date that the member would have attained the age of 72, whichever period is later.

(2) Elections to receive the lump sum amount or single life annuity ~~shall beare~~ irrevocable once the first payment is made.

(3) No further benefits ~~will beare~~ payable following the death of any beneficiary who qualifies and elects to receive the single life annuity provided under this subrule.

(4) The provisions of this subrule shall not apply to members who died before January 1, 2001.

~~14.120(3) Accumulated contributions lump sum benefit. An accumulated contribution lump sum death benefit is equal to the accumulated contributions of the member plus the product of an amount equal to the highest year of covered wages of the deceased member and the number of years of membership service divided by the “applicable denominator,” as provided in Iowa Code section 97B.52(1) “a.”~~ The calculation of the highest year of covered wages ~~under Iowa Code section 97B.52(1)(a) shall~~ uses the highest calendar year of covered wages reported to IPERS.

~~14.120(4) Present value lump sum.~~ A lump sum death benefit equal to the present value of the member’s accrued benefit is calculated as follows:

a. IPERS ~~shall~~ calculates a member’s retirement benefit at earliest normal retirement age under IPERS Option 2, based on the member’s covered wages and service credits at the date of death and the retirement benefit formula in effect in the month following the date of death.

b. For purposes of determining the “member date of death annuity factor” under the conversion tables supplied by IPERS’ actuary, IPERS ~~shall~~ assumes that “age” means the member’s nearest age at the member’s date of death.

c. For purposes of determining the “member unreduced retirement annuity factor” under the conversion tables supplied by IPERS’ actuary, IPERS ~~shall~~ assumes that “age” means the member’s nearest age at the member’s earliest normal retirement date. If a member had already attained the member’s earliest normal retirement date, IPERS ~~shall~~ assumes that “age” means the member’s nearest age at the date of death.

~~14.120(5) Single life annuity benefit. To convert~~ Procedures and assumptions for converting the actuarial equivalent of a lump sum death benefit to a single life annuity, ~~IPERS assumes the are as~~ follows:

a. For purposes of determining the “age of beneficiary annuity factor” under the conversion tables supplied by IPERS’ actuary, IPERS ~~shall~~ assumes that “age” means the beneficiary’s nearest age as of the beneficiary’s first month of entitlement.

b. A beneficiary’s first month of entitlement is the month after the date of the member’s death.

c. Effective for claims filed after June 30, 2004, no retroactive payments of the single life annuity ~~are shall be~~ made under this subrule.

d. Effective for claims filed after June 30, 2004, the beneficiary whose single life annuity is less than \$600 per year ~~shall be able to receive~~ receives only the lump sum payment under this rule.

e. Any sole beneficiary who is eligible for and elects to receive a single life annuity under this subrule ~~shall also qualify~~qualifies for the favorable experience dividend (FED) payments authorized under rule 495—15.2(97B), subject to the requirements of that rule.

14.12(6) *Retired reemployed members and aged 70 members who retire without terminating employment.* Preretirement death benefits for retired reemployed members and aged 70 members who retire without terminating employment ~~shall beare~~ calculated as follows:

a. For beneficiaries of such members who elect IPERS Option 4 or 6 at retirement, IPERS ~~shall recomputes~~ (for retired reemployed members) or ~~recalculates/recomputes~~ (for aged 70 members who retired without terminating employment) the member's monthly benefits as though the member had elected to terminate employment as of the date of death, to have the member's benefits adjusted for postretirement wages, and then lived into the recomputation or recalculation/recomputation (as applicable) first month of entitlement.

b. The recomputation provided under paragraph 14.12(6) "a" ~~shall applies~~ only to beneficiaries of members who elected IPERS Option 4 or 6, where the member's monthly benefit would have been increased by the period of reemployment, and is subject to the limitations of Iowa Code sections 97B.48A, 97B.49A, 97B.49B, 97B.49C, 97B.49D, and 97B.49G. The recalculation/recomputations provided under paragraph 14.12(6) "a" ~~shall applies~~ only to beneficiaries of members who elected IPERS Option 4 or 6, where the member's monthly benefit would have been increased by the period of employment after the initial retirement, and is subject to the limitations of Iowa Code sections 97B.49A, 97B.49B, 97B.49C, 97B.49D, and 97B.49G. In all other cases, including cases where members previously received a lump sum payment under Iowa Code section 97B.48(1) in lieu of a monthly retirement allowance, preretirement death benefits under this paragraph ~~shall beare~~ the lump sum amount equal to the accumulated employee and accumulated employer contributions.

c. Beneficiaries of members who had elected IPERS Option 4 or 6 may ~~also~~ elect to receive the accumulated employer and accumulated employee contributions described in paragraph 14.12(6) "b" ~~instead lieu~~ of the increased monthly annuity amount. Notwithstanding paragraph 14.12(6) "b" above, if the member elected IPERS Option 5 at retirement, the lump sum amount payable under this paragraph ~~shall beis~~ the greater of the applicable commuted lump sum or the accumulated employee and accumulated employer contributions.

14.12(7) *Inactive member, not vested by service death benefit.*

a. For deaths occurring after June 30, 2004, and before July 1, 2012, for inactive members, ~~as defined by Iowa Code section 97B.1A(12)~~, who have less than 16 quarters of service credit, preretirement death benefits ~~shall beare~~ provided solely under Iowa Code section 97B.52(1) "a," and ~~shall only beare only~~ payable in lump sum amounts. ~~For purposes of this paragraph, an inactive member is a member as defined under Iowa Code section 97B.1A(12).~~

b. For deaths occurring after June 30, 2012, preretirement death benefits ~~shall beare~~ provided solely under Iowa Code section 97B.52(1) "a" and ~~shall are only be~~ payable in lump sum amounts for inactive members, ~~as defined by Iowa Code section 97B.1A(12)~~, who are not vested by service. ~~For purposes of this paragraph, an inactive member is a member as defined under Iowa Code section 97B.1A(12).~~

[ARC 0017C, IAB 2/22/12, effective 3/28/12; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 5027C, IAB 4/8/20, effective 5/13/20]
495—14.13(97B) Procedures for deaths of certain voluntary emergency services personnel occurring in the line of duty. Effective July 1, 2006, for a member who dies while performing the functions of a voluntary emergency services provider as described under Iowa Code section 85.61 or 147A.1, benefits for deaths occurring in the line of duty ~~shall beare~~ paid pursuant to Iowa Code section 100B.31.

[ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.142(97B) Rollovers by nonspouse beneficiaries. Effective January 1, 2007, nonspouse beneficiaries ~~shall be permitted to may~~ request a direct rollover of such beneficiaries' death benefit payments to traditional IRA accounts established in accordance with Section 829 of the Pension Protection Act of 2006 and IRS Notice 2007-7. IPERS shall determine the amount eligible for direct rollover under IRC Section 401(a)(9), if any, and the procedural requirements for requesting such rollovers. It ~~shall be is~~ the beneficiaries' responsibility to determine that the recipient IRAs meet the structural and operational requirements of Section 829 and Notice 2007-7. IPERS ~~shall bears~~ no responsibility for rollovers to IRA accounts that fail to meet such requirements.

Effective January 1, 2008, IPERS will also allow rollovers under this rule to Roth IRA accounts established in accordance with the structural and operational requirements of Section 829 and Notice 2007-7.

[ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.153(97B) Required minimum distribution (RMD) basic calculation.

14.153(1) The RMD for a member who retired under an option with a lump sum death benefit and died after the member's required beginning date (RBD) is calculated as follows:

- a. Step 1. Determine the number of payments remaining for the calendar year in which the member died. The current month's payment is not used in this calculation.
- b. Step 2. Multiply the number of remaining payments determined in Step 1 by the gross amount of the member's last monthly payment to get the RMD amount. If the lump sum death benefit is less than the RMD, then the RMD is the lump sum death benefit amount.
- c. Step 3. Determine the total non-RMD amount by subtracting the RMD as determined in Step 2 from the lump sum death benefit.
- d. The eligible rollover amount is the total non-RMD amount as determined in Step 3.

14.15(2) In order to allocate nontaxable amounts between RMD and non-RMD, the calculation is performed as follows:

- a. Nontaxable amounts are allocated first to the RMD portion of the lump sum death benefit.
- b. If the nontaxable amounts are greater than the RMD amount, the remaining nontaxable amounts are allocated to the non-RMD portion of the lump sum amount.
- c. If the nontaxable amounts are less than the RMD amount, the remaining portion of the RMD amount is composed of taxable amounts.

[ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.163(97B) Beneficiary revocation pursuant to Iowa Code section 598.20B, dissolution of marriage. IPERS is not liable for the payment of death benefits to a beneficiary pursuant to a beneficiary designation that has been revoked or reinstated by a divorce, annulment, or remarriage before IPERS receives the written notice set forth in subrule 14.16(1). ~~Furthermore, IPERS shall only be liable for payments made after receipt of such written notice if the written notice is received at least ten calendar days prior to the payment.~~

14.163(1) Form of notice. The written notice ~~shall must~~ include the following information:

- a. The name of the deceased member,
- b. The name of the person(s) whose entitlement to IPERS death benefits is being challenged,
- c. The name, address, and telephone number of the person(s) asserting an interest,
- d. A statement that the decedent's divorce, annulment, or remarriage revoked the entitlement of the person(s) whose status is being challenged to the IPERS death benefits in question, and
- e. A copy of the divorce decree upon which the claim is based.

In addition to the above information, if the person whose entitlement is being challenged is not the former spouse, the written notice must indicate that the person was related to the former spouse, but not the member, by blood, adoption or affinity, and state the nature of the relationship.

14.163(2) *Delivery of notice.* Written notice under this rule must be addressed to IPERS General Counsel and mailed to IPERS by registered mail or served upon IPERS in the same manner as a summons in a civil action.

14.163(3) *Administration.* Upon receipt of written notice that meets the requirements of subrules 14.16(1) and 14.16(2):

a. IPERS ~~shall~~ reviews the deceased member's account and determines if there are moneys left to be distributed from the account.

b. IPERS ~~shall~~ pays the amounts owed, if any, to the probate court having jurisdiction over the decedent's estate, if the deceased member has an open estate.

c. IPERS ~~shall~~ pays the amounts owed, if any, to the probate court that had or would have had jurisdiction over the decedent's estate, if the deceased member's estate is closed or an estate was not opened.

d. As IPERS makes applicable payments, a copy of the written notice received by IPERS ~~is~~ shall ~~be~~ filed with the probate court.

If the probate court charges a filing fee for the deposit of amounts payable hereunder, IPERS ~~shall~~ deducts such filing fees and other court costs from the amounts payable prior to transfer. The probate court ~~shall~~ holds the funds and, upon its determination, ~~shall~~ orders disbursement or transfer in accordance with the determination. Additional filing fees and court costs, if any, ~~shall~~ bear charged upon disbursement either to the recipient or against the funds on deposit with the probate court, in the discretion of the court.

14.163(4) *Release of claims.* Payments made to a probate court under this rule ~~shall~~ discharge IPERS from all claims by all persons for the value of amounts paid the court.

[ARC 8601B, IAB 3/10/10, effective 4/14/10; ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.17(97B) Procedures for final distribution to heirs who have filed claims. If a claimant ~~has~~ identified other persons in the claimant's group who ~~would~~ bear entitled to a share of the member's death benefit, but such persons have not filed a claim within five years after the member's death, or by the date required under IRC Section 401(a)(9) if earlier, the provisions of Iowa Code section 97B.52(7) apply and the remainder of the member's death benefit ~~shall~~ be paid in pro rata shares to the claimants who were previously paid a share of the death benefit. ~~In order to~~ To comply with the applicable IRS limitations, the final payments under this rule ~~shall~~ bear made by December 31 of the fifth year that begins after the member's date of death, or by December 31 of the year that distribution is required under IRC Section 401(a)(9), if earlier. For purposes of Iowa Code section 97B.52(7), ~~the~~ sole recourse of any claimant who is a member of a group receiving payments hereunder or of any lower-numbered group that should have received all of such payments ~~shall~~ be against the claimants of the group that received death benefit payments.

This rule is intended to implement Iowa Code sections 97B.44 and 97B.52.

[ARC 6215C, IAB 2/23/22, effective 3/30/22]

These rules are intended to implement Iowa Code sections 97B.1A(8), 97B.1A(18), 97B.1A(19), 97B.34, 97B.34A, 97B.44, 97B.52 and 97B.53B and 2000 Iowa Acts, chapter 1077, section 75.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed 4/7/06, Notice 3/1/06—published 4/26/06, effective 5/31/06]

[Filed 11/3/06, Notice 9/27/06—published 11/22/06, effective 12/27/06]

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[Filed emergency 6/25/08—published 7/16/08, effective 6/25/08]

[Filed 8/8/08, Notice 7/2/08—published 8/27/08, effective 10/1/08]

[Filed 8/20/08, Notice 7/16/08—published 9/10/08, effective 10/15/08]

[Filed ARC 8601B (Notice ARC 8477B, IAB 1/13/10), IAB 3/10/10, effective 4/14/10]

[Filed Emergency ARC 8929B, IAB 7/14/10, effective 6/21/10]

[Filed ARC 9068B (Notice ARC 8928B, IAB 7/14/10), IAB 9/8/10, effective 10/13/10]
[Filed ARC 0017C (Notice ARC 9951B, IAB 12/28/11), IAB 2/22/12, effective 3/28/12]
[Filed ARC 1348C (Notice ARC 1256C, IAB 12/25/13), IAB 2/19/14, effective 3/26/14]
[Filed ARC 1887C (Notice ARC 1800C, IAB 12/24/14), IAB 2/18/15, effective 3/25/15]
[Filed ARC 2402C (Notice ARC 2331C, IAB 12/23/15), IAB 2/17/16, effective 3/23/16]
[Filed ARC 2981C (Notice ARC 2892C, IAB 1/18/17), IAB 3/15/17, effective 4/19/17]
[Filed ARC 4337C (Notice ARC 4238C, IAB 1/16/19), IAB 3/13/19, effective 4/17/19]
[Filed ARC 5027C (Notice ARC 4925C, IAB 2/12/20), IAB 4/8/20, effective 5/13/20]
[Filed ARC 5489C (Notice ARC 5359C, IAB 12/30/20), IAB 3/10/21, effective 4/14/21]
[Filed ARC 6215C (Notice ARC 6117C, IAB 12/29/21), IAB 2/23/22, effective 3/30/22]

CHAPTER 14
DEATH BENEFITS AND BENEFICIARIES

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—14.1(97B) Internal Revenue Code limitations.

a. Death benefits payable under Iowa Code sections 97B.51 and 97B.52 must not exceed the maximum amount possible under Internal Revenue Code Section 401(a)(9).

b. To satisfy paragraph (a), a member's combined lump sum death benefit under Iowa Code sections 97B.52(1) and 97B.52(2) does not exceed 100 times the Option 2 amount that would have been payable to the member at the member's earliest normal retirement age. If a beneficiary of a special service member is eligible for an in-the-line-of-duty death benefit, IPERS takes any reduction required under this rule first from a death benefit payable under Iowa Code section 97B.52(1). The limit set forth above applies to active and inactive members. Death benefits payable under this chapter for a reemployment period for a retired reemployed member who dies during the period of reemployment are subject to the limits described in this rule.

(c) The maximum claims period for IPERS lump sum death benefits is the period required under Internal Revenue Code Section 401(a)(9), which may be less than five years for a member who dies after the member's required beginning date, unless the beneficiary is a spouse. The claims period for all cases in which the member's death occurs during the same calendar year in which a claim must be filed under this rule ends April 1 of the year following the year of the member's death.

A member's beneficiary or heir may file a claim for previously forfeited death benefits. Interest, if any, for periods prior to the date of the claim will only be credited through the quarter that the death benefit was required to be forfeited by law. Interest for periods following the quarter of forfeiture will accrue beginning with the quarter that the claim for reinstatement is received by IPERS. For death benefits required to be forfeited in order to satisfy Section 401(a)(9) of the federal Internal Revenue Code, in no event will the forfeiture date precede January 1, 1988. IPERS is liable for any excise taxes imposed by the Internal Revenue Service on reinstated death benefits.

Effective January 14, 2004, IPERS processes all claims for a previously forfeited death benefit under the procedure set forth at rule 495—14.6(97B).

The system recognizes the validity of same gender marriages executed in Iowa on or after April 27, 2009, if the domestic relations order or other assignment otherwise meets the system's minimum requirements for such orders; the system modifies the tax treatment of distributions under such orders as required by the federal laws governing such distributions. The Iowa Supreme Court decision recognizing same gender marriages in Iowa specifically states that this recognition does not extend to same gender marriages of other states. The system recognizes the validity of same gender marriages based on the U.S. Supreme Court's decision in *United States v. Windsor*, 133 S.Ct.

Windsor, 133 S.Ct.

2675 (2013) and the direction of Rev.

Rul.

2013-17 and IRS Notice 2014-19. IPERS recognizes the federal tax treatment of distributions as required by the sources listed in this paragraph.

[ARC 8601B, IAB 3/10/10, effective 4/14/10; ARC 1348C, IAB 2/19/14, effective 3/26/14; ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.2(97B) Designation of beneficiaries.

14.2(1) *Designation of beneficiaries.*

a. Members may designate their beneficiary through the IPERS website or in the manner set forth in Iowa Code section 97B.44.

b. The beneficiary designation by a retiring member on the application for monthly benefits revokes all prior designation of beneficiary forms.

c. If a retired member is reemployed in covered employment, the most recently filed beneficiary form governs the payment of all death benefits for all periods of employment.

d. Notwithstanding paragraph (c) , a reemployed IPERS Option 4 or 6 retired member may name someone other than the member's contingent annuitant as beneficiary, but only for lump sum death benefits accrued during the period of reemployment and only if the contingent annuitant has died or has been divorced from the member before or during the period of reemployment unless a qualified domestic relations order (QDRO) directs otherwise. If a reemployed IPERS Option 4 or 6 retired member dies without filing a new beneficiary form, the death benefits accrued for the period of reemployment are paid to the member's contingent annuitant, unless the contingent annuitant has died or been divorced from the member. If the contingent annuitant has been divorced from the member, any portion of the lump sum death benefits awarded in a QDRO is paid to the contingent annuitant as alternate payee, and the remainder of the lump sum death benefits is paid to the member's estate or, if applicable, to the member's heirs if no estate is probated.

e. A funeral home may not be designated as a beneficiary.

14.2(2) Deceased beneficiary. If a named beneficiary predeceased the member, IPERS will pay that beneficiary's share to the surviving named beneficiaries in equal shares.

14.2(3) Change of beneficiary. Members may change their beneficiary through the IPERS website or in accordance with Iowa Code section 97B.44(1). The latest dated designation of beneficiary form on file determines the identity of the beneficiary.

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2981C, IAB 3/15/17, effective 4/19/17; ARC 4337C, IAB 3/13/19, effective 4/17/19; ARC 5027C, IAB 4/8/20, effective 5/13/20; ARC 5489C, IAB 3/10/21, effective 4/14/21]

495—1434(97B) Applications for death benefits.

a. IPERS pays any death benefit payable under Iowa Code section 97B.52, only after IPERS receives (i) application in writing for the benefit; and (ii) a copy of the member's death certificate. If a death certificate cannot be obtained, IPERS may rely on such resources as it has available, including but not limited to records from the Social Security Administration, bureau of health statistics, IPERS' own internal records, or reports derived from other public records, and other departmental or governmental records to which IPERS may have access together with information establishing the claimant's right to payment.

b. A named beneficiary must complete an IPERS application for death benefits based on the deceased member's account. If the claimant's claim is based on dissolution of marriage that revoked the IPERS beneficiary designation, the claim is processed pursuant to rule 495—14.16(97B).

[ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.4(97B) Commuted lump sums.

14.4 Guaranteed payments. In addition to death benefits payments provided in Iowa Code section 97B.52(1)(c) where a member has selected Option 5 and dies before receiving all guaranteed payments, and the member's designated beneficiary also dies before IPERS makes all guaranteed payments, IPERS pays any remaining guaranteed payments in a commuted lump sum.

[ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10]

495—14.5(97B) Payment of the death benefit when no designation of beneficiary or an invalid designation of beneficiary form is on file. When no designation of beneficiary or an invalid designation of beneficiary form is on file with IPERS, payment shall be made as provided in Iowa Code sections 97B.44(4) and 97B.52(7).

Commented [AE1]: Under Section 97B.44 changes must be filed "with the system."

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Commented [AE3]: Propose deleting. Reduces word count by relying on Iowa Code section 97B.44(2).

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495—14.6(97B) Waiver of beneficiary rights.

a. The beneficiary waiver of the rights set forth in Iowa Code section 97B.52(6), must:

- (i) occur prior to receiving payment from IPERS; and
- (ii) be binding and executed on a form provided by IPERS.

b. The waiver may be general, in which case payment is divided equally among all remaining designated beneficiaries or, if there are none, to the member's estate.

c. The waiver may also expressly be made in favor of one or more of the member's designated beneficiaries or the member's estate as provided in Iowa Code section 97B.52(6).

d. A release that is acceptable to IPERS, indemnifying IPERS from all liability to beneficiaries, heirs, or other claimants for any waiver executed by an executor, administrator, or other fiduciary, must accompany any waiver filed by an executor, administrator, or other fiduciary under this rule 14.7 and Iowa Code section 97B.52(6). **495—14.7(97B) Simultaneous deaths.** IPERS applies the provisions of the Uniform Simultaneous Death Act, Iowa Code sections 633.523 et seq., in determining the proper beneficiaries of death benefits in applicable cases.

495—14.8(97B) Felonious deaths. IPERS applies the provisions of the Felonious Death Act, Iowa Code sections 633.535 et seq., in determining the proper beneficiaries of death benefits in applicable cases.

495—14.9(97B) No interest on postretirement death benefits. Interest accrues as set forth in Iowa Code section 97B.52(4)(b). For a retired reemployed member who before the member's reemployment FME, interest accrues on the retired or retired reemployed member's accumulated contributions.

495—14.10(97B) Preretirement death benefits.

14.10(1) Death prior to first month of entitlement. Where an active member, or an inactive member vested by service, dies prior to the first month of entitlement, the lump sum death benefit is the greater of the amount provided in subrule 14.12(3) or 14.12(4). Sole beneficiaries may elect, in lieu of the lump sum amount, to receive a single life annuity that is the actuarial equivalent of such lump sum amount. Where an inactive member, not vested by service, dies prior to the first month of entitlement, the lump sum death benefit is as provided in subrule 14.12(7).

14.10(2) Death benefits under Iowa Code section 97B.52(1).

a. *Definitions.*

"*Accrued benefit*" means the monthly amount that would have been payable to the deceased member under IPERS Option 2 at the member's earliest normal retirement age, based on the member's covered wages and service credits at the date of death. If a deceased member's wage record consists of a combination of regular and special service credits, the monthly amount that would have been payable to the deceased member under Option 2 at the member's earliest normal retirement age is determined separately for regular and special service credits, and then combined.

"*Nearest age*" means a member's or beneficiary's age expressed in whole years, after rounding for partial years of age. Ages are rounded down to the nearest whole year if less than six complete months have passed following the month of the member's or beneficiary's last birthday, and are

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rounded up if six complete months or more have passed following the month of the member's or beneficiary's last birthday.

b. Process for applying.

(1) A claim for a single life annuity under Iowa Code section 97B.52(1) must be filed as follows:

1. For a nonspouse beneficiary, within 12 months of the member's death.
2. For a surviving spouse beneficiary, within 12 months of the member's death, or by the date that the member would have attained the age of 72, whichever period is later.

(2) Elections to receive the lump sum amount or single life annuity are irrevocable once the first payment is made.

(3) No further benefits are payable following the death of any beneficiary who qualifies and elects to receive the single life annuity provided under this subrule.

(4) The provisions of this subrule shall not apply to members who died before January 1, 2001.

14.10(3) *Accumulated contributions lump sum benefit.* The calculation of the highest year of covered wages under Iowa Code section 97B.52(1)(a) uses the highest calendar year of covered wages reported to IPERS.

14.10(4) *Present value lump sum.* A lump sum death benefit equal to the present value of the member's accrued benefit is calculated as follows:

a. IPERS calculates a member's retirement benefit at earliest normal retirement age under IPERS Option 2, based on the member's covered wages and service credits at the date of death and the retirement benefit formula in effect in the month following the date of death.

b. For purposes of determining the "member date of death annuity factor" under the conversion tables supplied by IPERS' actuary, IPERS assumes that "age" means the member's nearest age at the member's date of death.

c. For purposes of determining the "member unreduced retirement annuity factor" under the conversion tables supplied by IPERS' actuary, IPERS assumes that "age" means the member's nearest age at the member's earliest normal retirement date. If a member had already attained the member's earliest normal retirement date, IPERS assumes that "age" means the member's nearest age at the date of death.

14.10(5) *Single life annuity benefit.* To convert the actuarial equivalent of a lump sum death benefit to a single life annuity, IPERS assumes the follows:

a. For purposes of determining the "age of beneficiary annuity factor" under the conversion tables supplied by IPERS' actuary, IPERS assumes that "age" means the beneficiary's nearest age as of the beneficiary's first month of entitlement.

b. A beneficiary's first month of entitlement is the month after the date of the member's death.

c. Effective for claims filed after June 30, 2004, no retroactive payments of the single life annuity are made under this subrule.

d. Effective for claims filed after June 30, 2004, the beneficiary whose single life annuity is less than \$600 per year receives only the lump sum payment under this rule.

e. Any sole beneficiary who is eligible for and elects to receive a single life annuity under this subrule qualifies for the favorable experience dividend (FED) payments authorized under rule 495—15.2(97B), subject to the requirements of that rule.

14.12(6) *Retired reemployed members and aged 70 members who retire without terminating employment.* Preretirement death benefits for retired reemployed members and aged 70 members who retire without terminating employment are calculated as follows:

a. For beneficiaries of such members who elect IPERS Option 4 or 6 at retirement, IPERS recomputes (for retired reemployed members) or recalculates/recomputes (for aged 70 members who retired without terminating employment) the member's monthly benefits as though the member had elected to terminate employment as of the date of death, to have the member's benefits adjusted for

postretirement wages, and then lived into the recomputation or recalculation/recomputation (as applicable) first month of entitlement.

b. The recomputation provided under paragraph 14.12(6)“*a*” applies only to beneficiaries of members who elected IPERS Option 4 or 6, where the member’s monthly benefit would have been increased by the period of reemployment, and is subject to the limitations of Iowa Code sections 97B.48A, 97B.49A, 97B.49B, 97B.49C, 97B.49D, and 97B.49G. The recalculation/recomputations provided under paragraph 14.12(6)“*a*” applies only to beneficiaries of members who elected IPERS Option 4 or 6, where the member’s monthly benefit would have been increased by the period of employment after the initial retirement, and is subject to the limitations of Iowa Code sections 97B.49A, 97B.49B, 97B.49C, 97B.49D, and 97B.49G. In all other cases, including cases where members previously received a lump sum payment under Iowa Code section 97B.48(1) in lieu of a monthly retirement allowance, preretirement death benefits under this paragraph are the lump sum amount equal to the accumulated employee and accumulated employer contributions.

c. Beneficiaries of members who had elected IPERS Option 4 or 6 may elect to receive the accumulated employer and accumulated employee contributions described in paragraph 14.12(6)“*b*” instead of the increased monthly annuity amount. Notwithstanding paragraph 14.12(6)“*b*” above, if the member elected IPERS Option 5 at retirement, the lump sum amount payable under this paragraph is the greater of the applicable commuted lump sum or the accumulated employee and accumulated employer contributions.

14.10(7) *Inactive member, not vested by service death benefit.*

a. For deaths occurring after June 30, 2004, and before July 1, 2012, for inactive members, as defined by Iowa Code section 97B.1A(12), who have less than 16 quarters of service credit, preretirement death benefits are provided solely under Iowa Code section 97B.52(1)“*a*,” and are only payable in lump sum amounts.

b. For deaths occurring after June 30, 2012, preretirement death benefits are provided solely under Iowa Code section 97B.52(1)“*a*” and are only payable in lump sum amounts for inactive members, as defined by Iowa Code section 97B.1A(12), who are not vested by service.

[ARC 0017C, IAB 2/22/12, effective 3/28/12; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.11(97B) Procedures for deaths of certain voluntary emergency services personnel occurring in the line of duty. Effective July 1, 2006, for a member who dies while performing the functions of a voluntary emergency services provider as described under Iowa Code section 85.61 or 147A.1, benefits for deaths occurring in the line of duty are paid pursuant to Iowa Code section 100B.31.

[ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.12(97B) Rollovers by nonspouse beneficiaries. Effective January 1, 2007, nonspouse beneficiaries may request a direct rollover of such beneficiaries’ death benefit payments to traditional IRA accounts established in accordance with Section 829 of the Pension Protection Act of 2006 and IRS Notice 2007-7. IPERS shall determine the amount eligible for direct rollover under IRC Section 401(a)(9), if any, and the procedural requirements for requesting such rollovers. It is the beneficiaries’ responsibility to determine that the recipient IRAs meet the structural and operational requirements of Section 829 and Notice 2007-7. IPERS bears no responsibility for rollovers to IRA accounts that fail to meet such requirements.

Effective January 1, 2008, IPERS will also allow rollovers under this rule to Roth IRA accounts established in accordance with the structural and operational requirements of Section 829 and Notice 2007-7.

[ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.13(97B) Required minimum distribution (RMD) basic calculation.

14.13(1) The RMD for a member who retired under an option with a lump sum death benefit and died after the member’s required beginning date (RBD) is calculated as follows:

a. Step 1. Determine the number of payments remaining for the calendar year in which the member died. The current month's payment is not used in this calculation.

b. Step 2. Multiply the number of remaining payments determined in Step 1 by the gross amount of the member's last monthly payment to get the RMD amount. If the lump sum death benefit is less than the RMD, then the RMD is the lump sum death benefit amount.

c. Step 3. Determine the total non-RMD amount by subtracting the RMD as determined in Step 2 from the lump sum death benefit.

d. The eligible rollover amount is the total non-RMD amount as determined in Step 3.

14.15(2) In order to allocate nontaxable amounts between RMD and non-RMD, the calculation is performed as follows:

a. Nontaxable amounts are allocated first to the RMD portion of the lump sum death benefit.

b. If the nontaxable amounts are greater than the RMD amount, the remaining nontaxable amounts are allocated to the non-RMD portion of the lump sum amount.

c. If the nontaxable amounts are less than the RMD amount, the remaining portion of the RMD amount is composed of taxable amounts.

[ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 5027C, IAB 4/8/20, effective 5/13/20]
495—14.13(97B) Beneficiary revocation pursuant to Iowa Code section 598.20B, dissolution of marriage. IPERS is not liable for the payment of death benefits to a beneficiary pursuant to a beneficiary designation that has been revoked or reinstated by a divorce, annulment, or remarriage before IPERS receives the written notice set forth in subrule 14.16(1).

14.13(1) *Form of notice.* The written notice must include the following information:

a. The name of the deceased member,

b. The name of the person(s) whose entitlement to IPERS death benefits is being challenged,

c. The name, address, and telephone number of the person(s) asserting an interest,

d. A statement that the decedent's divorce, annulment, or remarriage revoked the entitlement of the person(s) whose status is being challenged to the IPERS death benefits in question, and

e. A copy of the divorce decree upon which the claim is based.

In addition to the above information, if the person whose entitlement is being challenged is not the former spouse, the written notice must indicate that the person was related to the former spouse, but not the member, by blood, adoption or affinity, and state the nature of the relationship.

14.13(2) *Delivery of notice.* Written notice under this rule must be addressed to IPERS General Counsel and mailed to IPERS by registered mail or served upon IPERS in the same manner as a summons in a civil action.

14.13(3) *Administration.* Upon receipt of written notice that meets the requirements of subrules 14.16(1) and 14.16(2):

a. IPERS reviews the deceased member's account and determines if there are moneys left to be distributed from the account.

b. IPERS pays the amounts owed, if any, to the probate court having jurisdiction over the decedent's estate, if the deceased member has an open estate.

c. IPERS pays the amounts owed, if any, to the probate court that had or would have had jurisdiction over the decedent's estate, if the deceased member's estate is closed or an estate was not opened.

d. As IPERS makes applicable payments, a copy of the written notice received by IPERS is filed with the probate court.

If the probate court charges a filing fee for the deposit of amounts payable hereunder, IPERS deducts such filing fees and other court costs from the amounts payable prior to transfer. The probate court holds the funds and, upon its determination, orders disbursement or transfer in accordance with the

determination. Additional filing fees and court costs, if any, are charged upon disbursement either to the recipient or against the funds on deposit with the probate court, in the discretion of the court.

14.13(4) Release of claims. Payments made to a probate court under this rule discharge IPERS from all claims by all persons for the value of amounts paid the court.

[ARC 8601B, IAB 3/10/10, effective 4/14/10; ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—14.17(97B) Procedures for final distribution to heirs who have filed claims. If a claimant identified other persons in the claimant's group who are entitled to a share of the member's death benefit, but such persons have not filed a claim within five years after the member's death, or by the date required under IRC Section 401(a)(9) if earlier, the provisions of Iowa Code section 97B.52(7) apply and the remainder of the member's death benefit is paid in pro rata shares to the claimants who were previously paid a share of the death benefit. To comply with the applicable IRS limitations, the final payments under this rule are made by December 31 of the fifth year that begins after the member's date of death, or by December 31 of the year that distribution is required under IRC Section 401(a)(9), if earlier. For purposes of Iowa Code section 97B.52(7), the sole recourse of any claimant who is a member of a group receiving payments hereunder or of any lower-numbered group that should have received all of such payments is against the claimants of the group that received death benefit payments.

This rule is intended to implement Iowa Code sections 97B.44 and 97B.52.

[ARC 6215C, IAB 2/23/22, effective 3/30/22]

These rules are intended to implement Iowa Code sections 97B.1A(8), 97B.1A(18), 97B.1A(19), 97B.34, 97B.34A, 97B.44, 97B.52 and 97B.53B and 2000 Iowa Acts, chapter 1077, section 75.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed 4/7/06, Notice 3/1/06—published 4/26/06, effective 5/31/06]

[Filed 11/3/06, Notice 9/27/06—published 11/22/06, effective 12/27/06]

[Filed 5/3/07, Notice 3/28/07—published 5/23/07, effective 6/27/07]

[Filed emergency 6/25/08—published 7/16/08, effective 6/25/08]

[Filed 8/8/08, Notice 7/2/08—published 8/27/08, effective 10/1/08]

[Filed 8/20/08, Notice 7/16/08—published 9/10/08, effective 10/15/08]

[Filed ARC 8601B (Notice ARC 8477B, IAB 1/13/10), IAB 3/10/10, effective 4/14/10]

[Filed Emergency ARC 8929B, IAB 7/14/10, effective 6/21/10]

[Filed ARC 9068B (Notice ARC 8928B, IAB 7/14/10), IAB 9/8/10, effective 10/13/10]

[Filed ARC 0017C (Notice ARC 9951B, IAB 12/28/11), IAB 2/22/12, effective 3/28/12]

[Filed ARC 1348C (Notice ARC 1256C, IAB 12/25/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1887C (Notice ARC 1800C, IAB 12/24/14), IAB 2/18/15, effective 3/25/15]

[Filed ARC 2402C (Notice ARC 2331C, IAB 12/23/15), IAB 2/17/16, effective 3/23/16]

[Filed ARC 2981C (Notice ARC 2892C, IAB 1/18/17), IAB 3/15/17, effective 4/19/17]

[Filed ARC 4337C (Notice ARC 4238C, IAB 1/16/19), IAB 3/13/19, effective 4/17/19]

[Filed ARC 5027C (Notice ARC 4925C, IAB 2/12/20), IAB 4/8/20, effective 5/13/20]

[Filed ARC 5489C (Notice ARC 5359C, IAB 12/30/20), IAB 3/10/21, effective 4/14/21]

[Filed ARC 6215C (Notice ARC 6117C, IAB 12/29/21), IAB 2/23/22, effective 3/30/22]

CHAPTER 15
DIVIDENDS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—15.1(97B) Dividend payments for beneficiaries of members retiring prior to July 1, 1990, who chose joint and survivor annuity options.

15.1(1) ~~November dividend adjustment. Effective July 1, 2008, in order to determine whether the adjustment to dividend payments is payable under Iowa Code section 97B.49F(1) “b,” an IPERS actuary shall compare the actuarially required contribution rate for the fiscal year of the dividend adjustment to the statutory contribution rate for that same fiscal year and certify the results to IPERS. If the actuarially required contribution rate exceeds the statutory contribution rate for that same fiscal year, the applicable percentage used to calculate dividend adjustments shall be zero.~~

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15.1(12) General. The dividend payable to the beneficiary of a pre-July 1, 1990, retired member who selected a joint and survivor annuity option, except for the year of the member’s death and the next year, is calculated in the same manner as for retired members.

For a member who lives into November of the year in which the member dies, the dividend will be payable to the member’s account.

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15.1(32) Dividend for the years in which member’s death occurs. For a member who does not live into November of the year in which the member dies, IPERS calculates the dividend payable for the year in which the member dies ~~is calculated~~ the same as it would have been calculated for the deceased retired member. The dividend amount that would have been payable to the deceased retired member is then multiplied by the survivor annuity percentage selected for the contingent annuitant (CA) in the member’s retirement application.

15.1(43) Dividend for the year following the year of the retired member’s death. For a member who does not live into November of the year in which the member dies, IPERS calculates the dividend payable in the year following the year of the member’s death ~~is calculated~~ as follows: The sum of the survivor’s monthly benefit payments received for the year in which the member’s death occurs is divided by the number of survivor benefit payments for that year, and that amount is multiplied by 12. That amount plus the member’s survivor’s prior dividend is then multiplied by the dividend rate for the year following the year of the member’s death, which equals the dividend adjustment for the year following the year of the member’s death. This dividend adjustment plus the prior year’s dividend produces the dividend amount for the year following the year of the member’s death.

15.1(54) Examples.

a. Dividend for the year of the member’s death. ~~The following assumptions are made~~ IPERS assumes the following: The member retired in 1989 and selected a joint and 50 percent to survivor annuity. The retired member received a monthly payment of \$1,000, and died in June 2002. The member received \$12,000 in monthly benefits for January through December 2001. The member received a dividend of \$500 in 2001, and the dividend rate is 3 percent for 2002.

2001 total monthly benefits	+	2001 dividend amount	×	2002 dividend rate	=	2002 dividend adjustment	+	2001 dividend amount	=	Dividend payable amount	×	CA%	=	CA 2002 dividend
\$12,000.00	+	\$500.00	×	3%	=	\$375.00	+	\$500.00	=	\$875.00	×	50%	=	\$437.50

b. Dividend for the year following the year of the member’s death. The following assumptions are made. The member retired in 1989 and selected a joint and 50 percent to survivor annuity. The retired member received a monthly payment of \$1,000, and died in June 2002. The survivor received \$500 each month for July through December of 2002 for a total of \$3,000. The survivor received a dividend of \$437.50 in 2002, and the dividend rate is 3 percent for 2003.

2002 total monthly benefits for CA	Total of payments for CA 2002	Twelve months for 2002	2002 dividend amount	2003 dividend rate	2003 dividend adjustment	2002 dividend amount	Dividend payable to CA for 2003
\$3,000.00	÷ 6 months	× 12 months	+ \$437.50	× 3%	= \$193.13	+ \$437.50	= \$630.63

[ARC 7759B, IAB 5/6/09, effective 4/17/09; ARC 7916B, IAB 7/1/09, effective 8/5/09]

495—15.2(97B) Favorable experience dividend (FED) under Iowa Code section 97B.49F(2).

For ~~members-qualified recipients, as defined under Iowa Code section 97B.49F(2)(a) retiring on and after July 1, 1990,~~ dividends are payable as follows.

15.2(1) Allocation of favorable experience. ~~The system~~IPERS ~~shall~~will, following the first annual actuarial evaluation in which IPERS is found to be fully funded, determine by rule the allocation of ~~the system~~IPERS's favorable actuarial experience, if any, between the reserve account created under Iowa Code section 97B.49F(2) and the remainder of the retirement fund.

~~Effective July 1, 2006, IPERS shall in no event credit amounts attributable to favorable experience to the FED reserve account, unless IPERS is fully funded and will remain fully funded after such amounts are credited to the FED reserve account. "Fully funded" means that the funded ratio as determined under Iowa Code section 97B.1A(11A) remains at least 100 percent following the allocation of favorable experience to the FED reserve account.~~

15.2(2) Determination of applicable percentage. ~~The system~~IPERS ~~shall~~has~~ve~~ sole discretion to determine the applicable percentages ~~that will be~~used in calculating favorable experience dividends payable under this rule, if any, subject to the actuary's certification that the resulting favorable experience dividends meet the requirements of Iowa Code section 97B.49F(2)(d) and this rule.

a. ~~The system~~IPERS's annual applicable percentage target for calculating dividends under Iowa Code section 97B.49F(2) ~~shall be~~is equal to the applicable percentage used in calculating dividends payable to retired members under Iowa Code section 97B.49F(1). Notwithstanding ~~this rule 15.2(2)(a) e-foregoing,~~ ~~the system~~IPERS may set a greater or lesser applicable percentage for calculating dividends under this rule depending on the funding adequacy of the reserve account. ~~In no event shall the applicable percentage~~The applicable percentage shall not exceed 3 percent.

b. ~~In determining the annual applicable percentage, the system shall consider, but not be limited to, the value of the reserve account, distributions made from the reserve account in previous years, and the likelihood of future credits to and distributions from the reserve account. The system~~IPERS ~~shall~~uses at least a rolling five-year period to make its annual applicable percentage decisions ~~using at least a rolling five-year period.~~

c. If for any year ~~the system~~IPERS cannot afford an applicable percentage equal to that payable to retired members under Iowa Code section 97B.49F(1), ~~the system~~IPERS may use applicable percentages in succeeding years that are higher than those used in calculating dividends for retired members under Iowa Code section 97B.49F(1) (but not in excess of 3 percent).

d. An applicable percentage in excess of the applicable percentage declared under Iowa Code section 97B.49F(1) made for catch-up purposes shall not reduce the funding of the reserve account below the amount ~~the system~~IPERS's actuary determines is necessary to pay the maximum favorable experience dividend for each of the next five years, based on reasonable actuarial assumptions.

15.2(3) Calculation of FED for individual members and beneficiaries ~~Qualified Recipients. A member must be retired for one full year to qualify for a favorable experience dividend. In~~ determining whether a member has been retired one full year, ~~as required under Iowa Code section 97B.49F(2)(a),~~ ~~the system~~IPERS shall ~~count~~considers the member's first month of entitlement as the first month of the one-year period. The month in which the favorable experience dividend is payable ~~shall be~~is included in determining whether a member meets the eligibility requirements.

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~~IPERS calculates an~~ An eligible member's qualified recipient's favorable experience dividend shall be calculated by multiplying the retirement allowance payable to the retired member, beneficiary, or contingent annuitant for the previous December, or such other month as determined by the system, by 12, and then multiplying that amount by the number of complete years the member has been retired or would have been retired if living on the date the dividend is payable, and by the applicable percentage set by the system, as provided under Iowa Code section 97B.49F(2)(d). The number of complete years the member has been retired shall be determined by rounding down to the nearest whole year.

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For otherwise eligible retired reemployed members who chose to suspend their monthly allowance under 495—paragraph 12.8(2) “c,” the suspension shall have no effect on the calculation of FED.

15.2(4) (a) ~~FED for eligible members and beneficiaries~~ Qualified Recipients who die before the January distribution date. If a ~~member or beneficiary~~ qualified recipient receiving monthly payments would have been eligible for a FED distribution in the following January but dies prior to the January distribution date, IPERS will pay a FED to the ~~member's or beneficiary's~~ qualified recipient's account for the calendar year in which the death occurred. The FED shall be calculated using the monthly payments received in the calendar year the death occurred. A lump sum death benefit shall not constitute a monthly payment for purposes of determining FED eligibility or in making FED calculations.

(b) The FED percentage applied to the monthly payments received in the calendar year of death shall be the most recently declared FED percentage in effect at the time of the FED payment to the ~~member or beneficiary~~ qualified recipient. This subrule shall not be construed to permit a FED distribution to a ~~member~~ qualified recipient where the total monthly benefits received by the member, counting the month of death, is less than 12, even if a period of 12 months has elapsed between the first payment of monthly benefits to the member and the January distribution date.

(c) Notwithstanding paragraphs (a) and (b) ~~the foregoing~~, if IPERS determines in January of a given year that, based on reasonable actuarial assumptions, there is a reasonable likelihood that a FED will not be declared for the next following January, IPERS may defer paying FED distributions under this subrule until the determination is made. If IPERS subsequently determines that no FED will be declared for a given year, no FED will be payable to a person whose death occurs during the applicable calendar year.

(d) Effective July 1, 2000, a retired ~~member or beneficiary~~ qualified recipient eligible for a FED payment must, in addition to all other applicable requirements, be living on January 1 in order to receive a FED payment otherwise payable in that January.

~~15.2(5) Limit on transfers of favorable experience. Rescinded IAB 11/22/06, effective 12/27/06.~~

15.2(6) *Determination of sufficiency of FED reserve account.* ~~The system is charged in~~ Iowa Code section 97B.49F(2) “d” charges IPERS with determining whether the reserve account is sufficiently funded to make a distribution. ~~The system~~ IPERS shall make this determination by ~~in the following manner.~~

a. ~~The system shall declare~~ Declaring the value of the FED reserve account balance as specified in the Allocation of Net Assets Held in Trust in the financial statements for the fiscal year that ended immediately preceding a January FED payment. The value shall include, but is not limited to, investment income and expenses and certain noninvestment income that are properly recorded for the FED reserve balance based on standard accounting rules used to determine a final balance at the conclusion of a fiscal year.

b. ~~The above-declared reserve account balance shall be compared~~ Comparing the balance declared in paragraph (a) to the total estimated FED payment for the following January as calculated pursuant to rule 495—15.2(97B) utilizing a 1 percent multiplier; and

c. ~~The reserve account shall be~~ Declaring the reserve account declared not sufficiently funded when the estimated FED payment as determined in paragraph “b” of this subrule is equal to or greater than the declared reserve account balance as defined in paragraph “a” of this subrule.

15.2(7) *Determination of FED distribution if reserve account is not sufficiently funded.*

a. ~~When If the system~~ IPERS has determined, pursuant to subrule 15.2(6), that the reserve account is not sufficiently funded, ~~the system~~ IPERS shall declare will use a multiplier ~~to be used~~ in the formula pursuant to rule ~~495—~~ 15.2(97B) that is best estimated to approximate a full distribution of the declared reserve account balance as of the preceding June 30 fiscal year end.

b. No investment gains or losses ~~shall~~ change this balance between July 1 and the FED payment in January of the fiscal year in which the remaining balance of the reserve account ~~will be~~ is paid by IPERS.

c. Any remaining reserve account balance ~~shall be~~ is credited among the membership groups in the net assets held in trust, and the reserve account balance will be zero at the end of the fiscal year in which a FED payment is made pursuant to this subrule.

d. Any funds ~~the system~~ IPERS collects from a FED payment to a member or beneficiary because of an erroneous FED payment made by IPERS ~~shall be~~ is deposited in the IPERS trust fund.

e. Payments under this subrule ~~will~~ represent a final distribution of the balance of the reserve account as determined in rule ~~495—~~ 15.2(97B) effectively halting any future FED payment, unless and until the reserve account is funded again pursuant to subrule 15.2(1).

f. No claim or administrative appeal ~~will be~~ is allowed under this subrule if made more than 30 calendar days following the date on which IPERS made a FED payment to a member or beneficiary based upon the date of the EFT or the date IPERS mailed a state warrant to the member or beneficiary.

g. ~~No payment will~~ Payment will not occur after January 31 in the year of the FED payment under this subrule for any adjustment to any previous fiscal years’ FED payment to a member or beneficiary.

[ARC 0662C, IAB 4/3/13, effective 5/8/13]

These rules are intended to implement Iowa Code sections 97B.1A(11A), 97B.49F and 97B.70.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

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[Filed ARC 0662C (Notice ARC 0598C, IAB 2/6/13), IAB 4/3/13, effective 5/8/13]

CHAPTER 15
DIVIDENDS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—15.1(97B) Dividend payments for beneficiaries of members retiring prior to July 1, 1990, who chose joint and survivor annuity options.

15.1(1) General. The dividend payable to the beneficiary of a pre-July 1, 1990, retired member who selected a joint and survivor annuity option, except for the year of the member's death and the next year, is calculated in the same manner as for retired members.

For a member who lives into November of the year in which the member dies, the dividend will be payable to the member's account.

15.1(2) Dividend for the years in which member's death occurs. For a member who does not live into November of the year in which the member dies, IPERS calculates the dividend payable for the year in which the member dies the same as it would have been calculated for the deceased retired member. The dividend amount that would have been payable to the deceased retired member is then multiplied by the survivor annuity percentage selected for the contingent annuitant (CA) in the member's retirement application.

15.1(3) Dividend for the year following the year of the retired member's death. For a member who does not live into November of the year in which the member dies, IPERS calculates the dividend payable in the year following the year of the member's death as follows: The sum of the survivor's monthly benefit payments received for the year in which the member's death occurs is divided by the number of survivor benefit payments for that year, and that amount is multiplied by 12. That amount plus the member's survivor's prior dividend is then multiplied by the dividend rate for the year following the year of the member's death, which equals the dividend adjustment for the year following the year of the member's death. This dividend adjustment plus the prior year's dividend produces the dividend amount for the year following the year of the member's death.

15.1(4) Examples.

a. Dividend for the year of the member's death. IPERS assumes the following: The member retired in 1989 and selected a joint and 50 percent to survivor annuity. The retired member received a monthly payment of \$1,000, and died in June 2002. The member received \$12,000 in monthly benefits for January through December 2001. The member received a dividend of \$500 in 2001, and the dividend rate is 3 percent for 2002.

2001 total monthly benefits	+	2001 dividend amount	×	2002 dividend rate	=	2002 dividend adjustment	+	2001 dividend amount	=	Dividend payable amount	×	CA%	=	CA 2002 dividend
\$12,000.00		\$500.00		3%		\$375.00		\$500.00		\$875.00		50%		\$437.50

b. Dividend for the year following the year of the member's death. The following assumptions are made. The member retired in 1989 and selected a joint and 50 percent to survivor annuity. The retired member received a monthly payment of \$1,000, and died in June 2002. The survivor received \$500 each month for July through December of 2002 for a total of \$3,000. The survivor received a dividend of \$437.50 in 2002, and the dividend rate is 3 percent for 2003.

2002 total monthly benefits for CA	÷	Total of payments for CA 2002	×	Twelve months for 2002	+	2002 dividend amount	×	2003 dividend rate	=	2003 dividend adjustment	+	2002 dividend amount	=	Dividend payable to CA for 2003
\$3,000.00		6 months		12 months		\$437.50		3%		\$193.13		\$437.50		\$630.63

[ARC 7759B, IAB 5/6/09, effective 4/17/09; ARC 7916B, IAB 7/1/09, effective 8/5/09]

495—15.2(97B) Favorable experience dividend (FED) under Iowa Code section 97B.49F(2).

For qualified recipients, as defined under Iowa Code section 97B.49F(2)(a), dividends are payable as follows.

Commented [AE1]: Reduce word count. Restate from Section 97B.49F(1)©.

15.2(1) *Allocation of favorable experience.* IPERS will, following the first annual actuarial evaluation in which IPERS is found to be fully funded, determine by rule the allocation of IPERS's favorable actuarial experience, if any, between the reserve account created under Iowa Code section 97B.49F(2) and the remainder of the retirement fund.

15.2(2) *Determination of applicable percentage.* IPERS has sole discretion to determine the applicable percentages used in calculating favorable experience dividends payable under this rule, if any, subject to the actuary's certification that the resulting favorable experience dividends meet the requirements of Iowa Code section 97B.49F(2)(d) and this rule.

a. IPERS's annual applicable percentage target for calculating dividends under Iowa Code section 97B.49F(2) is equal to the applicable percentage used in calculating dividends payable to retired members under Iowa Code section 97B.49F(1). Notwithstanding this rule 15.2(2)(a), IPERS may set a greater or lesser applicable percentage for calculating dividends under this rule depending on the funding adequacy of the reserve account. The applicable percentage shall not exceed 3 percent.

b. IPERS uses at least a rolling five-year period to make its annual applicable percentage decisions.

c. If for any year IPERS cannot afford an applicable percentage equal to that payable to retired members under Iowa Code section 97B.49F(1), IPERS may use applicable percentages in succeeding years that are higher than those used in calculating dividends for retired members under Iowa Code section 97B.49F(1) (but not in excess of 3 percent).

d. An applicable percentage in excess of the applicable percentage declared under Iowa Code section 97B.49F(1) made for catch-up purposes shall not reduce the funding of the reserve account below the amount IPERS's actuary determines is necessary to pay the maximum favorable experience dividend for each of the next five years, based on reasonable actuarial assumptions.

15.2(3) *Calculation of FED for Qualified Recipients.* In determining whether a member has been retired one full year, as required under Iowa Code section 97B.49F(2)(a), IPERS considers the member's first month of entitlement as the first month of the one-year period. The month in which the favorable experience dividend is payable is included in determining whether a member meets the eligibility requirements.

IPERS calculates an eligible qualified recipient's favorable experience dividend as provided under Iowa Code section 97B.49F(2)(d). The number of complete years the member has been retired is determined by rounding down to the nearest whole year.

For otherwise eligible retired reemployed members who chose to suspend their monthly allowance under 495—paragraph 12.8(2) "c," the suspension has no effect on the calculation of FED.

15.2(4) (a) *FED for Qualified Recipients who die before the January distribution date.* If a qualified recipient receiving monthly payments would have been eligible for a FED distribution in the following January but dies prior to the January distribution date, IPERS pays a FED to the qualified recipient's account for the calendar year in which the death occurred. The FED is calculated using the monthly payments received in the calendar year the death occurred. A lump sum death benefit is not a monthly payment for purposes of determining FED eligibility or in making FED calculations.

(b) The FED percentage applied to the monthly payments received in the calendar year of death is the most recently declared FED percentage in effect at the time of the FED payment to the qualified recipient. This subrule does not permit a FED distribution to a qualified recipient where the total monthly benefits received by the member, counting the month of death, is less than 12, even if a period of 12 months has elapsed between the first payment of monthly benefits to the member and the January distribution date.

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(c) Notwithstanding paragraphs (a) and (b), if IPERS determines in January of a given year that, based on reasonable actuarial assumptions, there is a reasonable likelihood that a FED will not be declared for the next following January, IPERS may defer paying FED distributions under this subrule until the determination is made. If IPERS subsequently determines that no FED will be declared for a given year, no FED will be payable to a person whose death occurs during the applicable calendar year.

(d) Effective July 1, 2000, a retired qualified recipient eligible for a FED payment must, in addition to all other applicable requirements, be living on January 1 in order to receive a FED payment otherwise payable in that January.

15.2(6) *Determination of sufficiency of FED reserve account.* Iowa Code section 97B.49F(2) “d” charges IPERS with determining whether the reserve account is sufficiently funded to make a distribution. IPERS makes this determination by:

a. Declaring the value of the FED reserve account balance as specified in the Allocation of Net Assets Held in Trust in the financial statements for the fiscal year that ended immediately preceding a January FED payment. The value includes, but is not limited to, investment income and expenses and certain noninvestment income that are properly recorded for the FED reserve balance based on standard accounting rules used to determine a final balance at the conclusion of a fiscal year;

b. Comparing the balance declared in paragraph (a) to the total estimated FED payment for the following January as calculated pursuant to rule 495—15.2(97B) utilizing a 1 percent multiplier; and

c. Declaring the reserve account not sufficiently funded when the estimated FED payment as determined in paragraph “b” of this subrule is equal to or greater than the declared reserve account balance as defined in paragraph “a” of this subrule.

15.2(7) *Determination of FED distribution if reserve account is not sufficiently funded.*

a. If IPERS determines, pursuant to subrule 15.2(6), that the reserve account is not sufficiently funded, IPERS will use a multiplier in the formula pursuant to rule 495—15.2(97B) that is best estimated to approximate a full distribution of the declared reserve account balance as of the preceding June 30 fiscal year end.

b. No investment gains or losses change this balance between July 1 and the FED payment in January of the fiscal year in which the remaining balance of the reserve account is paid by IPERS.

c. Any remaining reserve account balance is credited among the membership groups in the net assets held in trust, and the reserve account balance will be zero at the end of the fiscal year in which a FED payment is made pursuant to this subrule.

d. Any funds IPERS collects from a FED payment to a member or beneficiary because of an erroneous FED payment made by IPERS is deposited in the IPERS trust fund.

e. Payments under this subrule represent a final distribution of the balance of the reserve account as determined in rule 495—15.2(97B) effectively halting any future FED payment, unless and until the reserve account is funded again pursuant to subrule 15.2(1).

f. No claim or administrative appeal is allowed under this subrule if made more than 30 calendar days following the date on which IPERS made a FED payment to a member or beneficiary based upon the date of the EFT or the date IPERS mailed a state warrant to the member or beneficiary.

g. Payment will not occur after January 31 in the year of the FED payment under this subrule for any adjustment to any previous fiscal years’ FED payment to a member or beneficiary.

[ARC 0662C, IAB 4/3/13, effective 5/8/13]

These rules are intended to implement Iowa Code sections 97B.1A(11A), 97B.49F and 97B.70.

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[Filed ARC 0662C (Notice ARC 0598C, IAB 2/6/13), IAB 4/3/13, effective 5/8/13]

CHAPTER 16
DOMESTIC RELATIONS ORDERS AND OTHER ASSIGNMENTS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—16.1(97B) Garnishments and income withholding orders.

16.1(1) For ~~the limited~~ purposes of this rule 16.1, the term “member” includes IPERS members, beneficiaries, contingent annuitants and any other third-party payees to whom IPERS ~~pays is paying~~ a monthly benefit or a lump sum distribution.

~~16.1(2) A member’s right to any payment from IPERS is not transferable or assignable and is not subject to execution, levy, attachment, garnishment, or other legal process, including bankruptcy or insolvency law, except for the purpose of enforcing child, spousal, or medical support.~~

16.1(3) Only members receiving payment from IPERS, including monthly benefits and lump sum distributions, ~~are may be~~ subject to garnishment, attachment, or execution against funds that are payable, pursuant to Iowa Code chapter 97B.39. Such garnishment, attachment, or execution is not valid and enforceable for members who have not applied for and have not been approved to receive funds from IPERS.

16.1(4) Upon receipt of an income withholding order ~~issued by the Iowa department of human services or a court~~, IPERS ~~shall will~~ send a copy of the withholding order to the member. If a garnishment has been issued by a court, the party pursuing the garnishment ~~shall sends~~ a notice pursuant to Iowa law to the member against whom the garnishment is issued.

16.1(5) IPERS ~~shall will~~ continue to withhold a portion of the member’s monthly benefit as specified in the initial withholding order until ~~the issuing authority instructs IPERS~~ by the court or the Iowa department of human services issuing the order to amend or cease payment. IPERS ~~shall will~~ continue to withhold a portion of the member’s monthly benefit as specified in the garnishment until the garnishment expires or is released.

16.1(6) Funds withheld or garnished are taxable to the member. IPERS may assess a fee ~~of \$2 per payment~~ in accordance with Iowa Code section 252D.18A(2). ~~The fee will be~~ IPERS deducts ~~the fee~~ from the gross amount, less federal and state income tax, before a distribution is divided.

16.1(7) A garnishment, attachment or execution may not be levied upon funds which are already the subject of a levy, including a levy placed upon funds by the United States Internal Revenue Service, unless the requirements of IRC Section 6334(a)(8) are met. Multiple garnishments, attachments and executions are allowed as long as the amount levied upon does not exceed the limitations prescribed in 15 U.S.C. Section 1673(b).

16.1(8) IPERS may release information relating to entitlement to funds to ~~a court or to the Iowa department of human services~~ the issuing authority prior to receiving ~~pt of~~ a valid garnishment, attachment, execution, or income withholding order when presented with a written request stating the information requested and reasons for the request. This request must be signed by a magistrate, judge, or child support recovery unit director or the director’s designee, including an attorney representing the Iowa department of health and human services. In addition, IPERS may release information to the Iowa department of health and human services through automated matches.

495—16.2(97B) Domestic relations orders. This rule ~~shall applies~~ only to marital property orders. All support orders ~~shall continue to be~~ are administered under rule 495—16.1(97B).

16.2(1) Definitions.

“Alternate payee” means a member’s spouse or former spouse, regardless of gender, ~~of a member~~ who is recognized by a domestic relations order as having a right to receive all or a portion of the benefits payable by IPERS with respect to such member.

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“Benefits” means, for purposes of this rule and depending on the context, a refund, monthly allowance (including monthly allowance paid as an actuarial equivalent (AE)), or death benefit payable with respect to a member covered under IPERS. “Benefits” does not include dividends payable under Iowa Code section 97B.49 or other cost-of-living increases unless specifically provided for in a QDRO.

“Domestic relations order” means any judgment, decree, or order which relates to the provision of marital property rights to a member’s spouse or former spouse, regardless of gender, ~~of a member~~ and is made pursuant to the domestic relations laws of a state.

“Member” means, for purposes of this rule, IPERS members, beneficiaries, and contingent annuitants.

“Qualified domestic relations order” or “QDRO” means a domestic relations order that divides the marital property of former spouses and assigns to a former spouse alternate payee the right to receive all or a portion of the benefits payable with respect to a member under IPERS and meets the requirements of this rule 16.2.

“Successor alternate payee” means a person or persons named in a domestic relations order prior to July 1, 2019, to receive the amounts payable to the former spouse alternate payee under the QDRO if the alternate payee dies before the member. Successor alternate payees must be named individuals, not a class of individuals, a trust or an estate.

“Trigger event” means a distribution or series of distributions of benefits made with respect to a member.

16.2(2) Requirements.

a. Mandatory provisions. A domestic relations order is a QDRO if such order:

(1) Clearly specifies the member’s name and last-known mailing address, member identification number or social security number, and the names and last-known mailing addresses and social security numbers of alternate payees. This information ~~shall be~~ provided to IPERS on IPERS’ Confidential Information form;

(2) Clearly specifies a fixed dollar amount or a percentage, but not both, of the member’s benefits to be paid by IPERS to the alternate payee or the manner in which the fixed dollar amount or percentage is to be determined, provided that no such method ~~shall require~~ IPERS to perform present value calculations of the member’s accrued benefit;

(3) Clearly specifies the period to which such order applies;

(4) Clearly specifies that the order applies to IPERS;

(5) Clearly specifies that the order is for purposes of making a property division;

(6) Conforms IPERS with IRS reporting requirements for distributions to successor alternate payees. Prior to July 1, 2019, the taxable portion and basis ~~is will be~~ prorated to each respective recipient if the payee is the alternate payee. If the payee is a successor alternate payee, the taxable portion and basis ~~is will be~~ borne by the member, pursuant to IRC Pub. L. 99-514, 100 Stat. 2085, enacted October 22, 1986. Effective July 1, 2019, a domestic relations order must conform IPERS with IRS reporting requirements for distributions to alternate payees. The taxable portion and basis ~~is will be~~ prorated to each respective recipient; and

(7) Is clearly signed by the judge and filed with the clerk of court. IPERS ~~will consider~~ an order duly signed if it carries an original signature, a stamp bearing the judge’s signature, an electronic clerk-of-court stamp and judge’s signature page via the electronic data management system (EDMS) or ~~is conform~~~~ed in accordance~~ with local court rules.

b. Prohibited provisions. A domestic relations order is not a QDRO if such order:

(1) Requires IPERS to provide any type or form of benefit or any option not otherwise provided under Iowa Code chapter 97B;

(2) Requires IPERS to provide increased benefits determined on the basis of actuarial value;

(3) Requires the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined by IPERS to be a QDRO;

(4) Requires any IPERS action ~~by IPERS~~ that is contrary to its governing statutes or plan provisions;

(5) Awards any future benefit increases that ~~are the legislature provided by the legislature provides~~, except as provided in subparagraph 16.2(2) "c"(2);

(6) Requires the benefits payment ~~of benefits~~ to an alternate payee prior to a trigger event; or

(7) Appoints a successor alternate payee after June 30, 2019.

c. *Permitted provisions.* A QDRO may also:

(1) If a trigger event has not occurred as of the date IPERS receives the order ~~is received by IPERS~~, name an alternate payee as a designated beneficiary or contingent annuitant or require the payment of benefits under a particular benefit option, or both;

(2) Specify that the alternate payee is shall be entitled to a fixed dollar amount or percentage of dividend payments, or cost-of-living increase or any other postretirement benefit increase to the member (all known as dividend payments), as follows:

1. If the court order awards the alternate payee a fixed dollar amount of benefits to the alternate payee, the court order must state the dollar amount of dividend payments to be added or method for determining the dollar amount ~~shall be stated in the court order or IPERS gives a dividend payment share award~~ award of a share of dividend payments shall be given no effect; and

2. If the court order awards the alternate payee a specified percentage of benefits ~~to the alternate payee~~, IPERS shall will add dividends to the alternate payee's retirement allowance ~~share of the retirement allowance~~ as necessary to keep the alternate payee's share of payments at the percentage specified in the court order;

(3) Bar a vested member from requesting a refund of the member's accumulated contributions without the alternate payee's written consent. If a member applies for a refund, IPERS will send a consent form ~~will be sent~~ to the alternate payee at the address of record at IPERS. IPERS must receive ~~(The completed consent form must be received by IPERS~~ within 60 days of mailing. If returned undeliverable or IPERS does not receive a no ~~response is received~~, the member's portion of the refund amount is will be payable to the member. If returned marked "no consent," the refund will is not be payable to either the member or alternate payee;

(4) Allow benefits to be paid to an alternate payee based on a period of reemployment for a retired member.

16.2(3) Administrative provisions.

a. IPERS uses the shared payment method for payments under a domestic relations order. IPERS will not create a separate account for the alternate payee or any successor alternate payee(s). Payment to the alternate payee (or successor alternate payee(s)) is shall be in a lump sum if IPERS pays the member's benefits ~~are paid~~ in a lump sum distribution or as monthly payments if IPERS pays the member's benefits ~~are paid~~ under a retirement option. A member ~~shall is not be~~ able to receive an actuarial equivalent (AE) under Iowa Code section 97B.48(1) unless the total benefit payable with respect to that member meets the applicable requirements. All divisions of benefits shall be are based on the gross amount of monthly or lump sum benefits payable. Federal and state income taxes ~~are shall be~~ deducted from the member's and former spouse alternate payee's respective shares and reported under their respective federal tax identification numbers. Unrecovered basis is shall be allocated on a pro rata basis to the member and alternate payee. Federal and state income taxes ~~are shall be~~ deducted from the member's gross payment when a successor alternate payee(s) receives a payment. Federal and state income taxes ~~are shall be~~ reported under the member's federal tax identification number. Unrecovered basis is shall be allocated to the member.

b. The alternate payee ~~shall is~~ not be entitled to any share of the member's death benefits ~~except to the extent unless~~ such entitlement is ~~so~~ provided in a QDRO or in a beneficiary designation filed subsequent to the dissolution. IPERS may investigate and invalidate beneficiary designations without waiting for complaints as set forth in Iowa Code section 598.20B.

c. ~~A member may submit a new enrollment/beneficiary designation form to IPERS Upon after submitting proof, acceptable to IPERS, acceptable proof from a member that a preretirement divorce is final, a member may submit a new enrollment/beneficiary designation form to IPERS. IPERS will place the new designation in the member's record. However, if IPERS later receives and qualifies a domestic relations order is later received and qualified by IPERS, IPERS will consider the QDRO provisions of the QDRO shall be deemed, except as revoked or modified in a subsequent QDRO, to operate as a beneficiary designation, and shall be given first priority by IPERS give such provisions first priority~~ in the determination and payment of such member's death benefits. Death benefits remaining after IPERS makes QDRO payments are made as required by the QDRO, to the extent possible, ~~shall are~~ then be made according to the terms of the member's most recent beneficiary designation. The member may select any option at retirement, including an option that does not provide for payment of postretirement death benefits. ~~If a QDRO does not contain a form of benefit paragraph requiring the member to select a specific IPERS option at retirement, the member is allowed to select any option at retirement, including an option that does not provide for payment of postretirement death benefits.~~ Once a divorce is final postretirement, a member may submit a new enrollment/beneficiary designation form to IPERS if the member has retired under Option 1, 2 or 5, unless otherwise specified in a QDRO.

d. If an alternate payee has been awarded a share of the member's benefits and dies before the member, IPERS will restore the alternate payee's entire share ~~shall be restored~~ to the member unless otherwise specified in the order and in the manner required under this rule 16.2. In order for the alternate payee's entire share to be restored to the member ~~To restore the alternate payee's share to the member~~, IPERS requires proof of death of the alternate payee in the form of a the alternate payee's death certificate. If a death certificate cannot be obtained, IPERS may rely on such resources as it has available, including but not limited to records from the Social Security Administration, bureau of health statistics, IPERS' own internal records, or reports derived from other public records, and other departmental or governmental records to which IPERS may have access.

e. A named successor alternate payee may waive current or future rights to payments to which the successor alternate payee would have otherwise been entitled. The funds waived by a successor alternate payee ~~shall~~ revert to the member.

1. ~~The waiver of rights shall must;~~
a. ~~Occur prior to the receipt of any payment from IPERS to the successor alternate payee;~~

b. ~~and shall be in the form of a filed and signed court order; and~~

c. Be received by IPERS no later than nine months after the alternate payee's date of death or the date on which the successor alternate payee reaches age 21, whichever occurs later.

2. ~~The waiver of rights by a successor alternate payee is binding and shall serves to indemnify IPERS from all liability to beneficiaries, heirs, or other claimants for any waiver executed by a successor alternate payee. The waiver must be received by IPERS no later than nine months after the date of death of the alternate payee or the date on which the successor alternate payee reaches age 21, whichever occurs later.~~

f. An alternate payee ~~shall may~~ not receive a share of dividends or other cost-of-living increases, unless so provided in a QDRO.

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g. The CEO, or CEO's designee, ~~has shall have~~ exclusive authority to determine whether a domestic relations order is a QDRO. A final determination by the CEO, or CEO's designee, may be appealed in the same manner as any other final agency determination under Iowa Code chapter 97B.

h. A person who attempts to make IPERS a party or requires IPERS to appear as a witness to a domestic relations action in order to determine an alternate payee's right to receive a portion of the benefits payable to a member ~~is shall be~~ liable to IPERS for its costs and attorney's fees.

i. A domestic relations order ~~is not shall not become~~ effective until IPERS qualification.

1. ~~If a member is receiving a retirement allowance at the time IPERS qualifies a domestic relations order is deemed qualified by the system,~~ the order ~~is shall be~~ effective only with respect to payments made after the appropriate appeal period has elapsed or been waived by the signature of both parties or their respective counsel. Payment to the alternate payee ~~is will be~~ withheld from the member's next monthly payment after the date ~~the IPERS mails the~~ alternate payee's application ~~is mailed by IPERS.~~

2. ~~If the member is not receiving a retirement allowance at the time a domestic relations order is~~ qualified by IPERS and subsequently applies for a refund or monthly allowance, or dies, ~~no IPERS will not make~~ distributions ~~shall be made~~ until IPERS determines the respective rights of the parties under the domestic relations order ~~are determined by IPERS.~~ If IPERS has placed a hold on the member's account following written or verbal notification from the member, member's spouse, or either party's respective legal representative, and no further contacts are received from either party or their representatives within the following one-year period, or IPERS has not received and qualified a domestic relations order within that time period, IPERS ~~shall will~~ release the hold.

j. IPERS and its staff ~~shall have no are not~~ liability for making or withholding payments in accordance with the provisions of this rule.

k. IPERS has no duty or responsibility to search for alternate payees. Alternate payees must notify IPERS of any change in their mailing addresses. ~~Once IPERS receives a completed member's application for distribution, IPERS shall will~~ mail the alternate payee an application ~~once an application for a distribution has been received from the member and considered a complete application by IPERS.~~ For monthly benefit applications, the alternate payee is eligible for monthly payments as of the member's first month of entitlement.

l. If a QDRO requires the member to select an option with joint and survivor provisions (Option 4 or 6) and name the alternate payee as contingent annuitant, the order must state the percentage in Option 4 or 6 to be payable to the alternate payee as contingent annuitant (the currently available percentages under Option 4 or 6 are 25, 50, 75 and 100 percent). ~~A IPERS must receive~~ acceptable birth proof for the alternate payee as the named contingent annuitant, pursuant to 495—subrule 11.1(2) ~~prior to IPERS's approval of the QDRO, must also be provided to IPERS prior to approval of the order by IPERS.~~

m. For both lump sum and monthly payments, IPERS must receive the alternate payee's tax withholding and rollover elections, if eligible, ~~must be received~~ before the first or current month's benefit is certified for payment or IPERS will use the applicable default tax withholding elections.

n. If ~~an order that is determined to be a~~ QDRO divides a member's account using a service factor formula and the member's IPERS benefits are based on a number of quarters less than the member's total covered quarters, notwithstanding any terms of the order to the contrary, IPERS ~~shall will~~ limit the number of quarters used in the numerator and the denominator of the service fraction to the number of quarters actually used in the calculation of IPERS benefits, not to exceed 120 quarters for special service members and 140 quarters for regular and hybrid members. IPERS will not accept or administer a service factor formula fraction in excess of 1.

o. (1) ~~When calculating the service factor pursuant to a domestic relations order:~~

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a. Service credit ~~that is~~ purchased during the period when the member is married to the alternate payee ~~is shall be~~ added to the numerator and the denominator of the service fraction ~~when calculating the service factor pursuant to a domestic relations order.~~

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b. Service credit ~~that is~~ purchased during a period when the member is not married to the alternate payee ~~shall is only be~~ added to the denominator of the service fraction ~~when calculating the service factor pursuant to a domestic relations order.~~

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(2) ~~Under no circumstances shall the~~The number of quarters in the denominator ~~will never~~ be more than the number of quarters used to calculate the member's benefit.

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(3) Service purchase after retirement ~~shall does~~ not increase or decrease the alternate payee's payment amount that was deducted and was payable at the time of retirement.

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p. ~~The parties or their attorneys shall submit one (1) copy of the QDRO. in a dissolution action involving an IPERS member shall decide between themselves which attorney will submit a proposed domestic relations order to IPERS for review. With the~~(1) In addition to the QDRO, the parties', or their attorneys', initial submission ~~must include: of an order for review, drafters must also submit~~

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(a) a completed, signed, and dated Confidential Information (CI) form;

(b) ~~in addition,~~ every draft order submitted for review must be accompanied by a freshly signed and dated Administrative Rule Compliance for QDROs (ARC) form. Both the member and alternate payee, or their respective counsel, must sign and date the ARC form.

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(c) ~~Both forms must be wet signed; however,~~Except for attorneys or pro se filers, ~~who~~ may sign with their electronic (eFile or EDMS) signatures, ~~both forms must include wet signatures.~~ A rejection under this paragraph ~~shall does~~ not preclude IPERS from placing a hold on a member's account until the status of a proposed order as a QDRO is resolved or the hold is released pursuant to the terms of paragraph 16.2(3) "i."

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q. If a member has filed for and is receiving monthly pension benefits, or wishes to file an application for retirement or a refund and has a qualified domestic relations order pending on the member's account, the parties (the member and the alternate payee or their counsel of record) may ~~execute a waiver of~~ the 30-day appeal period following review and qualification of the member's domestic relations order, using a form approved by the system.

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r. If a member with an IPERS-approved QDRO is receiving a distribution according to a qualified benefits arrangement (QBA), the alternate payee ~~shall shares~~ in the distribution to the member unless the order specifically states otherwise.

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[ARC 8601B, IAB 3/10/10, effective 4/14/10; ARC 8929B, IAB 7/14/10, effective 6/21/10; ARC 9068B, IAB 9/8/10, effective 10/13/10; ARC 9397B, IAB 2/23/11, effective 3/30/11; ARC 0662C, IAB 4/3/13, effective 5/8/13; ARC 1348C, IAB 2/19/14, effective 3/26/14; ARC 1887C, IAB 2/18/15, effective 3/25/15; ARC 2402C, IAB 2/17/16, effective 3/23/16; ARC 4337C, IAB 3/13/19, effective 4/17/19; ARC 6215C, IAB 2/23/22, effective 3/30/22; ARC 6949C, IAB 3/8/23, effective 4/12/23]

These rules are intended to implement Iowa Code sections 97B.4, 97B.15, 97B.25, 97B.38 and 97B.39.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

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CHAPTER 16
DOMESTIC RELATIONS ORDERS AND OTHER ASSIGNMENTS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—16.1(97B) Garnishments and income withholding orders.

16.1(1) For purposes of this rule 16.1, the term “member” includes IPERS members, beneficiaries, contingent annuitants and any other third-party payees to whom IPERS pays a monthly benefit or a lump sum distribution.

16.1(2) Only members receiving payment from IPERS, including monthly benefits and lump sum distributions, are subject to garnishment, attachment, or execution against funds that are payable, pursuant to Iowa Code chapter 97B.39. Such garnishment, attachment, or execution is not valid and enforceable for members who have not applied for and have not been approved to receive funds from IPERS.

16.1(3) Upon receipt of an income withholding order, IPERS will send a copy of the withholding order to the member. If a garnishment has been issued by a court, the party pursuing the garnishment sends a notice pursuant to Iowa law to the member against whom the garnishment is issued.

16.1(4) IPERS will continue to withhold a portion of the member’s monthly benefit as specified in the initial withholding order until the issuing authority instructs IPERS to amend or cease payment. IPERS will continue to withhold a portion of the member’s monthly benefit as specified in the garnishment until the garnishment expires or is released.

16.1(5) Funds withheld or garnished are taxable to the member. IPERS may assess a fee in accordance with Iowa Code section 252D.18A(2). IPERS deducts the fee from the gross amount, less federal and state income tax, before a distribution is divided.

16.1(6) A garnishment, attachment or execution may not be levied upon funds which are already the subject of a levy, including a levy placed upon funds by the United States Internal Revenue Service, unless the requirements of IRC Section 6334(a)(8) are met. Multiple garnishments, attachments and executions are allowed as long as the amount levied upon does not exceed the limitations prescribed in 15 U.S.C. Section 1673(b).

16.1(7) IPERS may release information relating to entitlement to funds to the issuing authority prior to receiving a valid garnishment, attachment, execution, or income withholding order when presented with a written request stating the information requested and reasons for the request. This request must be signed by a magistrate, judge, or child support recovery unit director or the director’s designee, including an attorney representing the Iowa department of health and human services. In addition, IPERS may release information to the Iowa department of health and human services through automated matches.

495—16.2(97B) Domestic relations orders. This rule applies only to marital property orders. All support orders are administered under rule 495—16.1(97B).

16.2(1) Definitions.

“*Alternate payee*” means a member’s spouse or former spouse, regardless of gender, who is recognized by a domestic relations order as having a right to receive all or a portion of the benefits payable by IPERS with respect to such member.

“*Benefits*” means, for purposes of this rule and depending on the context, a refund, monthly allowance (including monthly allowance paid as an actuarial equivalent (AE)), or death benefit payable with respect to a member covered under IPERS. “Benefits” does not include dividends payable under Iowa Code section 97B.49 or other cost-of-living increases unless specifically provided for in a QDRO.

“*Domestic relations order*” means any judgment, decree, or order which relates to the provision of marital property rights to a member’s spouse or former spouse, regardless of gender, and is made pursuant to the domestic relations laws of a state.

“*Member*” means, for purposes of this rule, IPERS members, beneficiaries, and contingent annuitants.

“*Qualified domestic relations order*” or “*QDRO*” means a domestic relations order that divides the marital property of former spouses and assigns to a former spouse alternate payee the right to receive all or a portion of the benefits payable with respect to a member under IPERS and meets the requirements of this rule 16.2.

“*Successor alternate payee*” means a person or persons named in a domestic relations order prior to July 1, 2019, to receive the amounts payable to the former spouse alternate payee under the QDRO if the alternate payee dies before the member. Successor alternate payees must be named individuals, not a class of individuals, a trust or an estate.

“*Trigger event*” means a distribution or series of distributions of benefits made with respect to a member.

16.2(2) Requirements.

a. Mandatory provisions. A domestic relations order is a QDRO if such order:

(1) Clearly specifies the member’s name and last-known mailing address, member identification number or social security number, and the names and last-known mailing addresses and social security numbers of alternate payees. This information is provided to IPERS on IPERS’ Confidential Information form;

(2) Clearly specifies a fixed dollar amount or a percentage, but not both, of the member’s benefits to be paid by IPERS to the alternate payee or the manner in which the fixed dollar amount or percentage is to be determined, provided that no such method requires IPERS to perform present value calculations of the member’s accrued benefit;

(3) Clearly specifies the period to which such order applies;

(4) Clearly specifies that the order applies to IPERS;

(5) Clearly specifies that the order is for purposes of making a property division;

(6) Conforms IPERS with IRS reporting requirements for distributions to successor alternate payees. Prior to July 1, 2019, the taxable portion and basis is prorated to each respective recipient if the payee is the alternate payee. If the payee is a successor alternate payee, the taxable portion and basis is borne by the member, pursuant to IRC Pub. L. 99-514, 100 Stat. 2085, enacted October 22, 1986. Effective July 1, 2019, a domestic relations order must conform IPERS with IRS reporting requirements for distributions to alternate payees. The taxable portion and basis are prorated to each respective recipient; and

(7) Is clearly signed by the judge and filed with the clerk of court. IPERS considers an order duly signed if it carries an original signature, a stamp bearing the judge’s signature, an electronic clerk-of-court stamp and judge’s signature page via the electronic data management system (EDMS) or conforms with local court rules.

b. Prohibited provisions. A domestic relations order is not a QDRO if such order:

(1) Requires IPERS to provide any type or form of benefit or any option not otherwise provided under Iowa Code chapter 97B;

(2) Requires IPERS to provide increased benefits determined on the basis of actuarial value;

(3) Requires the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined by IPERS to be a QDRO;

(4) Requires any IPERS action that is contrary to its governing statutes or plan provisions;

(5) Awards any future benefit increases that the legislature provides, except as provided in subparagraph 16.2(2)“c”(2);

(6) Requires the benefits payment to an alternate payee prior to a trigger event; or

(7) Appoints a successor alternate payee after June 30, 2019.

c. Permitted provisions. A QDRO may also:

(1) If a trigger event has not occurred as of the date IPERS receives the order, name an alternate payee as a designated beneficiary or contingent annuitant or require the payment of benefits under a particular benefit option, or both;

(2) Specify that the alternate payee is entitled to a fixed dollar amount or percentage of dividend payments, or cost-of-living increase or any other postretirement benefit increase to the member (all known as dividend payments), as follows:

1. If the court order awards the alternate payee a fixed dollar amount of benefits to the alternate payee, the court order must state the dollar amount of dividend payments to be added or method for determining the dollar amount or IPERS gives a dividend payment share award no effect; and

2. If the court order awards the alternate payee a specified percentage of benefits, IPERS will add dividends to the alternate payee's retirement allowance share as necessary to keep the alternate payee's share of payments at the percentage specified in the court order;

(3) Bar a vested member from requesting a refund of the member's accumulated contributions without the alternate payee's written consent. If a member applies for a refund, IPERS will send a consent form to the alternate payee at the address of record at IPERS. IPERS must receive the completed consent form within 60 days of mailing. If returned undeliverable or IPERS does not receive a response, the member's portion of the refund amount is payable to the member. If returned marked "no consent," the refund is not payable to either the member or alternate payee;

(4) Allow benefits to be paid to an alternate payee based on a period of reemployment for a retired member.

16.2(3) *Administrative provisions.*

a. IPERS uses the shared payment method for payments under a domestic relations order. IPERS will not create a separate account for the alternate payee or any successor alternate payee(s). Payment to the alternate payee (or successor alternate payee(s)) is in a lump sum if IPERS pays the member's benefits in a lump sum distribution or as monthly payments if IPERS pays the member's benefits under a retirement option. A member is not able to receive an actuarial equivalent (AE) under Iowa Code section 97B.48(1) unless the total benefit payable with respect to that member meets the applicable requirements. All divisions of benefits are based on the gross amount of monthly or lump sum benefits payable. Federal and state income taxes are deducted from the member's and former spouse alternate payee's respective shares and reported under their respective federal tax identification numbers. Unrecovered basis is allocated on a pro rata basis to the member and alternate payee. Federal and state income taxes are deducted from the member's gross payment when a successor alternate payee(s) receives a payment. Federal and state income taxes are reported under the member's federal tax identification number. Unrecovered basis is allocated to the member.

b. The alternate payee is not entitled to any share of the member's death benefits unless such entitlement is provided in a QDRO or in a beneficiary designation filed subsequent to the dissolution. IPERS may investigate and invalidate beneficiary designations without waiting for complaints as set forth in Iowa Code section 598.20B.

c. A member may submit a new enrollment/beneficiary designation form to IPERS after submitting proof, acceptable to IPERS, that a preretirement divorce is final. However, if IPERS later receives and qualifies a domestic relations order, IPERS will consider the QDRO provisions, except as revoked or modified in a subsequent QDRO, to operate as a beneficiary designation, and give such provisions first priority in the determination and payment of such member's death benefits. Death benefits remaining after IPERS makes QDRO payments, to the extent possible, are then made according to the terms of the member's most recent beneficiary designation. The member may select

any option at retirement, including an option that does not provide for payment of postretirement death benefits, if a QDRO does not contain a form of benefit paragraph requiring the member to select a specific IPERS option at retirement. Once a divorce is final postretirement, a member may submit a new enrollment/beneficiary designation form to IPERS if the member has retired under Option 1, 2 or 5, unless otherwise specified in a QDRO.

d. If an alternate payee has been awarded a share of the member's benefits and dies before the member, IPERS will restore the alternate payee's entire share to the member unless otherwise specified in the order and in the manner required under this rule 16.2. To restore the alternate payee's share to the member, IPERS requires the alternate payee's death certificate. If a death certificate cannot be obtained, IPERS may rely on such resources as it has available, including but not limited to records from the Social Security Administration, bureau of health statistics, IPERS' own internal records, or reports derived from other public records, and other departmental or governmental records to which IPERS may have access.

e. A named successor alternate payee may waive current or future rights to payments to which the successor alternate payee would have otherwise been entitled. The funds waived by a successor alternate payee revert to the member.

1. The waiver of rights must:
 - a. Occur prior to the receipt of any payment from IPERS to the successor alternate payee;
 - b. Be a filed and signed court order; and
 - c. Be received by IPERS no later than nine months after the alternate payee's date of death or the date on which the successor alternate payee reaches age 21, whichever occurs later.

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2. The waiver of rights by a successor alternate payee is binding and serves to indemnify IPERS from all liability to beneficiaries, heirs, or other claimants for any waiver executed by a successor alternate payee.

f. An alternate payee may not receive a share of dividends or other cost-of-living increases, unless so provided in a QDRO.

g. The CEO, or CEO's designee, has exclusive authority to determine whether a domestic relations order is a QDRO. A final determination by the CEO, or CEO's designee, may be appealed in the same manner as any other final agency determination under Iowa Code chapter 97B.

h. A person who attempts to make IPERS a party or requires IPERS to appear as a witness to a domestic relations action in order to determine an alternate payee's right to receive a portion of the benefits payable to a member is liable to IPERS for its costs and attorney's fees.

i. A domestic relations order is not effective until IPERS qualification.

1. If a member is receiving a retirement allowance at the time IPERS qualifies a domestic relations order, the order is effective only with respect to payments made after the appropriate appeal period has elapsed or been waived by the signature of both parties or their respective counsel. Payment to the alternate payee is withheld from the member's next monthly payment after the date IPERS mails the alternate payee's application.
2. If the member is not receiving a retirement allowance at the time a domestic relations order is qualified by IPERS and subsequently applies for a refund or monthly allowance, or dies, IPERS will not make distributions until IPERS determines the respective rights of the parties under the domestic relations order. If IPERS has placed a hold on the member's account following written or verbal notification from the member, member's spouse, or either party's respective legal representative, and no further contacts are received from either party or their representatives within the following one-year period, or IPERS has not received and qualified a domestic relations order within that time period, IPERS will release the hold.

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j. IPERS and its staff are not liable for making or withholding payments in accordance with the provisions of this rule.

k. IPERS has no duty or responsibility to search for alternate payees. Alternate payees must notify IPERS of any change in their mailing addresses. Once IPERS receives a completed member's application for distribution, IPERS will mail the alternate payee an application. For monthly benefit applications, the alternate payee is eligible for monthly payments as of the member's first month of entitlement.

l. If a QDRO requires the member to select an option with joint and survivor provisions (Option 4 or 6) and name the alternate payee as contingent annuitant, the order must state the percentage in Option 4 or 6 to be payable to the alternate payee as contingent annuitant (the currently available percentages under Option 4 or 6 are 25, 50, 75 and 100 percent). IPERS must receive acceptable birth proof for the alternate payee as the named contingent annuitant, pursuant to ~~495~~ subrule 11.1(2) prior to IPERS's approval of the QDRO.

m. For both lump sum and monthly payments, IPERS must receive the alternate payee's tax withholding and rollover elections, if eligible, before the first or current month's benefit is certified for payment or IPERS will use the applicable default tax withholding elections.

n. If a QDRO divides a member's account using a service factor formula and the member's IPERS benefits are based on a number of quarters less than the member's total covered quarters, notwithstanding any terms of the order to the contrary, IPERS will limit the number of quarters used in the numerator and the denominator of the service fraction to the number of quarters actually used in the calculation of IPERS benefits, not to exceed 120 quarters for special service members and 140 quarters for regular and hybrid members. IPERS will not accept or administer a service factor formula fraction in excess of 1.

o. (1) When calculating the service factor pursuant to a domestic relations order:

a. Service credit purchased during the period when the member is married to the alternate payee is added to the numerator and the denominator of the service fraction.

b. Service credit purchased during a period when the member is not married to the alternate payee is only added to the denominator of the service fraction.

(2) The number of quarters in the denominator will never be more than the number of quarters used to calculate the member's benefit.

(3) Service purchase after retirement does not increase or decrease the alternate payee's payment amount that was deducted and was payable at the time of retirement.

p. The parties or their attorneys shall submit one (1) copy of the QDRO. (1) In addition to the QDRO, the parties', or their attorneys', initial submission must include:

(a) a completed, signed, and dated Confidential Information (CI) form;

(b) every draft order submitted for review must be accompanied by a freshly signed and dated Administrative Rule Compliance for QDROs (ARC) form. Both the member and alternate payee, or their respective counsel, must sign and date the ARC form.

(c) Except for attorneys or pro se filers, who may sign with their electronic (eFile or EDMS) signatures, both forms must include wet signatures. A rejection under this paragraph does not preclude IPERS from placing a hold on a member's account until the status of a proposed order as a QDRO is resolved or the hold is released pursuant to the terms of paragraph 16.2(3) "i."

q. If a member has filed for and is receiving monthly pension benefits, or wishes to file an application for retirement or a refund and has a qualified domestic relations order pending on the member's account, the parties (the member and the alternate payee or their counsel of record) may waive the 30-day appeal period following review and qualification of the member's domestic relations order, using a form approved by the system.

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r. If a member with an IPERS-approved QDRO is receiving a distribution according to a qualified benefits arrangement (QBA), the alternate payee shares in the distribution to the member unless the order specifically states otherwise.

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These rules are intended to implement Iowa Code sections 97B.4, 97B.15, 97B.25, 97B.38 and 97B.39.

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[Filed ARC 6949C (Notice ARC 6823C, IAB 1/11/23), IAB 3/8/23, effective 4/12/23]

CHAPTER 20
RECOGNITION OF AGENTS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—20.1(97B) Recognition of agents. IPERS shall accept

20.1(1) *Recognition of agents in general.* When a member or beneficiary desires to be represented by an agent before the system, the member or beneficiary shall designate in writing, using a power of attorney form or other acceptable legal form that meets the requirements of and does not conflict with Iowa Code chapter 633B, the name of a representative and the nature of the business the representative is authorized to transact. Other acceptable legal form can be a guardianship or, conservatorship as described in Iowa Code chapters 633B and 232D, other similar court order that appoints an agent to act upon behalf of a member or beneficiary, or social security representative payee documents for the individual so designated. IPERS may require additional documentation deemed necessary to verify that the document remains in effect. An agent can be an institution or facility acting upon the member's or beneficiary's behalf. Such designation on the part of the member or beneficiary shall constitute for IPERS sufficient proof of the acceptability of the individual to serve as the member's or beneficiary's agent.

20.1(2) *Payment to members or beneficiaries with a recognized agent.* When it appears that the interest of a member or beneficiary would be served, IPERS may recognize an agent to represent the member or beneficiary in the transaction of the affairs with IPERS. Such agents have all the rights and obligations of the member or beneficiary unless the document creating the agency relationship limits this authority as it pertains to the system. Notwithstanding this rule 20.1(2) e foregoing, no agent has shall have the right to name the agent as the member's or beneficiary's beneficiary unless approved to do so by a court having jurisdiction of the matter, or unless expressly authorized to do so in a power of attorney executed by the member or beneficiary.

20.1(3) *Revocation or suspension of power of attorney.* The member or beneficiary may rescind the agent's authority ~~Any person serving as an agent by power of attorney under this rule can have the agency relationship rescinded by the member or beneficiary~~ by notifying IPERS in writing. A power of attorney shall be suspended and given no effect when the system receives written proof of the appointment of a guardian, conservator, or court order that appoints an agent to act upon behalf of the member or beneficiary. The power of attorney shall will be reinstated when the system receives written proof that a guardianship, conservatorship, or court order appointing an agent no longer exists, has expired, or is invalid.

20.1(4) *Revocation of other representative agents.* Any person, institution, or facility serving as an agent under a guardianship or conservatorship may not have its agency relationship revoked unless by court order.

20.1(5) *Social security representative payees.* The system shall accept the federal social security administration's appointment of a person, facility, or institution to act upon a member's or beneficiary's behalf only with regard to the deposit of system benefits. The appointment of a person, facility, or institution by the federal social security administration is shall be suspended and given no effect when the system receives written proof of the appointment of a guardian, conservator, or court order that appoints an agent to act upon behalf of the member or beneficiary. A power of attorney or court order will take precedence over the federal social security administration's appointment of a person, facility, or institution to act upon a member's or beneficiary's behalf.

20.1(6) *Agent standards.* A person, facility, or institution serving in the capacity of an agent shall act in the best interests of the member or beneficiary. Payments made to the agent on behalf of the member or beneficiary will be used for the direct benefit of the member or beneficiary. The

failure to serve in the best interests of the member or beneficiary will cause discontinuance of the agency relationship and may serve as the basis for legal action by IPERS, the member, or the beneficiary.

[ARC 2981C, IAB 3/15/17, effective 4/19/17; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—20.2(97B) Agreements by agents. Rescinded ARC 5027C, IAB 4/8/20, effective 5/13/20.

These rules are intended to implement Iowa Code sections 97B.34 and 97B.37.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed ARC 2981C (Notice ARC 2892C, IAB 1/18/17), IAB 3/15/17, effective 4/19/17]

[Filed ARC 5027C (Notice ARC 4925C, IAB 2/12/20), IAB 4/8/20, effective 5/13/20]

Commented [AE1]: Propose deleting. Acting in accordance with Chapter 633B (new language in Section 20.1(1) above) requires the agent to act in the principal's best interest.

CHAPTER 20
RECOGNITION OF AGENTS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—20.1(97B) Recognition of agents. IPERS shall accept

20.1(1) *Recognition of agents in general.* IPERS shall accept the agents signature instead of the principal's signature, provided that the principal submits a power of attorney form or other acceptable legal form that meets the requirements of and does not conflict with Iowa Code chapter 638B, the name of a representative and the nature of the business the representative is authorized to transact. Other acceptable legal form can be a guardianship or conservatorship as described in Iowa Code chapters 633B and 232D, other similar court order that appoints an agent to act upon behalf of a member or beneficiary, or social security representative payee documents for the individual so designated. IPERS may require additional documentation deemed necessary to verify that the document remains in effect. An agent can be an institution or facility acting upon the member's or beneficiary's behalf. Such designation on the part of the member or beneficiary constitutes for IPERS sufficient proof of the acceptability of the individual to serve as the member's or beneficiary's agent.

20.1(2) *Payment to members or beneficiaries with a recognized agent.* Such agents have all the rights and obligations delegated under the authority to make the transaction authorized by the agent. Notwithstanding this rule 20.1(2), no agent has the right to name the agent as the member's or beneficiary's beneficiary unless approved to do so by a court having jurisdiction of the matter, or unless expressly authorized to do so in a power of attorney executed by the member or beneficiary.

20.1(3) *Revocation or suspension of power of attorney.* The member may rescind the agency relationship by notifying IPERS in writing. A power of attorney is suspended and given no effect when the system receives written proof of the appointment of a guardian, conservator, or court order that appoints an agent to act upon behalf of the member or beneficiary. The power of attorney will be reinstated when the system receives written proof that a guardianship, conservatorship, or court order appointing an agent no longer exists, has expired, or is invalid.

20.1(4) *Revocation of other representative agents.* Any person, institution, or facility serving as an agent under a guardianship or conservatorship may not have its agency relationship revoked unless by court order.

20.1(5) *Social security representative payees.* The system shall accept the federal social security administration's appointment of a person, facility, or institution to act upon a member's or beneficiary's behalf only with regard to the deposit of system benefits. The appointment of a person, facility, or institution by the federal social security administration is suspended and given no effect when the system receives written proof of the appointment of a guardian, conservator, or court order that appoints an agent to act upon behalf of the member or beneficiary. A power of attorney or court order will take precedence over the federal social security administration's appointment of a person, facility, or institution to act upon a member's or beneficiary's behalf.

[ARC 2981C, IAB 3/15/17, effective 4/19/17; ARC 5027C, IAB 4/8/20, effective 5/13/20]

495—20.2(97B) Agreements by agents. Rescinded ARC 5027C, IAB 4/8/20, effective 5/13/20.

These rules are intended to implement Iowa Code sections 97B.34 and 97B.37.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed ARC 2981C (Notice ARC 2892C, IAB 1/18/17), IAB 3/15/17, effective 4/19/17]

[Filed ARC 5027C (Notice ARC 4925C, IAB 2/12/20), IAB 4/8/20, effective 5/13/20]

Commented [AE1]: Propose deleting. Acting in accordance with Chapter 633B requires the agent to act in the principal's best interest.

CHAPTER 21
MERGERS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—21.1(97B) Procedures for merger of qualified pension plans with IPERS.

~~21.1(1) Effective January 1, 2003, IPERS will begin accepting qualified pension plans for merger into the IPERS pension plan. This merger process shall provide for the transfer of all active and inactive members, retired members, and beneficiaries of retired members of the merging plan into IPERS, except as otherwise agreed to by IPERS and the merging plan.~~

21.1(2) The merging plan shall transfer assets to IPERS in an amount equal to the actuarial accrued liability created for IPERS as the result of the transfer of pension obligations owed to active, inactive and retired members of the merging plan. ~~Said~~The actuarial accrued liability ~~is~~shall be determined using the merging plan's membership data, the IPERS benefit structure, and the current IPERS actuarial valuation assumptions as of the date of the transfer.

21.1(3) ~~All Members of the merging plan system who become members of IPERS under this rule shall have~~ years of service under the merging plan ~~shall be~~ recognized by IPERS for purposes of determining eligibility and vested status and calculating IPERS benefits.

21.1(4) All wage records for current active members ~~shall be~~are summarized on the quarterly basis used by IPERS to determine a member's IPERS benefits. IPERS will not independently verify wage records but will monitor those records to ensure that IRC Sections 401(a)(17)(A) and (B) limits are not exceeded.

21.1(5) The merging plan's actuary may determine that the accrued benefit of an active or inactive member of the merging plan exceeds the member's accrued IPERS benefits based on the merging plan's membership data and the IPERS benefit structure. The compensation of such individuals for any difference between the monthly benefit they accrued in the merging plan and the benefit they will have under IPERS ~~shall be~~is at the merging plan's sole discretion, and IPERS shall have no liability.

21.1(6) The same methods of conversion and cash out will be used for terminated vested members with a current plan account in the merging plan and for members, if any, who previously elected to freeze their accounts in the former plan to begin participation in IPERS.

21.1(7) The merging plan's retired members ~~shall receive~~are entitled to annuity payments from IPERS in the same forms and amounts as provided in the merging plan, provided those forms of payment are available under IPERS. If any retired member from the merging plan is also receiving a benefit from IPERS and the forms of benefits under the two plans differ, the retired member must agree to have the benefit payable from the merging plan converted and paid in the same form as the benefit under IPERS. Dividends for retired members transferred to IPERS ~~are~~shall be determined based on the first month of entitlement under the merging plan.

21.1(8) The monthly benefit payable to transferred members (excluding retired members) by IPERS may be greater or less than the monthly benefit they would have received under the merging plan. IPERS ~~shall is~~is not ~~be~~ responsible for any difference in the two benefit amounts. ~~It shall be~~The merging plan is solely responsible ~~city of the merging plan to for~~for ensuring the protection of the accrued benefits of the merging plan's members and beneficiaries.

21.1(9) IPERS may agree to accept in-kind transfers of assets in satisfaction of the liabilities created by the merger, but may, in IPERS' sole discretion, decline all in-kind asset transfers and demand cash to fund the merger.

[ARC 9397B, IAB 2/23/11, effective 3/30/11]

495—21.2(97B) Mandatory merger criteria.

21.2(1) General. Mergers shall meet the following criteria:

a. There shall be no actuarial gain or loss to IPERS (defined as a change in the unfunded accrued actuarial liability) as a result of a merger with another pension plan.

b. The merging plan shall defend and hold IPERS harmless from any claims by transferred members with respect to employee contribution accounts, cut-back claims, tax issues, and any other cause of action arising hereunder that does not result from IPERS' negligence or misconduct. This indemnification shall also extend to any contractual claims by the merging plan's vendors, pending or threatened lawsuits or regulatory actions against the merging plan, and appeals by members, retired members and beneficiaries of the merging plan.

c. Prior to the merger date, the merging plan authority and IPERS shall formally agree on all material terms and conditions of the merger in writing.

d. The merging plan authority shall adopt by resolution a proposal to merge the pension plan with and into the IPERS pension plan, with IPERS as the surviving plan, which shall incorporate by reference the details of the merger expressed in the merger agreement between the merging plan and IPERS. The merging plan authority shall secure all other approvals necessary to the merger, and shall certify to IPERS that all necessary authorizations have been received.

e. All assets required to fund the transfer of liabilities created under the merger shall be transferred to IPERS within 120 days after the proposed effective date, plus an additional amount representing a 7.5 percent interest rate (or the current rate assumed by IPERS' actuary in valuing assets and liabilities) commencing on the proposed effective date.

f. After the merger, the merging plan authority, as a covered employer, shall determine employee classifications and deduct and forward member and employer contributions in the same amount as required for all IPERS covered employment.

g. The merging plan authority shall transfer to IPERS in a mutually agreed upon method all employment records for active, inactive, and retired members and beneficiaries, including all tax reporting records. In addition to employment and tax reporting records, transferred electronic files shall include the same enrollment information as required for IPERS covered employers' new employees. Similar demographic information shall be provided to IPERS for spouses and beneficiaries.

h. The merging plan shall, prior to merger, in its sole discretion, make such amendments to its plan documents that it deems to be necessary or appropriate to accomplish the merger, provided that no such amendments shall vary the terms of the agreement to merge without the express written consent of IPERS.

i. IPERS shall, prior to merger, in its sole discretion, make such amendments to its plan documents that it deems to be necessary or appropriate to accomplish the merger, provided that no such amendments shall vary the terms of the agreement to merge without the express written consent of the merging plan.

j. The transferred records of the merging plan shall be treated as confidential records by IPERS as described in Iowa Code section 97B.17.

k. The merging plan authority and its legal and actuarial advisors shall determine the excess accruals, if any, owed to any member of the merging plan transferred to IPERS; shall provide such members with the appropriate election forms and related information; and shall take all steps necessary to complete the payment of compensation to such individuals in satisfaction of the obligation to protect accrued benefits under the merging plan as described above.

l. Excluding matters relating to the distribution of excess accruals, if any, the merging plan authority, its legal counsel, and IPERS and its legal counsel shall jointly develop all required communications regarding the plan merger. IPERS shall have sole responsibility for providing benefits estimates to the merging plan members, in anticipation of the merger. Following the effective date of the merger, all member services shall be handled by IPERS.

m. Following the merger, transferred active, inactive, and retired members and beneficiaries shall be entitled to benefits, including monthly allowances, refunds, actuarial equivalent (AE), death benefits and dividends as other IPERS members having the same demographic, wage and service records.

n. The members of the merging plan who currently have binding assignments against their benefits shall continue to have those assignments administered by IPERS as described in 495—Chapter 16 or as otherwise required by law.

o. The members of the merging plan currently receiving disability retirement benefits must agree to have their disability retirement benefits administered by IPERS as described under 495—Chapter 13, or those members shall not be transferred.

p. The merging plan and IPERS shall jointly agree whether the merger will be submitted to the IRS for approval.

21.2(2) Reserved.

These rules are intended to implement Iowa Code section 97B.42C.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed ARC 9397B (Notice ARC 9310B, IAB 12/29/10), IAB 2/23/11, effective 3/30/11]

CHAPTER 21
MERGERS

[Prior to 11/24/04, see 581—Ch 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—21.1(97B) Procedures for merger of qualified pension plans with IPERS.

21.1(1) The merging plan shall transfer assets to IPERS in an amount equal to the actuarial accrued liability created for IPERS as the result of the transfer of pension obligations owed to active, inactive and retired members of the merging plan. The actuarial accrued liability is determined using the merging plan's membership data, the IPERS benefit structure, and the current IPERS actuarial valuation assumptions as of the date of the transfer.

21.1(2) Members of the merging plan system who become members of IPERS under this rule shall have years of service under the merging plan recognized by IPERS for purposes of determining eligibility and vested status and calculating IPERS benefits.

21.1(3) All wage records for current active members are summarized on the quarterly basis used by IPERS to determine a member's IPERS benefits. IPERS will not independently verify wage records but will monitor those records to ensure that IRC Sections 401(a)(17)(A) and (B) limits are not exceeded.

21.1(4) The merging plan's actuary may determine that the accrued benefit of an active or inactive member of the merging plan exceeds the member's accrued IPERS benefits based on the merging plan's membership data and the IPERS benefit structure. The compensation of such individuals for any difference between the monthly benefit they accrued in the merging plan and the benefit they will have under IPERS is at the merging plan's sole discretion, and IPERS shall have no liability.

21.1(5) The same methods of conversion and cash out will be used for terminated vested members with a current plan account in the merging plan and for members, if any, who previously elected to freeze their accounts in the former plan to begin participation in IPERS.

21.1(6) The merging plan's retired members are entitled to annuity payments from IPERS in the same forms and amounts as provided in the merging plan, provided those forms of payment are available under IPERS. If any retired member from the merging plan is also receiving a benefit from IPERS and the forms of benefits under the two plans differ, the retired member must agree to have the benefit payable from the merging plan converted and paid in the same form as the benefit under IPERS. Dividends for retired members transferred to IPERS are determined based on the first month of entitlement under the merging plan.

21.1(7) The monthly benefit payable to transferred members (excluding retired members) by IPERS may be greater or less than the monthly benefit they would have received under the merging plan. IPERS is not responsible for any difference in the two benefit amounts. The merging plan is solely responsible for ensuring the protection of the accrued benefits of the merging plan's members and beneficiaries.

21.1(8) IPERS may agree to accept in-kind transfers of assets in satisfaction of the liabilities created by the merger, but may, in IPERS' sole discretion, decline all in-kind asset transfers and demand cash to fund the merger.

[ARC 9397B, IAB 2/23/11, effective 3/30/11]

495—21.2(97B) Mandatory merger criteria.

21.2(1) General. Mergers shall meet the following criteria:

a. There shall be no actuarial gain or loss to IPERS (defined as a change in the unfunded accrued actuarial liability) as a result of a merger with another pension plan.

b. The merging plan shall defend and hold IPERS harmless from any claims by transferred members with respect to employee contribution accounts, cut-back claims, tax issues, and any other

cause of action arising hereunder that does not result from IPERS' negligence or misconduct. This indemnification shall also extend to any contractual claims by the merging plan's vendors, pending or threatened lawsuits or regulatory actions against the merging plan, and appeals by members, retired members and beneficiaries of the merging plan.

c. Prior to the merger date, the merging plan authority and IPERS shall formally agree on all material terms and conditions of the merger in writing.

d. The merging plan authority shall adopt by resolution a proposal to merge the pension plan with and into the IPERS pension plan, with IPERS as the surviving plan, which shall incorporate by reference the details of the merger expressed in the merger agreement between the merging plan and IPERS. The merging plan authority shall secure all other approvals necessary to the merger, and shall certify to IPERS that all necessary authorizations have been received.

e. All assets required to fund the transfer of liabilities created under the merger shall be transferred to IPERS within 120 days after the proposed effective date, plus an additional amount representing a 7.5 percent interest rate (or the current rate assumed by IPERS' actuary in valuing assets and liabilities) commencing on the proposed effective date.

f. After the merger, the merging plan authority, as a covered employer, shall determine employee classifications and deduct and forward member and employer contributions in the same amount as required for all IPERS covered employment.

g. The merging plan authority shall transfer to IPERS in a mutually agreed upon method all employment records for active, inactive, and retired members and beneficiaries, including all tax reporting records. In addition to employment and tax reporting records, transferred electronic files shall include the same enrollment information as required for IPERS covered employers' new employees. Similar demographic information shall be provided to IPERS for spouses and beneficiaries.

h. The merging plan shall, prior to merger, in its sole discretion, make such amendments to its plan documents that it deems to be necessary or appropriate to accomplish the merger, provided that no such amendments shall vary the terms of the agreement to merge without the express written consent of IPERS.

i. IPERS shall, prior to merger, in its sole discretion, make such amendments to its plan documents that it deems to be necessary or appropriate to accomplish the merger, provided that no such amendments shall vary the terms of the agreement to merge without the express written consent of the merging plan.

j. The transferred records of the merging plan shall be treated as confidential records by IPERS as described in Iowa Code section 97B.17.

k. The merging plan authority and its legal and actuarial advisors shall determine the excess accruals, if any, owed to any member of the merging plan transferred to IPERS; shall provide such members with the appropriate election forms and related information; and shall take all steps necessary to complete the payment of compensation to such individuals in satisfaction of the obligation to protect accrued benefits under the merging plan as described above.

l. Excluding matters relating to the distribution of excess accruals, if any, the merging plan authority, its legal counsel, and IPERS and its legal counsel shall jointly develop all required communications regarding the plan merger. IPERS shall have sole responsibility for providing benefits estimates to the merging plan members, in anticipation of the merger. Following the effective date of the merger, all member services shall be handled by IPERS.

m. Following the merger, transferred active, inactive, and retired members and beneficiaries shall be entitled to benefits, including monthly allowances, refunds, actuarial equivalent (AE), death benefits and dividends as other IPERS members having the same demographic, wage and service records.

n. The members of the merging plan who currently have binding assignments against their benefits shall continue to have those assignments administered by IPERS as described in 495—Chapter 16 or as otherwise required by law.

o. The members of the merging plan currently receiving disability retirement benefits must agree to have their disability retirement benefits administered by IPERS as described under 495—Chapter 13, or those members shall not be transferred.

p. The merging plan and IPERS shall jointly agree whether the merger will be submitted to the IRS for approval.

21.2(2) Reserved.

These rules are intended to implement Iowa Code section 97B.42C.

[Filed 11/5/04, Notice 9/15/04—published 11/24/04, effective 12/29/04]

[Filed ARC 9397B (Notice ARC 9310B, IAB 12/29/10), IAB 2/23/11, effective 3/30/11]

CHAPTER 32
QUALIFIED BENEFITS ARRANGEMENT

[Prior to 1/7/04, see 581—21.32]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—32.1(97B) Qualified benefits arrangement. This rule establishes a separate unfunded qualified benefits arrangement (“QBA”). QBA means the qualified benefit arrangement under section 415(m) of the Internal Revenue Code established under as provided for in Iowa Code section 97B.49I. This arrangement is established for the sole purpose of solely to enable enabling IPERS to continue to apply the same formula for determining benefits payable to all employees covered by the retirement system created under Iowa Code chapter 97B, including those whose benefits are limited by Section 415 of the Internal Revenue Code.

32.1(1) ~~The agency~~The QBA is administered by IPERS. IPERS shall administer the QBA. The agency has full discretionary authority to interpret, construe, implement, and determine all questions arising in connection with the QBA, ~~including its interpretation and any factual questions arising under the QBA~~. Further, ~~the agency~~IPERS has full authority to make modifications to modify the benefits payable under the QBA as may be necessary to maintain the QBA’s qualification under Section 415(m) of the Internal Revenue Code.

32.1(2) All members, retired members, and beneficiaries of ~~the agency~~IPERS are eligible to participate in the QBA if their benefits would exceed the limitation imposed by Section 415 of the Internal Revenue Code. Participation is determined for each plan year, and participation ~~shall cease~~ for any plan year in which the benefit of a retiree or beneficiary is not limited by Section 415 of the Internal Revenue Code.

32.1(3) On and after the effective date of the QBA, ~~the agency~~IPERS shall pay to each eligible retiree and beneficiary a supplemental pension benefit equal to the difference between the retiree’s or beneficiary’s monthly benefit otherwise payable from ~~the agency~~IPERS prior to any reduction or limitation because of Section 415 of the Internal Revenue Code and the actual monthly benefit payable from ~~the agency~~IPERS as limited by Section 415. ~~The agency~~IPERS shall compute and pay the supplemental pension benefits in the same form, at the same time, and to the same persons as such benefits would have otherwise been paid as a monthly pension under ~~the agency~~IPERS except for the IRC Section 415 limitations.

32.1(4) ~~The agency~~IPERS shall determine the amount of benefits that cannot be provided under ~~the agency~~IPERS because of the limitations of Section 415 of the Internal Revenue Code, and the amount of contributions that must be made to the QBA as a separate fund within the retirement fund created in Iowa Code section 97B.7. If applicable, fees for the actuary’s service shall be paid by the applicable employers.

32.1(5) Contributions ~~shall not be do not~~ accumulated under this QBA to pay future supplemental pension benefits. Instead, each payment of contributions by the applicable employer that would otherwise be made to ~~the agency~~IPERS shall beare reduced by the amount necessary to pay supplemental pension benefits and administrative expenses of the QBA. The employer shall pay to this QBA the contributions necessary to pay the required supplemental pension payments, and these contributions ~~will beare~~ deposited in a separate fund which is a portion of the retirement fund established under Iowa Code section 97B.7 and administered by ~~the agency~~IPERS. This fund is intended to be exempt from federal income tax under Sections 115 and 415(m) of the Internal Revenue Code. ~~The agency~~IPERS shall pay the required supplemental pension benefits to the member out of the employer contributions so transferred. The employer contributions otherwise required under the terms of Iowa Code sections 97B.11, 97B.49B and 97B.49C ~~shall beare~~ divided into those contributions required to pay supplemental pension benefits hereunder, and those

contributions paid into and accumulated in the retirement fund created at Iowa Code section 97B.7 to pay the maximum benefits permitted. Employer contributions made to a separate fund to provide supplemental pension benefits ~~shall not be~~must not be commingled with the contributions paid into and accumulated in the retirement fund created at Iowa Code section 97B.7. The supplemental pension benefit liability ~~shall be~~is funded on a plan-year-to-plan-year basis. Any assets of the separate QBA fund not used for paying benefits for a current plan year shall be used, as determined by ~~the agency~~IPERS, for the payment of administrative expenses of the QBA for the plan year.

32.1(6) A member cannot elect to defer the receipt of all or any part of the payments due under this QBA.

32.1(7) Payments under this rule are exempt from garnishment, assignment, attachment, alienation, judgments, and other legal processes to the same extent as provided under Iowa Code section 97B.39.

32.1(8) Nothing ~~herein in this rule shall be~~may be construed as providing for assets to be held in trust or escrow or any form of asset segregation for members, retirees, or beneficiaries. To the extent any person acquires the right to receive benefits under this QBA, the right ~~shall be~~is no greater than the right of any unsecured general creditor of the state of Iowa.

32.1(9) This QBA is a portion of a governmental plan as defined in Section 414(d) of the Internal Revenue Code, is intended to meet the requirements of Internal Revenue Code Sections 115 and 415(m), and shall be so interpreted and administered.

32.1(10) Amounts deducted from employer contributions and deposited in the separate QBA fund ~~shall do~~ not reduce the amounts that are to be credited to employer contribution accounts under Iowa Code sections 97B.11, 97B.49B and 97B.49C.

This rule is intended to implement Iowa Code section 97B.49I.

[Filed 12/17/03, Notice 11/12/03—published 1/7/04, effective 2/11/04]

CHAPTER 32
QUALIFIED BENEFITS ARRANGEMENT

[Prior to 1/7/04, see 581—21.32]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

495—32.1(97B) Qualified benefits arrangement. This rule establishes a separate unfunded qualified benefits arrangement (“QBA”). QBA means the qualified benefit arrangement under section 415(m) of the Internal Revenue Code established under Iowa Code section 97B.49I. This arrangement is established solely to enable IPERS to continue to apply the same formula for determining benefits payable to all employees covered by the retirement system created under Iowa Code chapter 97B, including those whose benefits are limited by Section 415 of the Internal Revenue Code.

32.1(1) The QBA is administered by IPERS. IPERS has full discretionary authority to interpret, construe, implement, and determine all questions arising in connection with the QBA. Further, IPERS has full authority to modify the benefits payable under the QBA as may be necessary to maintain the QBA’s qualification under Section 415(m) of the Internal Revenue Code.

32.1(2) All members, retired members, and beneficiaries of IPERS are eligible to participate in the QBA if their benefits would exceed the limitation imposed by Section 415 of the Internal Revenue Code. Participation is determined for each plan year, and participation ceases for any plan year in which the benefit of a retiree or beneficiary is not limited by Section 415 of the Internal Revenue Code.

32.1(3) On and after the effective date of the QBA, IPERS shall pay to each eligible retiree and beneficiary a supplemental pension benefit equal to the difference between the retiree’s or beneficiary’s monthly benefit otherwise payable from IPERS prior to any reduction or limitation because of Section 415 of the Internal Revenue Code and the actual monthly benefit payable from IPERS as limited by Section 415. IPERS shall compute and pay the supplemental pension benefits in the same form, at the same time, and to the same persons as such benefits would have otherwise been paid as a monthly pension under IPERS except for the IRC Section 415 limitations.

32.1(4) IPERS determines the amount of benefits that cannot be provided under IPERS because of the limitations of Section 415 of the Internal Revenue Code, and the amount of contributions that must be made to the QBA as a separate fund within the retirement fund created in Iowa Code section 97B.7. If applicable, fees for the actuary’s service shall be paid by the applicable employers.

32.1(5) Contributions do not accumulate under this QBA to pay future supplemental pension benefits. Instead, each payment of contributions by the applicable employer that would otherwise be made to IPERS are reduced by the amount necessary to pay supplemental pension benefits and administrative expenses of the QBA. The employer shall pay to this QBA the contributions necessary to pay the required supplemental pension payments, and these contributions are deposited in a separate fund which is a portion of the retirement fund established under Iowa Code section 97B.7 and administered by IPERS. This fund is intended to be exempt from federal income tax under Sections 115 and 415(m) of the Internal Revenue Code. IPERS shall pay the required supplemental pension benefits to the member out of the employer contributions so transferred. The employer contributions otherwise required under the terms of Iowa Code sections 97B.11, 97B.49B and 97B.49C are divided into those contributions required to pay supplemental pension benefits hereunder, and those contributions paid into and accumulated in the retirement fund created at Iowa Code section 97B.7 to pay the maximum benefits permitted. Employer contributions made to a separate fund to provide supplemental pension benefits must not be commingled with the contributions paid into and accumulated in the retirement fund created at Iowa Code section 97B.7. The supplemental pension benefit liability is funded on a plan-year-to-plan-year basis. Any assets of

the separate QBA fund not used for paying benefits for a current plan year shall be used, as determined by IPERS, for the payment of administrative expenses of the QBA for the plan year.

32.1(6) A member cannot elect to defer the receipt of all or any part of the payments due under this QBA.

32.1(7) Payments under this rule are exempt from garnishment, assignment, attachment, alienation, judgments, and other legal processes to the same extent as provided under Iowa Code section 97B.39.

32.1(8) Nothing in this rule may be construed as providing for assets to be held in trust or escrow or any form of asset segregation for members, retirees, or beneficiaries. To the extent any person acquires the right to receive benefits under this QBA, the right is no greater than the right of any unsecured general creditor of the state of Iowa.

32.1(9) This QBA is a portion of a governmental plan as defined in Section 414(d) of the Internal Revenue Code, is intended to meet the requirements of Internal Revenue Code Sections 115 and 415(m), and shall be so interpreted and administered.

32.1(10) Amounts deducted from employer contributions and deposited in the separate QBA fund do not reduce the amounts that are to be credited to employer contribution accounts under Iowa Code sections 97B.11, 97B.49B and 97B.49C.

This rule is intended to implement Iowa Code section 97B.49I.

[Filed 12/17/03, Notice 11/12/03—published 1/7/04, effective 2/11/04]

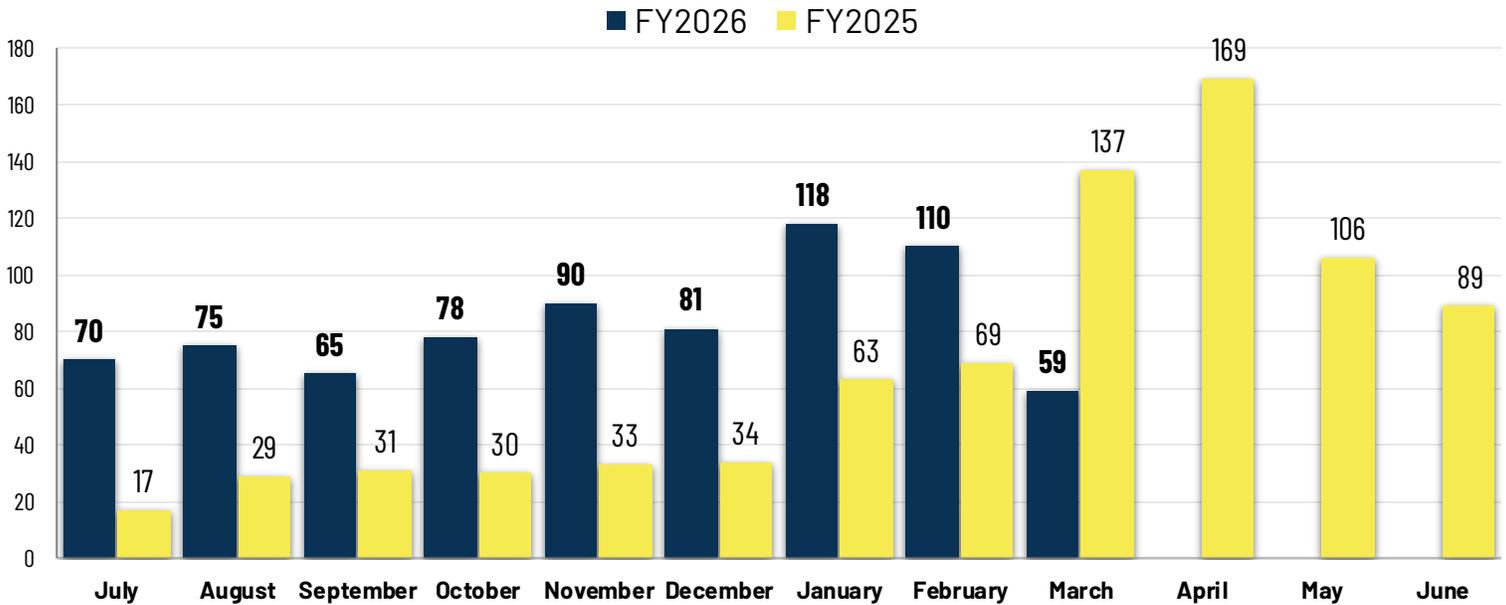


MEMBER DEMAND MEASURES THROUGH FEBRUARY 2026

Member Demand Measures	Current Month	FY to Date 2026	Same Month Last Year	FY to Date 2025
Benefits Counseling				
Number counseled at IPERS' Office	265 w/ walk-ins	1430 w/ walk-ins	192 w/ walk-ins	763
Number Counseled throughout the State	93	784	85	676
Number of estimates prepared	2156	15195	2143	15328
Retired Death Benefits				
Number of reported deaths	479	3067	465	2964
Amount paid in IPERS death benefits	\$1,229,678.16	\$10,438,918.32	\$1,519,602.90	\$10,422,964.08
Number of beneficiaries paid	141	1156	190	1189
Average death benefit paid	\$8,721.12	\$9,030.21	\$7,997.91	\$8,766.16
Active Death Benefits				
Number of reported deaths	72	475	92	394
Amount paid in IPERS death benefits	\$1,510,927.66	\$13,609,611.34	\$892,339.63	\$10,179,616.86
Number of beneficiaries paid	28	256	23	208
Average death benefit paid	\$53,961.70	\$53,162.54	\$38,797.38	\$48,940.47
Retirement Benefits				
Amount paid in IPERS retirement benefits	\$234,641,282.56	\$1,867,571,076.00	\$226,251,550.83	\$1,800,609,989.40
Number of IPERS retirees	140204	N/A	138092	N/A
Number of IPERS disability retirees	3903	N/A	3992	N/A
Number of new retirees added to payroll	449	3810	451	3690
Average monthly benefit	\$1,673.57	N/A	\$1,638.41	N/A
Average years of service for retirees	22.76	22.77	22.76	22.77
Refunds				
IPERS refund requests paid	414	3967	460	3635
Total paid as refunds	\$6,088,092.79	\$59,179,891.45	\$5,348,327.07	\$48,137,127.07
(supplementary refunds)	\$64,860.17	\$418,582.69	\$145,448.97	\$914,240.43
Average refund paid	\$14,705.54	\$14,918.05	\$11,626.80	\$13,242.68
Average refunded years of service	4.44	4.41	4.04	4.29
Amount of retired reemployed refunds	\$1,253,990.32	\$7,194,922.56	\$1,251,808.96	\$6,597,383.89
Number of retired reemployed refunds	153	550	84	441
Service Purchases				
Paid service purchases	5	44	2	41
Totals paid in service purchases	\$570,355.76	\$2,692,595.33	\$303,586.12	\$2,563,424.77
Average service purchase	\$114,071.15	\$61,195.35	\$151,793.06	\$62,522.56
Average years purchased	3.65	4.05	3.5	4.12
Miscellaneous Information				
Phone calls logged by staff	9,809	61,615	8,742	54,839
Statement of account requests	28	229	37	274
Direct deposit additions/changes	1,428	11,287	1,264	10,210
Outside of office presentations	5	22	9	34
Outside of office attendees	169	993	265	1,658
Actuarial equivalent	24	290	67	349
Gross actuarial equivalents totals paid	\$72,349.51	\$780,465.58	\$137,752.47	\$806,358.63
Age 70 notifications	928	7298	882	6981
Retirees with adjustments	95	2266	72	1882
Number of emails received	1,764	14,024	2,517	14,008

IPERS ONLINE REITERMENT APPLICATIONS THROUGH MARCH 23, 2026

Online Retirement Applications Submitted by Month vs Previous FY



The bar chart above shows the number of unique individuals who submitted an online retirement application each month, by fiscal year.

Month	FY2026 Submissions	FY2025 Submissions	FY Change
July	70	17	↑ 53
August	75	29	↑ 46
September	65	31	↑ 34
October	78	30	↑ 48
November	90	33	↑ 57
December	81	34	↑ 47
January	118	63	↑ 55
February	110	69	↑ 41
March	59	137	↓ -78

The table above compares the online retirement applications of each month from July 2025 to March 2026 versus the same month of the previous year. In the first eight full months of FY2026, there were more than double the number of online retirement applications (687) compared to the same timeframe in FY2025 (306). Note that the most recent March number only goes through March 23, 2026.

March 2026 Appeal Status Report for Benefits Advisory Committee

589-25	Member appealing years of service – 5 year period misclassified as an independent contractor	Initial appeal received 08/18/2025. Appeal acknowledgment letter sent 08/18/2025. FAD issued 9/5/2025 denying appeal. Appeal of FAD received 10/02/2025. Hearing scheduled for 01/23/2026. 01/23/2026 Appeal dismissed (withdrawn). DONE
595-26	Member appealing FME	Appeal received 01/07/2026. Acknowledgment letter sent 01/07/2026. FAD issued 01/30/2026 denying appeal. Appeal of FAD received 02/18/2026 and transmitted to DIAL on 02/19/2026. Hearing held 03/23/2026.
596-26	Member appealing FME	Appeal received 01/16/2026. Acknowledgment letter sent 01/26/2026. FAD issued 02/02/2026 granting appeal. DONE.
597-26	Member appealing denial of disability benefits	Appeal received 01/26/2026. Acknowledgment letter sent 02/03/2026. FAD issued 02/25/2026 denying appeal.
598-26	Member appealing retirement irrevocable once first monthly benefit received	Appeal received 03/18/2026. Acknowledgment letter sent 03/19/2026.

IPERS' Appeal Process. An IPERS member or beneficiary can appeal a decision that impacts their rights. Typically, an **initial appeal** is filed after IPERS makes an “**initial agency decision**” on some matter. Pursuant to Iowa Code chapter 97B, each **initial appeal** is routed through an **internal review** process. During this **internal review**, IPERS’ staff conduct a thorough review of the facts and law surrounding the **initial appeal**. Frequently, this review includes gathering additional information and may include further discussions with the appellant. Once the **initial review** is finished, a **Final Agency Determination (FAD)** is issued. The **FAD** can affirm, modify, or rescind the **initial agency decision**. The **FAD** is sent to the appellant who has the opportunity to appeal the **FAD**. If the **FAD** is appealed, IPERS transfers the case to the **Department of Inspections, Appeals, & Licensing** for assignment of an administrative law judge to hold a **contested case hearing**. After the **contested case hearing** is held and the administrative law judge issues a **proposed agency decision**, IPERS or the appellant can appeal the **proposed agency decision** to the **Employment Appeal Board (EAB)**. The **EAB** reviews the records and **proposed agency decision**. The **EAB** issues its own opinion that can affirm, deny, or modify the **proposed agency decision**. If IPERS or the appellant are unsatisfied with the **EAB’s** decision, then a **Petition for Judicial Review** can be filed. Ultimately, IPERS or the appellant can appeal all the way to the **Iowa Supreme Court**.

2026

BAC Meetings

JANUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
				1	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

JULY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

January

1/26/26 - BAC Meeting

February

2/23/26 - BAC Meeting

March

3/30/26 - BAC Meeting

April

4/27/26 - BAC Meeting

August

8/24/26 - BAC Meeting

October

10/26/26 - BAC Meeting

December

12/4/26 - Investment Board & BAC Mtg

(Actuarial Valuation Presentation)