



IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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IPERS Employer Bulletin 2021-3

DATE: August 2, 2021
TO: Reporting Officials
FROM: Greg Samorajski, CEO
SUBJECT: American Rescue Act Funds

Several IPERS-covered employers are receiving funds from the American Rescue Act. Employers may use the funds to provide "premium pay" to employees who performed essential work during the COVID-19 public health emergency. "Premium pay" is a type of bonus, and bonuses are not covered wages under Iowa Code chapter 97B.1A(26)(a)(2)(n). Therefore, IPERS will not collect contributions from these payments.

INQUIRES

For further information, contact the Employer Relations Bureau at 877-473-7799. Please reference IPERS Employer Bulletin 2021-3.