House File 969 - Reprinted

HOUSE FILE 969
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 266)

(As Amended and Passed by the House March 26, 2025)

A BILL FOR

An Act concerning retirement contributions of and benefits associated with cancer diagnoses of members of certain public retirement systems, and including effective date provisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 97A.1, subsection 6, Code 2025, is amended by striking the subsection and inserting in lieu thereof the following:

6. *"Cancer"* means a group of diseases involving abnormal cell growth with the potential to invade or spread to other parts of the body.

Sec. 2. Section 97B.11, subsection 3, paragraphs b and c, Code 2025, are amended to read as follows:

b. For members in special service in a protection occupation as described in section 97B.49B:

(1) *"Applicable employee percentage"* means the percentage rate equal to forty percent of the required contribution rate for members described in section 97B.49B. For the fiscal year beginning July 1, 2025, and for each fiscal year thereafter, the system shall increase the applicable employee percentage calculated under this subparagraph for that fiscal year by one hundred twenty-five thousandths of one percent.

(2) *"Applicable employer percentage"* means the percentage rate equal to sixty percent of the required contribution rate for members described in section 97B.49B. For the fiscal year beginning July 1, 2025, and for each fiscal year thereafter, the system shall decrease the applicable employer percentage calculated under this subparagraph for that fiscal year by one hundred twenty-five thousandths of one percent.

c. For members in special service as a county sheriff or deputy sheriff as described in section 97B.49C:

(1) *"Applicable employee percentage"* means the percentage rate equal to fifty percent of the required contribution rate for members described in section 97B.49C. For the fiscal year beginning July 1, 2025, and for each fiscal year thereafter, the system shall increase the applicable employee percentage calculated under this subparagraph for that fiscal year by one hundred twenty-five thousandths of one percent.

(2) *"Applicable employer percentage"* means the percentage rate equal to fifty percent of the required contribution rate

for members described in section 97B.49C. For the fiscal year beginning July 1, 2025, and for each fiscal year thereafter, the system shall decrease the applicable employer percentage calculated under this subparagraph for that fiscal year by one hundred twenty-five thousandths of one percent.

Sec. 3. Section 411.1, subsection 6, Code 2025, is amended by striking the subsection and inserting in lieu thereof the following:

6. *"Cancer"* means a group of diseases involving abnormal cell growth with the potential to invade or spread to other parts of the body.

Sec. 4. Section 411.8, subsection 1, paragraph f, subparagraph (8), Code 2025, is amended to read as follows:

(8) Beginning July 1, 1996, and each fiscal year thereafter, an amount equal to the member's contribution rate times each member's compensation shall be paid to the fund from the earnable compensation of the member. For the purposes of this subparagraph, the member's contribution rate shall be nine and thirty-five hundredths percent until June 30, 2009, nine and four-tenths percent until June 30, 2024, ~~and, beginning July 1, 2024,~~ nine and fifty-five hundredths percent until June 30, 2025, and, beginning July 1, 2025, nine and six hundred seventy-five thousandths percent. However, the system shall increase the member's contribution rate as necessary to cover any increase in cost to the system resulting from statutory changes which are enacted by any session of the general assembly meeting after January 1, 1991, if the increase cannot be absorbed within the contribution rates otherwise established pursuant to this paragraph, but subject to a maximum employee contribution rate of eleven and three-tenths percent ~~or, beginning July 1,~~ until June 30, 2009, eleven and thirty-five hundredths percent until June 30, 2025, and, beginning July 1, 2025, eleven and four hundred seventy-five thousandths percent. The contribution rate increases specified in 1994 Iowa Acts, ch. 1183, pursuant to this chapter and chapter

97A shall be the only member contribution rate increases for these systems resulting from the statutory changes enacted in 1994 Iowa Acts, ch. 1183, and shall apply only to the fiscal periods specified in 1994 Iowa Acts, ch. 1183. After the employee contribution reaches ~~eleven and three-tenths percent or eleven and thirty-five hundredths percent, as applicable,~~ the applicable maximum employee contribution rate, sixty percent of the additional cost of such statutory changes shall be paid by employers under paragraph *"c"* and forty percent of the additional cost shall be paid by employees under this paragraph.

Sec. 5. IMPLEMENTATION OF ACT. Section 25B.2, subsection 3, shall not apply to this Act.

Sec. 6. EMERGENCY RULES. The Iowa public employees' retirement system may adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement section 97B.11, subsection 3, paragraphs "b" and "c", as amended by this Act, and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Sec. 7. EFFECTIVE DATE. The following, being deemed of immediate importance, takes effect upon enactment:

The section of this Act authorizing the Iowa public employees' retirement system to adopt emergency rules.