

IPERS EMPLOYER BULLETIN 2004-2

June 23, 2004

TO: Reporting Officials
FROM: Donna Mueller, CEO
SUBJECT: Legislative Changes Affecting Airport Firefighters
EFFECTIVE DATE: July 1, 2004

BACKGROUND:

House File 2262, passed by the Iowa Legislature this year, made important changes to the Iowa Code that affect the Iowa Public Employees' Retirement System's requirements for airport firefighters. Letters were sent to the Department of Public Defense and to airport firefighters who are members of IPERS. The main effect of the changes is on occupational group classification and contributions rates.

SUMMARY OF LEGISLATIVE CHANGES

1. Airport firefighters move to the protection occupation group because of changes in the plan for sheriffs and deputy sheriffs. Airport firefighters were in the same group as sheriffs and deputy sheriffs.
2. The portion of the contribution paid by employees and employers remains the same. The employee pays 40% and the employer pays 60%.
3. Contribution rates increase but the increase is less than that for sheriffs and deputy sheriffs.
4. Effective July 1, 2004, the combined contribution rate increases to 15.39% instead of 12.76% that was planned for sheriffs, deputy sheriffs, and airport firefighters.
5. Employee contributions increase to 6.16%. This is an increase of 1.06 percentage point over the 5.1% rate that would have been effective on July 1, 2004.
6. Employer contributions increase to 9.23%. This is an increase of 1.57 percentage points over the 7.66% rate that would have been effective on July 1, 2004.
7. For every \$10,000 dollars in salary, an employee will pay \$106 more during the year. The employer will pay \$157 more.

IMPLEMENTATION

The changes in occupational group and contribution rates are effective as of July 1, 2005.

INQUIRIES:

For further information, contact the Employer Relations Team at 800-622-3849. Please refer to IPERS Bulletin 2004-2.