

**CHAPTER 70**

## INDIVIDUAL DEVELOPMENT ACCOUNTS

H.F. 672

**AN ACT** relating to individual development accounts available to certain persons with low income and providing effective and applicability date provisions.

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

Section 1. Section 541A.2, subsection 1, Code 2009, is amended to read as follows:

1. ~~a. To be eligible to open an account, a prospective account holder must have a household income that is equal to or less than two hundred percent of the federal poverty level.~~  
b. The account is shall be kept in the name of an individual account holder.

Sec. 2. Section 541A.2, subsections 4 and 5, Code 2009, are amended to read as follows:

4. During a calendar year, ~~with the approval of the operating organization,~~ an account holder may ~~withdraw~~ make withdrawals from the account holder's account ~~the sum of the~~ for any of the following authorized purposes:

a. ~~With the approval of the operating organization, amounts withdrawn for any of the following approved purposes:~~

- (1) Educational costs at an accredited institution of higher education.
  - (2) ~~b.~~ Training costs for an accredited or licensed training program.
  - (3) ~~c.~~ Purchase of a primary residence.
  - (4) ~~d.~~ Capitalization of a small business start-up.
  - (5) ~~e.~~ An improvement to a primary residence which increases the tax basis of the property.
  - (6) ~~f.~~ Emergency medical costs for the account holder or for a member of the account holder's family. However, a withdrawal for this purpose is limited to once during the life of the account and the amount of the withdrawal shall not exceed ten percent of the account balance at the time of the withdrawal.
  - (7) ~~g.~~ A purpose ~~approved~~ authorized in accordance with rule for a refugee individual development account.
  - (8) ~~h.~~ Purchase of an automobile.
  - (9) ~~i.~~ Purchase of assistive technology, home or vehicle modification, or other device or physical improvement to assist an account holder or family member with a disability.
  - (10) ~~j.~~ Other purpose ~~approved~~ authorized in accordance with rule that is intended to move the account holder or a family member toward a higher degree of self-sufficiency.
- b. ~~At the account holder's discretion, if the account holder is at least fifty-nine and one-half years of age, any amount.~~

5. ~~An account holder shall not withdraw moneys from the holder's account unless the withdrawal is authorized under subsection 4.~~

Sec. 3. Section 541A.3, subsection 1, paragraph a, Code 2009, is amended to read as follows:

- a. Payment by the state of a state savings match on amounts of up to two thousand dollars that an account holder deposits in the account holder's account. ~~To be eligible to receive a state match an account holder must have a household income that is equal to or less than two hundred percent of the federal poverty level.~~

Sec. 4. Section 541A.5, subsection 2, paragraph c, Code 2009, is amended to read as follows:

- c. Subject to the availability of funding, the commission may adopt rules implementing an individual development account program for refugees. Rules shall identify purposes ~~approved~~ authorized for withdrawals to meet the special needs of refugee families.

Sec. 5. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY. This Act, being deemed of immediate importance, takes effect upon enactment, is retroactively applicable to July 1, 2008.

Approved April 17, 2009

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## CHAPTER 71

### STATEWIDE FIRE AND POLICE RETIREMENT SYSTEM — LINE OF DUTY DEATH BENEFIT

*H.F. 707*

**AN ACT** relating to eligible beneficiaries for a line of duty death benefit under the statewide fire and police retirement system and providing an effective date.

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

Section 1. Section 411.6, subsection 15, paragraph a, Code 2009, is amended to read as follows:

a. If, upon the receipt of evidence and proof from the chief of the police or fire department that the death of a member in service was the direct and proximate result of a traumatic personal injury incurred in the line of duty, the system decides that death was so caused, there shall be paid, to a person authorized to receive an accidental death benefit as provided in subsection 9, paragraph “b”, the amount of one hundred thousand dollars, which shall be payable in a lump sum. However, for purposes of this subsection, a child who no longer meets the definition of child in section 411.1 shall be eligible to receive a line of duty death benefit pursuant to this subsection.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 17, 2009