

**8A.437 State employee health flexible spending account trust fund.**

1. The director shall establish for state employees a health flexible spending account plan which offers multiple benefits to state employees. The state's health flexible spending account plan shall be established to meet the conditions of section 125 of the Internal Revenue Code of 1986.

2. A separate, special Iowa state employee health flexible spending account trust fund is created in the state treasury under the control of the department. The trust fund consists of all moneys appropriated to the fund, all monthly administrative charges paid by a state department or agency as authorized by [section 8A.451](#), and any other assets directed to be held in trust for the exclusive benefit of participants in the state's health flexible spending account plan. Moneys in the fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7](#), interest and earnings from moneys in the trust fund shall be credited to the trust fund and shall be used exclusively for the benefit of plan participants.

3. The director shall serve as trustee of the trust fund and has the authority to direct expenditures as deemed appropriate to the exclusive benefit of the plan participants.

[2003 Acts, ch 145, §73](#)

Authority of governing body, [§509A.1](#)