

SEP 27 2007
WAYS AND MEANS

HOUSE FILE 2570
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HF 2428)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to volunteer fire fighters by creating a township
2 fire department fund and allocating a certain portion of
3 insurance premiums tax to the township fire department fund,
4 establishing a volunteer fire fighter pension task force,
5 making an appropriation, and including a retroactive
6 applicability date provision.

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

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HF 2570

1 Section 1. NEW SECTION. 100B.12 TOWNSHIP FIRE DEPARTMENT
2 FUND.

3 1. A township fire department fund is created and
4 established as a separate and distinct fund in the state
5 treasury under the control of the division of fire protection
6 of the department of public safety.

7 2. Revenue for the township fire department fund shall
8 include, but is not limited to, the following:

9 a. Moneys credited to the fund pursuant to section 432.15.

10 b. Moneys in the form of a devise, gift, bequest,
11 donation, or federal or other grant intended to be used for
12 the purposes of the fund.

13 3. Moneys in the township fire department fund are not
14 subject to section 8.33. Notwithstanding section 12C.7,
15 subsection 2, interest or earnings on moneys in the fund shall
16 be credited to the fund.

17 4. Moneys in the township fire department fund are
18 appropriated to the division of fire protection of the
19 department of public safety for annual distribution to
20 townships that levy a property tax pursuant to section 359.43
21 as follows:

22 a. One-half of the moneys in the fund shall be distributed
23 to each township in the proportion that the taxable valuation
24 in the township bears to the entire taxable valuation of all
25 townships in the state.

26 b. One-half of the moneys in the fund shall be distributed
27 to each township in the proportion that the population in the
28 township bears to the entire population of all townships in
29 the state.

30 5. Distributions from the fund shall be used by townships
31 for the purchase of supplies and equipment necessary to
32 provide fire protection service, for facilities to house the
33 supplies and equipment, and to pay for training of township
34 fire fighters. Townships that have entered into emergency
35 service agreements with a municipality for fire protection

1 pursuant to section 28E.32 may transfer moneys received from
2 the fund to the municipality for the purposes specified in
3 this subsection.

4 Sec. 2. NEW SECTION. 432.15 PROPERTY INSURANCE PREMIUM
5 TAXES -- DEPOSIT IN TOWNSHIP FIRE DEPARTMENT FUND.

6 The amounts paid as taxes pursuant to section 432.1,
7 subsection 2, from insurance on property, on insurance
8 policies or contracts first issued on or after January 1,
9 2002, or on increases in premiums on policies or contracts
10 issued for insurance on property prior to January 1, 2002,
11 shall be deposited in the township fire department fund
12 created in section 100B.12.

13 Sec. 3. VOLUNTEER FIRE FIGHTER PENSION TASK FORCE --
14 REPORT. The Iowa public employees' retirement system (IPERS)
15 shall establish a task force concerning the possible
16 establishment of a pension system for volunteer fire fighters
17 in this state. The task force shall examine pension plans
18 established by other states for volunteer fire fighters and
19 shall solicit information from volunteer fire fighters, and
20 cities and townships with volunteer fire fighters, concerning
21 the possible establishment of a pension system for volunteer
22 fire fighters. The task force shall submit a report to the
23 general assembly by January 1, 2003, concerning the findings
24 and recommendations of the task force.

25 Sec. 4. RETROACTIVE APPLICABILITY. Sections 1 and 2 of
26 this Act apply retroactively to January 1, 2002, for tax years
27 beginning on or after that date.

28 EXPLANATION

29 This bill creates the township fire department fund under
30 the control of the division of fire protection of the
31 department of public safety.

32 The bill provides that insurance premium taxes paid on
33 policies or contracts for insurance on property issued on or
34 after January 1, 2002, or taxes on increases in premiums on
35 policies or contracts issued for insurance on property before

1 that date, shall be credited to the fund.

2 Moneys in the fund are appropriated to the division of fire
3 protection of the department of public safety to be
4 distributed to those townships levying a property tax for fire
5 protection based on the taxable valuation in the township and
6 the population of the township.

7 Moneys from the fund received by townships are to be used
8 to purchase supplies and equipment, to pay for facilities to
9 house the supplies and equipment, and to pay for training of
10 township fire fighters. Townships that have entered into
11 emergency service agreements with a municipality for fire
12 protection may transfer moneys received from the fund to the
13 municipality for the purposes specified.

14 The bill requires the Iowa public employees' retirement
15 system (IPERS) to establish a task force concerning the
16 establishment of a pension system for volunteer fire fighters.
17 The task force shall submit a report to the general assembly
18 by January 1, 2003.

19 The sections of the bill relating to insurance premium
20 taxes and the township fire department fund apply
21 retroactively to tax years beginning on or after January 1,
22 2002.

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