

**House Study Bill 584 - Introduced**

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BILL BY  
CHAIRPERSON BLOOMINGDALE)

**A BILL FOR**

1 An Act authorizing length of service award programs for  
2 volunteer fire fighters and emergency medical care  
3 providers, and making an appropriation.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 100B.41 Length of service award  
2 programs — authorization.

3 The governing body of a municipality, as defined in section  
4 100B.21, shall be authorized to establish a length of service  
5 award program for volunteer fire fighters as defined in section  
6 85.61 and volunteer emergency medical care providers as defined  
7 in section 147A.1. The program shall provide length of service  
8 awards, as described in section 457(e)(11) of the Internal  
9 Revenue Code, to volunteer fire fighters and emergency medical  
10 care providers of a municipality that elects to establish a  
11 program. The program shall be designed to treat awards from  
12 the program as a tax-deferred benefit under the Internal  
13 Revenue Code. The governing body of the municipality shall,  
14 in consultation with the chief or other person in command of  
15 the fire department of the municipality, adopt guidelines  
16 providing for minimum contribution requirements, eligibility  
17 requirements for participation by volunteer fire fighters and  
18 emergency medical care providers, minimum vesting requirements,  
19 distribution requirements, and such other guidelines as deemed  
20 necessary to operate the program.

21 Sec. 2. NEW SECTION. 100B.42 Length of service award  
22 program grant fund — appropriation.

23 1. *a.* A length of service award program grant fund is  
24 created in the state treasury under the control of the state  
25 fire service and emergency response council. The fund shall  
26 consist of all moneys appropriated to the fund.

27 *b.* Beginning with the fiscal year commencing July 1, 2020,  
28 and each fiscal year thereafter, there is appropriated from  
29 the general fund of the state to the state fire service and  
30 emergency response council the sum of one million dollars for  
31 deposit in the length of service award program grant fund.

32 2. Moneys in the length of service award program grant  
33 fund are appropriated to the state fire service and emergency  
34 response council for the purpose of providing grants to  
35 municipalities establishing a length of service award program

1 as described in section 100B.41 to provide contributions to  
2 the program on behalf of participants in the program. The  
3 state fire service and emergency response council shall  
4 develop and submit to the state fire marshal for adoption rules  
5 establishing a grant application process. The grant process  
6 shall provide for a dollar-for-dollar funding match from a  
7 municipality establishing a length of service award program.

8 3. Notwithstanding section 12C.7, subsection 2, interest or  
9 earnings on moneys deposited in the fund shall be credited to  
10 the fund. Notwithstanding section 8.33, moneys credited to the  
11 fund shall not revert at the close of a fiscal year.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with  
14 the explanation's substance by the members of the general assembly.

15 This bill authorizes a municipality, defined as a city,  
16 county, township, benefited fire district, or agency authorized  
17 by law to provide emergency response services, to establish  
18 a length of service award program as described in section  
19 457(e)(11) of the Internal Revenue Code for volunteer fire  
20 fighters and emergency medical care providers. The bill  
21 provides that the governing body of a municipality that  
22 establishes the program shall, in consultation with the  
23 chief or other person in command of the fire department of  
24 the municipality, adopt guidelines providing for minimum  
25 contribution requirements, eligibility requirements for  
26 participation by volunteer fire fighters and emergency medical  
27 care providers, minimum vesting requirements, distribution  
28 requirements, and such other guidelines as deemed necessary to  
29 operate the program.

30 The bill also establishes a length of service award program  
31 grant fund under the control of the state fire service and  
32 emergency response council. The bill provides for a standing  
33 appropriation of \$1 million each fiscal year from the general  
34 fund of the state for deposit in the fund. Moneys in the  
35 fund are appropriated to the state fire service and emergency

1 response council for grants to municipalities establishing  
2 a length of service award program to provide contributions  
3 to the program on behalf of participants. The bill requires  
4 the state fire service and emergency response council to  
5 develop and submit to the state fire marshal for adoption rules  
6 establishing a grant application process which shall provide  
7 for a dollar-for-dollar funding match from a municipality  
8 establishing a length of service award program. The bill  
9 further provides that moneys in the fund shall not revert at  
10 the end of a fiscal year and that interest or earnings on  
11 moneys deposited in the fund shall be credited to the fund.