

House File 2578 - Introduced

HOUSE FILE 2578
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HSB 598)

A BILL FOR

1 An Act relating to certain emergency services provided by a
2 city.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 362.5, subsection 3, paragraph a, Code
2 2024, is amended to read as follows:

3 a. The payment of lawful compensation of a city officer,
4 volunteer fire fighter as defined in section 85.61, emergency
5 medical care provider as defined in section 147A.1, or employee
6 holding more than one city office or position, the holding of
7 which is not incompatible with another public office or is
8 not prohibited by law. This section shall not be construed
9 to prohibit nominal stipends, compensation, incentives, or
10 benefits for volunteer fire fighters or emergency medical care
11 providers.

12 Sec. 2. Section 372.13, subsection 10, Code 2024, is amended
13 to read as follows:

14 10. A council member, during the term for which that member
15 is elected, is not precluded from holding the office of chief
16 of the volunteer fire department or from serving the volunteer
17 fire department in any other position or capacity. A person
18 holding the office of chief of such a volunteer fire department
19 at the time of the person's election to the city council may
20 continue to hold the office of chief of the fire department
21 during the city council term for which that person was elected,
22 or may serve as chief of the volunteer fire department upon
23 a majority vote of the council. A council member who is a
24 candidate for the position of chief of the volunteer fire
25 department or an appointed officer position shall abstain
26 from voting upon the council member's own appointment to the
27 position.

28 Sec. 3. Section 384.3, Code 2024, is amended to read as
29 follows:

30 **384.3 General fund.**

31 1. All moneys received for city government purposes from
32 taxes and other sources must be credited to the general fund
33 of the city, except that moneys received for the purposes of
34 the debt service fund, the trust and agency funds, the capital
35 improvements reserve fund, the emergency fund, and other

1 funds established by state law must be deposited as otherwise
2 required or authorized by state law. All moneys received by
3 a city from the federal government must be reported to the
4 department of management, who shall transmit a copy to the
5 legislative services agency.

6 2. a. A city may establish an additional fund or a reserve
7 savings account to pay costs associated with the acquisition,
8 possession, and maintenance of major equipment for police,
9 fire, rescue, or emergency medical services. Moneys in a fund
10 or account established under this paragraph may remain in the
11 fund or account at the end of each fiscal year.

12 b. If a city has established an additional fund or a reserve
13 savings account under paragraph "a" and has received a payment,
14 award, judgment, or insurance settlement for damaged police,
15 fire, rescue, or emergency medical services equipment or
16 vehicles, the city shall deposit the moneys into the relevant
17 fund or account rather than into the general fund of the city.
18 However, if a city uses moneys from its general fund to cover
19 costs to repair or replace damaged police, fire, rescue, or
20 emergency medical services equipment or vehicles, the city
21 may deposit into its general fund an amount received from the
22 payment, award, judgment, or insurance settlement that is equal
23 to the amount used from the general fund. The city shall
24 deposit any remaining amount received from the payment, award,
25 judgment, or insurance settlement into the relevant fund or
26 account established under paragraph "a".

27 c. If a city has established an additional fund under
28 paragraph "a", moneys remaining in the fund at the end of the
29 fiscal year may be deposited into a reserve savings account.
30 Moneys in a reserve savings account shall be used for the
31 purpose of maintaining or acquiring major equipment including
32 vehicles.

33 EXPLANATION

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

1 This bill relates to certain emergency services provided by
2 a city.

3 Current law generally voids a contract entered into by a city
4 officer or employee if the officer or employee has an interest,
5 direct or indirect, in the contract or job of work or material
6 or the profits thereof or services to be furnished or performed
7 for the officer's or employee's city. The bill provides that
8 this provision does not prohibit the lawful compensation,
9 including nominal stipends, incentives, and benefits, for a
10 volunteer fire fighter or emergency medical care provider
11 holding one or more city offices or positions if holding the
12 office or position is not incompatible with another public
13 office or is not prohibited by law.

14 Current law allows a city council member, during the term
15 for which the member is elected, to serve as the chief of a
16 volunteer fire department or serve a volunteer fire department
17 in any other capacity. A person holding the office of chief of
18 such a volunteer fire department at the time of the person's
19 election to the city council may continue to hold the office of
20 chief of the volunteer fire department during the city council
21 term for which that person was elected. The bill allows a
22 city council member to serve as chief of the volunteer fire
23 department upon a majority vote of the council, but such member
24 must abstain from the vote.

25 The bill provides that a city may establish a fund or
26 reserve savings account to pay for major equipment for police,
27 fire, rescue, or emergency medical services. If a city has
28 established such a fund or account and has received a payment,
29 award, judgment, or insurance settlement for damaged police,
30 fire, rescue, or emergency medical services equipment or
31 vehicles, the city shall deposit the moneys into the relevant
32 fund or account rather than into the general fund of the city.
33 However, if a city uses moneys from its general fund to cover
34 costs to repair or replace such equipment or vehicles, the
35 city may deposit into its general fund an amount received from

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1 the payment, award, judgment, or insurance settlement that is
2 equal to the amount used from the general fund. The city shall
3 deposit any remaining amount received into the relevant fund or
4 account. Moneys remaining in the fund at the end of the fiscal
5 year may be deposited into a reserve savings account. Moneys
6 in a reserve savings account shall be used for the purpose of
7 maintaining or acquiring major equipment including vehicles.