

House Study Bill 19 - Introduced

HOUSE FILE _____

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

A BILL FOR

1 An Act authorizing length of service award programs for
2 volunteer fire fighters, volunteer emergency medical
3 care providers, and reserve peace officers, and making
4 appropriations.

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

1 Section 1. Section 99G.39, Code 2023, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 5A. One million dollars in lottery revenues
4 shall be transferred each fiscal year to the length of service
5 award program grant fund created in section 100B.52 prior to
6 deposit of the lottery revenues in the general fund pursuant
7 to section 99G.40.

8 Sec. 2. NEW SECTION. 100B.51 **Length of service award**
9 **programs — authorization.**

10 The governing body of a municipality, as defined in section
11 100B.21, is authorized to establish a length of service award
12 program for volunteer fire fighters as defined in section
13 85.61, emergency medical care providers as defined in section
14 147A.1 who are volunteers, and reserve peace officers as
15 defined in section 80D.1A. The program shall provide length
16 of service awards, as described in section 457(e)(11) of the
17 Internal Revenue Code, to volunteer fire fighters, volunteer
18 emergency medical care providers, and reserve peace officers
19 serving a municipality that elects to establish a program. The
20 program shall be designed to treat awards from the program as
21 a tax-deferred benefit under the Internal Revenue Code. The
22 governing body of the municipality shall, in consultation with
23 the chief or other person in command of the fire department
24 and police department serving the municipality, as applicable,
25 adopt guidelines providing for eligibility requirements for
26 participation by volunteer fire fighters, volunteer emergency
27 medical care providers, and reserve peace officers, minimum
28 vesting requirements, distribution requirements, and such other
29 guidelines as deemed necessary to operate the program.

30 Sec. 3. NEW SECTION. 100B.52 **Length of service award**
31 **program grant fund — appropriation.**

32 1. A length of service award program grant fund is created
33 in the state treasury under the control of the department of
34 revenue. The fund shall consist of all moneys appropriated to
35 the fund.

1 2. Moneys in the length of service award program grant fund
 2 are appropriated to the department of revenue for the purpose
 3 of providing grants to municipalities that have established
 4 a length of service award program as described in section
 5 100B.51 to provide contributions to the program on behalf
 6 of participants in the program. The department of revenue
 7 shall adopt rules pursuant to chapter 17A establishing a grant
 8 application process. The grant process shall provide for up to
 9 a dollar-for-dollar funding match from a municipality that has
 10 established a length of service award program.

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

15 EXPLANATION

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

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

34 The bill also establishes a length of service award program
 35 grant fund under the control of the department of revenue.

1 Each fiscal year, \$1 million in lottery revenues shall be
2 transferred to the fund prior to deposit of lottery revenues
3 in the general fund of the state. Moneys in the fund are
4 appropriated to the department for grants to municipalities
5 that have established a length of service award program to
6 provide contributions to the program on behalf of participants.
7 The bill requires the department to adopt rules establishing
8 a grant application process that shall provide for up to a
9 dollar-for-dollar funding match from a municipality that has
10 established a length of service award program.