

**Senate File 447 - Introduced**

SENATE FILE 447  
BY COMMITTEE ON LOCAL  
GOVERNMENT

(SUCCESSOR TO SF 272)

(COMPANION TO HF 340 BY  
COMMITTEE ON APPROPRIATIONS)

**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  
9 to a dollar-for-dollar funding match from a municipality that  
10 has established a length of service award program. The grant  
11 process shall allow a municipality to use moneys received to  
12 fund the program from gifts, devises, bequests, or any other  
13 source for purposes of providing the funding match required by  
14 this subsection.

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

19 EXPLANATION

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

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

1 requirements, and such other guidelines as deemed necessary to  
2 operate the program.

3     The bill also establishes a length of service award program  
4 grant fund under the control of the department of revenue.  
5 Each fiscal year, \$1 million in lottery revenues shall be  
6 transferred to the fund prior to deposit of lottery revenues  
7 in the general fund of the state. Moneys in the fund are  
8 appropriated to the department for grants to municipalities  
9 that have established a length of service award program to  
10 provide contributions to the program on behalf of participants.  
11 The bill requires the department to adopt rules establishing  
12 a grant application process that shall provide for up to a  
13 dollar-for-dollar funding match from a municipality that has  
14 established a length of service award program. The bill also  
15 requires the grant process to allow a municipality to use  
16 moneys received from any source for purposes of providing the  
17 funding match required by the bill.