HOUSE FILE 2574
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 750)
(SUCCESSOR TO HSB 197)

(As Amended and Passed by the House March 30, 2022)
[= New Language by the House
* = Language Stricken by the House

A BILL FOR

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

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

Section 1. Section 99G.39, Code 2022, is amended by adding the following new subsection:

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

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

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

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

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

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

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