

## CHAPTER 51

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**GOVERNMENT - MUNICIPAL**

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**HOUSE BILL 07-1031**

BY REPRESENTATIVE(S) Witwer, Liston, McGihon, Riesberg, Balmer, Curry, Frangas, Gallegos, Gardner B., Hicks, Jahn, Kerr J., King, Labuda, Levy, Loofer, Massey, Roberts, Rose, Stafford, Stephens, Summers, and Todd;  
also SENATOR(S) Tochtrop, Taylor, Williams, Kester, and Kopp.

**AN ACT**

**CONCERNING LENGTH OF SERVICE AWARDS FOR BONA FIDE VOLUNTEERS WHO PROVIDE QUALIFIED EMERGENCY SERVICES.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** Article 30 of title 31, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

**PART 12  
VOLUNTEER SERVICE AWARD ACT**

**31-30-1201. Short title.** THIS PART 12 SHALL BE KNOWN AND MAY BE CITED AS THE "VOLUNTEER SERVICE AWARD ACT".

**31-30-1202. Definitions.** AS USED IN THIS PART 12, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "BONA FIDE VOLUNTEER" MEANS A PERSON WHO RENDERS QUALIFIED SERVICES FOR AN EMERGENCY SERVICE PROVIDER IF THE ONLY COMPENSATION RECEIVED BY THE PERSON FOR PERFORMING THE QUALIFIED SERVICES IS IN THE FORM OF:

(a) REIMBURSEMENT, OR A REASONABLE ALLOWANCE, FOR REASONABLE EXPENSES INCURRED IN THE PERFORMANCE OF SUCH SERVICES; OR

(b) REASONABLE BENEFITS, INCLUDING LENGTH OF SERVICE AWARDS, AND NOMINAL FEES FOR QUALIFIED SERVICES CUSTOMARILY PAID BY AN ELIGIBLE EMERGENCY SERVICE PROVIDER IN CONNECTION WITH THE PERFORMANCE OF SUCH

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

SERVICES.

(2) "EMERGENCY SERVICE PROVIDER" MEANS A LOCAL GOVERNMENT OR AN AUTHORITY FORMED BY TWO OR MORE LOCAL GOVERNMENTS THAT PROVIDES ANY OF THE FOLLOWING SERVICES:

- (a) FIRE FIGHTING AND PREVENTION SERVICES;
- (b) EMERGENCY MEDICAL SERVICES; OR
- (c) AMBULANCE SERVICES THROUGH THE USE OF VOLUNTEERS.

(3) "QUALIFIED SERVICES" MEANS FIRE FIGHTING AND PREVENTION SERVICES, EMERGENCY MEDICAL SERVICES, AND AMBULANCE SERVICES.

(4) "VOLUNTEER SERVICE AWARD" MEANS A BENEFIT BASED ON LENGTH OF SERVICE THAT A VOLUNTEER MAY LEGALLY ACCRUE PURSUANT TO CURRENT RULINGS OF THE INTERNAL REVENUE SERVICE AND THAT, WHILE INVESTED UNDER A VOLUNTEER SERVICE AWARD PLAN ADOPTED PURSUANT TO THIS PART 12, IS EXEMPT FROM FEDERAL INCOME TAXES ON BOTH THE EMERGENCY SERVICE PROVIDER'S CONTRIBUTION AND ALL INTEREST, DIVIDENDS, AND CAPITAL GAINS UNTIL THE ULTIMATE DISTRIBUTION TO THE VOLUNTEER.

**31-30-1203. Volunteer service award plan.** (1) THE GOVERNING BODY OF ANY EMERGENCY SERVICE PROVIDER MAY ADOPT AND AMEND OR PROVIDE FOR THE ADMINISTRATION AND AMENDMENT OF A VOLUNTEER SERVICE AWARD PLAN FOR BONA FIDE VOLUNTEERS.

(2) IF THE GOVERNING BODY OF THE EMERGENCY SERVICE PROVIDER CHOOSES TO ADOPT AND AMEND OR PROVIDE FOR THE ADMINISTRATION AND AMENDMENT OF A VOLUNTEER SERVICE AWARD PLAN, THE BODY SHALL ADOPT A PLAN DOCUMENT PROVIDING FOR THE ADMINISTRATION OF THE VOLUNTEER SERVICE AWARD THAT IS INTENDED TO COMPLY WITH THE PROVISIONS OF SECTION 457 (e) (11) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED. THE EMERGENCY SERVICE PROVIDER SHALL BE RESPONSIBLE FOR ENSURING THAT SUCH PLAN DOCUMENT IS IN COMPLIANCE WITH APPLICABLE LAW. PARTICIPATION BY VOLUNTEERS SHALL BE SUBJECT TO THE REQUIREMENTS AND LIMITATIONS OF SAID SECTION 457 (e) (11) AND THE APPLICABLE REGULATIONS PROMULGATED UNDER SAID SECTION 457.

(3) THE GOVERNING BODY OF THE EMERGENCY SERVICE PROVIDER THAT ADOPTS A VOLUNTEER SERVICE AWARD PROGRAM SHALL INVEST PUBLIC MONEYS HELD TO PAY SUCH AWARDS AS MAY BE ALLOWED PURSUANT TO PARTS 6 AND 7 OF ARTICLE 75 OF TITLE 24, C.R.S.

(4) THE EXISTENCE OR ENACTMENT OF ANY QUALIFIED LENGTH OF SERVICE PLAN TO RECOGNIZE VOLUNTEER SERVICE THAT IS IN EFFECT PRIOR TO THE EFFECTIVE DATE OF THIS SECTION IS HEREBY AUTHORIZED.

(5) NOTWITHSTANDING ANY PROVISION IN THIS PART 12 TO THE CONTRARY, NOTHING SHALL PRECLUDE AN EMERGENCY SERVICE PROVIDER FROM ADOPTING ANY

OTHER INCENTIVE PROGRAMS TO ASSIST BONA FIDE VOLUNTEERS.

**SECTION 2. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 26, 2007