

CHAPTER 1116

VETERANS, MILITARY SERVICE MEMBERS, AND SURVIVOR BENEFICIARIES

S.F. 303

AN ACT relating to veterans, military service members, and certain survivor beneficiaries and including effective date and retroactive applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I RETIREMENT PAY TAX EXEMPTION

Section 1. Section 422.5, subsection 3, paragraph a, Code 2014, is amended to read as follows:

a. The tax shall not be imposed on a resident or nonresident whose net income, as defined in section 422.7, is thirteen thousand five hundred dollars or less in the case of married persons filing jointly or filing separately on a combined return, heads of household, and surviving spouses or nine thousand dollars or less in the case of all other persons; but in the event that the payment of tax under this division would reduce the net income to less than thirteen thousand five hundred dollars or nine thousand dollars as applicable, then the tax shall be reduced to that amount which would result in allowing the taxpayer to retain a net income of thirteen thousand five hundred dollars or nine thousand dollars as applicable. The preceding sentence does not apply to estates or trusts. For the purpose of this subsection, the entire net income, including any part of the net income not allocated to Iowa, shall be taken into account. For purposes of this subsection, net income includes all amounts of pensions or other retirement income, except for military retirement pay excluded under section 422.7, subsection 31A, paragraph "a", or section 422.7, subsection 31B, paragraph "a", received from any source which is not taxable under this division as a result of the government pension exclusions in section 422.7, or any other state law. If the combined net income of a husband and wife exceeds thirteen thousand five hundred dollars, neither of them shall receive the benefit of this subsection, and it is immaterial whether they file a joint return or separate returns. However, if a husband and wife file separate returns and have a combined net income of thirteen thousand five hundred dollars or less, neither spouse shall receive the benefit of this paragraph, if one spouse has a net operating loss and elects to carry back or carry forward the loss as provided in section 422.9, subsection 3. A person who is claimed as a dependent by another person as defined in section 422.12 shall not receive the benefit of this subsection if the person claiming the dependent has net income exceeding thirteen thousand five hundred dollars or nine thousand dollars as applicable or the person claiming the dependent and the person's spouse have combined net income exceeding thirteen thousand five hundred dollars or nine thousand dollars as applicable.

Sec. 2. Section 422.5, subsection 3B, paragraph a, Code 2014, is amended to read as follows:

a. The tax shall not be imposed on a resident or nonresident who is at least sixty-five years old on December 31 of the tax year and whose net income, as defined in section 422.7, is thirty-two thousand dollars or less in the case of married persons filing jointly or filing separately on a combined return, heads of household, and surviving spouses or twenty-four thousand dollars or less in the case of all other persons; but in the event that the payment of tax under this division would reduce the net income to less than thirty-two thousand dollars or twenty-four thousand dollars as applicable, then the tax shall be reduced to that amount which would result in allowing the taxpayer to retain a net income of thirty-two thousand dollars or twenty-four thousand dollars as applicable. The preceding sentence does not apply to estates or trusts. For the purpose of this subsection, the entire net income, including any part of the net income not allocated to Iowa, shall be taken into account. For purposes of this subsection, net income includes all amounts of pensions or other retirement income, except for military retirement pay excluded under section 422.7, subsection 31A, paragraph "a", or section 422.7, subsection 31B, paragraph "a", received from any source which is

not taxable under this division as a result of the government pension exclusions in section 422.7, or any other state law. If the combined net income of a husband and wife exceeds thirty-two thousand dollars, neither of them shall receive the benefit of this subsection, and it is immaterial whether they file a joint return or separate returns. However, if a husband and wife file separate returns and have a combined net income of thirty-two thousand dollars or less, neither spouse shall receive the benefit of this paragraph, if one spouse has a net operating loss and elects to carry back or carry forward the loss as provided in section 422.9, subsection 3. A person who is claimed as a dependent by another person as defined in section 422.12 shall not receive the benefit of this subsection if the person claiming the dependent has net income exceeding thirty-two thousand dollars or twenty-four thousand dollars as applicable or the person claiming the dependent and the person's spouse have combined net income exceeding thirty-two thousand dollars or twenty-four thousand dollars as applicable.

Sec. 3. Section 422.7, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 31A. a. Subtract, to the extent included, retirement pay received by a taxpayer from the federal government for military service performed in the armed forces, the armed forces military reserve, or national guard.

b. The exclusion of retirement pay under this subsection is in addition to any exclusion provided under subsection 31.

Sec. 4. Section 422.7, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 31B. a. Subtract, to the extent included, amounts received as survivor benefits by a taxpayer from the federal government pursuant to 10 U.S.C. §1447, et seq.

b. The exclusion of survivor benefits under this subsection is in addition to any exclusion provided under subsection 31.

Sec. 5. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2014, for tax years beginning on or after that date.

DIVISION II PROPERTY OF ASSOCIATIONS OF WAR VETERANS

Sec. 6. Section 427.1, subsection 5, Code 2014, is amended to read as follows:

5. Property of associations of war veterans.

a. The property of any organization composed wholly of veterans of any war, when such property is, except as otherwise provided in this subsection or subsection 14, devoted entirely to its own use and not held for pecuniary profit.

b. The operation of bingo games on property of such organization shall not adversely affect the exemption of that property under this subsection if all proceeds, in excess of expenses, are used for the legitimate purposes of the organization.

c. The occasional or irregular lease or rental of all or a portion of the property of such organization shall not adversely affect the exemption of that property under this subsection if the proceeds from such lease or rental do not exceed two hundred fifty dollars per lease or rental, and the proceeds, in excess of expenses, are used for the legitimate purposes of the organization. In addition, the occasional or irregular lease or rental shall be considered a use for the appropriate objects of the organization for purposes of subsection 14.

Sec. 7. IMPLEMENTATION OF ACT. Section 25B.7 does not apply to this division of this Act.

Sec. 8. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 9. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2014, for assessment years beginning on or after that date.

DIVISION III
LICENSE PLATES

Sec. 10. Section 35A.11, Code 2014, is amended to read as follows:

35A.11 Veterans license fee fund.

1. A veterans license fee fund is created in the state treasury under the control of the commission. Notwithstanding section 12C.7, interest or earnings on moneys in the veterans license fee fund shall be credited to the veterans license fee fund. Moneys in the fund are appropriated to the commission to be used to fulfill the responsibilities of the commission.

2. The fund created in this section shall include the fees credited by the treasurer of state from the sale annual validation of the following special motor vehicle registration plates:

1. ~~Veteran special plates issued pursuant to section 321.34, subsection 13, paragraph "d".~~
2. a. National guard special plates issued pursuant to section 321.34, subsection 16.
3. b. Pearl Harbor special plates issued pursuant to section 321.34, subsection 17.
4. c. Purple heart special plates issued pursuant to section 321.34, subsection 18.
5. d. United States armed forces retired special plates issued pursuant to section 321.34, subsection 19.
6. e. Silver star and bronze star special plates issued pursuant to section 321.34, subsection 20.
7. f. Distinguished service cross, navy cross, and air force cross special plates issued pursuant to section 321.34, subsection 20A.
8. g. Soldier's medal, navy and marine corps medal, and airman's medal special plates issued pursuant to section 321.34, subsection 20B.
9. h. Combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, and combat medical badge plates issued pursuant to section 321.34, subsection 20C.
10. i. Gold star special plates issued pursuant to section 321.34, subsection 24.
- j. United States veteran special plates issued pursuant to section 321.34, subsection 27.

Sec. 11. Section 321.34, subsection 16, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who is a member of the national guard, as defined in chapter 29A, may, upon written application to the department, order special registration plates with a national guard processed emblem with the emblem designed by the department in cooperation with the adjutant general which emblem signifies that the applicant is a member of the national guard. The application shall be approved by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph "a" and "e", from the issuance and annual validation of letter-number designated national guard plates, and subsection 12, paragraph "c", from the issuance and annual validation of personalized national guard plates~~ shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for national guard plates. Special registration plates with a national guard processed emblem shall be surrendered, as provided in subsection 12, in exchange for regular registration plates upon termination of the owner's membership in the active national guard.

Sec. 12. Section 321.34, subsection 16, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a national guard processed emblem at no charge.

Sec. 13. Section 321.34, subsection 17, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who was at Pearl Harbor, Hawaii, as a member of the armed services of the United States on December 7, 1941, may, upon written application

to the department, order special registration plates with a Pearl Harbor processed emblem. The emblem shall be designed by the department in consultation with service organizations. The application is subject to approval by the department. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph~~ paragraph "a" and "e", from the ~~issuance and annual validation of letter-number designated Pearl Harbor plates~~, and subsection 12, paragraph "c", from the ~~issuance and annual validation of personalized Pearl Harbor plates~~ shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for Pearl Harbor plates.

Sec. 14. Section 321.34, subsection 17, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a Pearl Harbor processed emblem at no charge.

Sec. 15. Section 321.34, subsection 18, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who was awarded a purple heart medal by the United States government for wounds received in military or naval combat against an armed enemy of the United States may, upon written application to the department and presentation of satisfactory proof of the award of the purple heart medal, order special registration plates with a purple heart processed emblem. The design of the emblem shall include a representation of a purple heart medal and ribbon. The application is subject to approval by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph~~ paragraph "a" and "e", from the ~~issuance and annual validation of letter-number designated purple heart plates~~, and subsection 12, paragraph "c", from the ~~issuance and annual validation of personalized purple heart plates~~ shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for purple heart plates.

Sec. 16. Section 321.34, subsection 18, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a purple heart processed emblem at no charge.

Sec. 17. Section 321.34, subsection 19, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who is a retired member of the United States armed forces may, upon written application to the department and upon presentation of satisfactory proof of membership, order special registration plates with a United States armed forces retired processed emblem. The emblem shall be designed by the department in consultation with service organizations. The application is subject to approval by the department. For purposes of this subsection, a person is considered to be retired if the person is recognized by the United States armed forces as retired from the United States armed forces. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph~~ paragraph "a" and "e", from the ~~issuance and annual validation of letter-number designated armed forces retired plates~~, and subsection 12, paragraph "c", from the ~~issuance and annual validation of personalized armed forces retired plates~~ shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the

veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for armed forces retired plates.

Sec. 18. Section 321.34, subsection 19, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with an armed forces retired processed emblem at no charge.

Sec. 19. Section 321.34, subsection 20, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who was awarded a silver or a bronze star by the United States government, may, upon written application to the department and presentation of satisfactory proof of the award of the silver or bronze star, order special registration plates with a silver or bronze star processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph "a" and "e",~~ from the issuance and annual validation of letter-number designated silver star and bronze star plates, and subsection 12, paragraph "c", from the issuance and annual validation of personalized silver star and bronze star plates shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for silver star and bronze star plates.

Sec. 20. Section 321.34, subsection 20, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a silver star or bronze star processed emblem at no charge.

Sec. 21. Section 321.34, subsection 20A, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who was awarded a distinguished service cross, a navy cross, or an air force cross by the United States government may, upon written application to the department and presentation of satisfactory proof of the award, order special registration plates with a distinguished service cross, navy cross, or air force cross processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph "a" and "e",~~ from the issuance and annual validation of letter-number designated distinguished service cross, navy cross, and air force cross plates, and subsection 12, paragraph "c", from the issuance and annual validation of personalized distinguished service cross, navy cross, and air force cross plates shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for distinguished service cross, navy cross, and air force cross plates.

Sec. 22. Section 321.34, subsection 20A, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0b.* Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a distinguished service cross, navy cross, or air force cross processed emblem at no charge.

Sec. 23. Section 321.34, subsection 20B, paragraph a, Code 2014, is amended to read as follows:

a. An owner referred to in subsection 12 who was awarded a soldier's medal, a navy and marine corps medal, or an airman's medal by the United States government may, upon written application to the department and presentation of satisfactory proof of the award, order special registration plates with a soldier's medal, navy and marine corps medal, or airman's medal processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph "a" and "e",~~ from the issuance and annual validation of letter-number designated soldier's medal, navy and marine corps medal, and airman's medal plates, and subsection 12, paragraph "c", from the issuance and annual validation of personalized soldier's medal, navy and marine corps medal, and airman's medal plates shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for soldier's medal, navy and marine corps medal, and airman's medal plates.

Sec. 24. Section 321.34, subsection 20B, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. 0b. Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a soldier's medal, navy and marine corps medal, or airman's medal processed emblem at no charge.

Sec. 25. Section 321.34, subsection 20C, paragraph b, Code 2014, is amended to read as follows:

b. An owner referred to in subsection 12 who was awarded a combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, or combat medical badge by the United States government may, upon written application to the department and presentation of satisfactory proof of the award, order special registration plates with a combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, or combat medical badge processed emblem. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph "a" and "e",~~ from the issuance and annual validation of letter-number designated combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, and combat medical badge plates, and subsection 12, paragraph "c", from the issuance and annual validation of personalized combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, and combat medical badge plates shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph "a", in the previous month for combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, and combat medical badge plates.

Sec. 26. Section 321.34, subsection 20C, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. 0c. Notwithstanding subsection 12, paragraph "a", an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates with a combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, and combat medical badge distinguishing processed emblem at no charge.

Sec. 27. Section 321.34, subsection 24, Code 2014, is amended to read as follows:

24. *Gold star plates.*

a. An owner referred to in subsection 12 who is the surviving spouse, parent, child, or sibling of a deceased member of the United States armed forces who died while serving on

active duty during a time of military conflict or who died as a result of such service may order special registration plates bearing a gold star emblem upon written application to the department accompanied by satisfactory supporting documentation as determined by the department. The gold star emblem shall be designed by the department in cooperation with the commission of veterans affairs. The special plate fees collected by the director under subsection 12, ~~paragraphs paragraph~~ paragraph “a” and “c”, from the ~~issuance and annual validation of letter-number designated gold star plates, and subsection 12, paragraph “c”, from the issuance and annual validation of personalized gold star plates~~ shall be paid monthly to the treasurer of state and deposited in the road use tax fund. The treasurer of state shall transfer monthly from the statutory allocations fund created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph “a”, in the previous month for gold star plates.

b. Notwithstanding subsection 12, paragraph “a”, an owner who is approved for special registration plates under this subsection shall be issued one set of special registration plates bearing a gold star emblem at no charge.

Sec. 28. Section 321.34, Code 2014, is amended by adding the following new subsection:
NEW SUBSECTION. 27. United States veteran plates.

a. An owner referred to in subsection 12 who served in the armed forces of the United States and was discharged under honorable conditions may, upon written application to the department and upon presentation of satisfactory proof of military service and discharge under honorable conditions, order special registration plates bearing a distinguishing processed emblem depicting the word “veteran” below an image of the American flag. The application is subject to approval by the department. The special plate fees collected by the director under subsection 12, paragraph “a”, from the annual validation of letter-number designated United States veteran plates, and subsection 12, paragraph “c”, from the issuance and annual validation of personalized United States veteran plates, shall be paid monthly to the treasurer of state and deposited in the road use tax fund¹ created under section 321.145, subsection 2, to the veterans license fee fund created in section 35A.11 the amount of the special fees collected under subsection 12, paragraph “a”, in the previous month for United States veteran plates.

b. Notwithstanding subsection 12, paragraph “a”, an owner who is approved for a special registration plate under this subsection shall be issued one set of special registration plates bearing a distinguishing processed emblem depicting the word “veteran” below an image of the American flag at no charge.

DIVISION IV VETERANS PREFERENCE

Sec. 29. NEW SECTION. 35.3 Veterans preference in private employment permitted.

1. A private employer may grant preference in hiring and promotion to an individual who is a veteran.

2. a. A private employer may grant preference in hiring and promotion to the spouse of a veteran who has sustained a permanent, compensable service-connected disability as a permanent, compensable service-connected disability as² adjudicated by the United States veterans administration or by the retirement board of one of the armed forces of the United States.

b. A private employer may grant preference in hiring and promotion to the surviving spouse of a deceased member of the United States armed forces who died while serving on active duty during a time of military conflict or who died as a result of such service.

3. Granting a hiring or promotion preference under this section does not violate any state law or local ordinance regarding equal employment opportunity, including but not limited to chapter 216.

¹ The letter and words “x fund. The treasurer of state shall transfer monthly from the statutory allocations fund” were inadvertently stricken from the enrolled bill text prior to transmission to the Governor for approval

² The words “a permanent, compensable service-connected disability as” were inadvertently duplicated in the enrolled bill text prior to transmission to the Governor for approval

4. The hiring and promotion preferences allowable under this section shall only be granted if consistent with applicable federal laws and regulations.

DIVISION V
POSTSECONDARY EDUCATION REPORTING

Sec. 30. Section 260C.14, Code 2014, is amended by adding the following new subsection:
NEW SUBSECTION. 24. *a.* Beginning December 15, 2015, annually file a report with the governor and the general assembly providing information and statistics for the previous five academic years on the number of students who are veterans per year who received education credit for military education, training, and service, that number as a percentage of veterans known to be enrolled at the college, the average number of credits received by students, and the average number of credits applied towards the award of a certificate, competency-based credential, postsecondary diploma, or associate degree.

b. For purposes of this subsection, “veteran” means a veteran as defined in section 35.1.

Sec. 31. Section 261.9, subsection 1, unnumbered paragraph 1, Code 2014, is amended to read as follows:

“Accredited private institution” means an institution of higher learning located in Iowa which is operated privately and not controlled or administered by any state agency or any subdivision of the state and which meets the criteria in paragraphs “a” and “b” and all of the criteria in paragraphs “d” through “i”, except that institutions defined in paragraph “c” of this subsection are exempt from the requirements of paragraphs “a” and “b”:

Sec. 32. Section 261.9, subsection 1, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *i.* (1) Adopts a policy to require that the institution shall annually, beginning December 15, 2015, file a report with the governor and the general assembly providing information and statistics for the previous five academic years on the number of students per year who are veterans who received education credit for military education, training, and service, that number as a percentage of veterans known to be enrolled at the institution, the average number of credits received by students, and the average number of credits applied towards the award or completion of a course of instruction, postsecondary diploma, degree, or other evidences of distinction.

(2) For purposes of this paragraph, “veteran” means a veteran as defined in section 35.1.

Sec. 33. Section 262.9, Code 2014, is amended by adding the following new subsection:
NEW SUBSECTION. 38. *a.* Beginning December 15, 2015, annually file a report with the governor and the general assembly providing information and statistics for the previous five academic years on the number of students who are veterans per year who received education credit for military education, training, and service, that number as a percentage of veterans known to be enrolled at the institution, the average number of credits received by students, and the average number of credits applied towards the award or completion of a course of instruction, postsecondary diploma, degree, or other evidences of distinction.

b. For purposes of this subsection, “veteran” means a veteran as defined in section 35.1.

DIVISION VI
LICENSED PROFESSIONS AND OCCUPATIONS

Sec. 34. Section 272C.4, Code 2014, is amended by adding the following new subsections:
NEW SUBSECTION. 11. Adopt rules by January 1, 2015, to provide credit towards qualifications for licensure to practice an occupation or profession in this state for education, training, and service obtained or completed by an individual while serving honorably on federal active duty, state active duty, or national guard duty, as defined in section 29A.1, to the extent consistent with the qualifications required by the appropriate licensing board. The rules shall also provide credit towards qualifications for initial licensure for education, training, or service obtained or completed by an individual while serving honorably in the military forces of another state or the organized reserves of the armed forces of the United

States, to the extent consistent with the qualifications required by the appropriate licensing board.

NEW SUBSECTION. 12. a. Establish procedures by January 1, 2015, to expedite the licensing of an individual who is licensed in a similar profession or occupation in another state and who is a veteran, as defined in section 35.1.

b. If the board determines that the professional or occupational licensing requirements of the state where the veteran is licensed are substantially equivalent to the licensing requirements of this state, the procedures shall require the licensing of the veteran in this state.

c. If the board determines that the professional or occupational licensing requirements of the state where the veteran is licensed are not substantially equivalent to the professional or occupational licensing requirements of this state, the procedures shall allow the provisional licensing of the veteran for a period of time deemed necessary by the board to obtain a substantial equivalent to the licensing requirements of this state. The board shall advise the veteran of required education or training necessary to obtain a substantial equivalent to the professional or occupational licensing requirements of this state, and the procedures shall provide for licensing of an individual who has, pursuant to this paragraph, obtained a substantial equivalent to the professional or occupational licensing requirements of this state.

NEW SUBSECTION. 13. Beginning December 15, 2016, annually file a report with the governor and the general assembly providing information and statistics on credit received by individuals for education, training, and service pursuant to subsection 11 and information and statistics on licenses and provisional licenses issued pursuant to subsection 12.

Sec. 35. REPORTING. Each licensing board, as defined in section 272C.1, shall file a report with the governor and the general assembly by January 31, 2015, on the substance of rules and procedures adopted to implement the provisions of this division of this Act.

Sec. 36. REPORT. Each licensing board, as defined in section 272C.1, shall file a report by January 1, 2015, with the chairpersons and ranking members of the house and senate standing committees on veterans affairs making recommendations related to expanding the professional licensing provisions of section 272C.4, subsection 12, to include the spouses of veterans.

DIVISION VII COUNTY COMMISSIONS

Sec. 37. NEW SECTION. 35B.2 Administration.

Unless otherwise provided, the county commission of veteran affairs shall be responsible for the administration of this chapter.

Sec. 38. Section 35B.4, Code 2014, is amended to read as follows:

35B.4 Appointment — vacancies.

1. Members of the commission of veteran affairs shall be appointed by the board of supervisors, in consultation with the current commission members and the executive director or administrator, to staggered three-year terms at the regular meeting in June. However, a member shall serve until a successor has been appointed and qualifies. The board may remove an appointee at any time for neglect of duty or maladministration. A vacancy on the commission shall be filled for the unexpired portion of the regular term in the same manner as regular appointments are made.

2. If the board of supervisors increases the commission of veteran affairs membership to five members, the initial terms of the two new members shall be two and three years respectively. However, the new members shall serve until their successors are appointed and qualify.

Sec. 39. Section 35B.6, subsection 1, paragraphs a and c, Code 2014, are amended to read as follows:

a. The members of the commission shall qualify by taking the usual oath of office, ~~and give bond in the sum of five hundred dollars each, conditioned for the faithful discharge~~

~~of their duties with sureties to be approved by the county auditor.~~ The commission shall organize by the selection of one of their members as chairperson and one as secretary. The commission, subject to the annual approval of the board of supervisors, shall employ an executive director or administrator and who shall have the power to employ other necessary employees ~~when needed to carry out the provisions of this chapter,~~ including administrative or clerical assistants, but no member of the commission shall be so employed. ~~The compensation of such employees shall be fixed by the board of supervisors. The state department of veterans affairs shall recognize the executive director or administrator as a county veterans service officer of a veterans' service organization recognized pursuant to 38 C.F.R. §14.628(c) for the purposes of assisting veterans and their dependents in obtaining federal and state benefits. The commission shall recommend the compensation of the executive director or administrator and all employees of the county veteran affairs office to the board of supervisors. The board of supervisors shall consider the recommendation and shall determine and approve the compensation of the executive director or administrator and all employees of the county veteran affairs office.~~ The executive director must possess the same qualifications as provided in section 35B.3 for commission members. However, this qualification requirement shall not apply to a person employed as an executive director prior to July 1, 1989.

c. Upon the employment of an executive director or administrator, the executive director or administrator shall complete a course of certification training provided by the department of veterans affairs pursuant to section 35A.5. If an executive director or administrator fails to obtain certification within one year of being employed, the executive director or administrator shall be removed from office. ~~A commissioner or other commission employee may also complete the course of certification training.~~ The department shall issue the executive director, or administrator, ~~commissioner, or employee~~ a certificate of training after completion of the certification training course. To maintain certification, the executive director, or administrator, ~~commissioner, or employee~~ shall satisfy the continuing education requirements established by the national association of county veteran veterans service officers. Failure of an executive director or administrator to maintain certification shall be cause for removal from office. The expenses of training the executive director or administrator shall be paid from the appropriation authorized in section 35B.14.

Sec. 40. Section 35B.6, subsection 1, paragraph d, Code 2014, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (3) Complete and submit all forms required for federal, state, and county benefits.

Sec. 41. Section 35B.6, subsection 2, Code 2014, is amended to read as follows:

2. a. Two or more boards of supervisors may agree, pursuant to chapter 28E, to share the services of an executive director or administrator. The agreement shall provide for the establishment of a commission of veteran affairs office in each of the counties participating in the agreement.

b. ~~Neither a county board of supervisors nor a county commission of veteran affairs shall publish the names of the veterans or their families who receive benefits under the provisions of this chapter.~~

Sec. 42. Section 35B.6, subsection 3, Code 2014, is amended by striking the subsection.

Sec. 43. Section 35B.6, subsection 4, paragraph a, Code 2014, is amended to read as follows:

a. Each county commission of veteran affairs shall maintain an office in a public building owned, operated, or leased by the county.

Sec. 44. Section 35B.7, Code 2014, is amended to read as follows:

35B.7 Meetings — report — budget.

The commission shall meet monthly and at other times as necessary. At the monthly meeting it shall determine who are entitled to county benefits and the probable amount required to be expended. The commission shall meet annually to prepare an estimated

budget for all expenditures to be made in the next fiscal year and certify the budget to the board of supervisors. The board may approve or reduce the budget for valid reasons shown and entered of record and the board's decision is final.

Sec. 45. Section 35B.10, Code 2014, is amended to read as follows:

35B.10 Disbursements — inspection of records.

1. All claims certified by the commission shall be sent to the board of supervisors with all personally identifying information redacted and shall be reviewed subject to approval by the board of supervisors and. Upon the approval of the board of supervisors, the county auditor shall issue warrants in payment of the claims. All applications, investigation reports, and case records are privileged communications and shall be held confidential, subject to use and inspection only by persons authorized by law in connection with their official duties relating to financial audits and the administration of this chapter or as authorized by order of a district court. A person may sign a release to authorize the examination of that person's applications, reports, or records.

2. However, the The county commission of veteran affairs shall prepare and file in the office of the county auditor on or before the thirtieth day of each January, April, July, and October a report showing the case numbers of all recipients receiving assistance under this chapter, together with the amount paid to each during the preceding quarter. Each report so filed shall be securely fixed in maintained as a permanent record book to be used only for such reports made under this chapter.

~~The record book shall be and the same is hereby declared to be a public record, open to public inspection at all times during the regular office hours of the county auditor. Each person who desires to examine said records, other than in pursuance of official duties as hereinbefore provided, shall sign a written request to examine the same, which shall contain an agreement on the part of the signer that the signer will not utilize any information gained therefrom for commercial or political purposes.~~

3. It shall be unlawful for any person, body, association, firm, corporation or any other agency to solicit, disclose, receive, make use of or to authorize, knowingly permit, participate in or acquiesce in the use of any lists, names or other information obtained from the reports above provided for, for commercial or political purposes, and a violation of this provision shall constitute a serious misdemeanor.

Sec. 46. Section 35B.14, Code 2014, is amended by adding the following new subsections:

NEW SUBSECTION. 3. The commission is responsible for the interment in a suitable cemetery of the body of any veteran, as defined in section 35.1, or the spouse, surviving spouse, or child of the person, if the person has died without leaving sufficient means to defray the funeral expenses. The commission may pay the expenses in a sum not exceeding an amount established by the board of supervisors.

NEW SUBSECTION. 4. Burial expenses shall be paid by the county in which the person died. If the person is a resident of a different county at the time of death, the county of residence shall reimburse the county where the person died for the cost of burial. In either case, the board of supervisors of the respective counties shall audit and pay the account from the funds provided for in this chapter in the manner as other claims are audited and paid.

Sec. 47. Section 35B.16, Code 2014, is amended to read as follows:

35B.16 Markers for graves.

The county commission of veteran affairs may furnish a suitable and appropriate metal marker for the grave of each veteran, as defined in section 35.1, who is buried within the limits of the county. The marker shall be placed at the individual's grave to permanently mark and designate the grave for memorial purposes. The expenses shall be paid from any funds raised as provided in this chapter.

Sec. 48. Section 35B.17, Code 2014, is amended to read as follows:

35B.17 Maintenance of graves.

1. The county boards of supervisors shall each year appropriate and shall, as provided in this section, pay to the owners of, or to the public board or officers having control of cemeteries within the state in which any such deceased service person is buried, a sum

sufficient to pay for the care and maintenance of the lots on which they are buried in all cases in which provision for such care is not otherwise made, or may conclude their responsibility by paying a mutually agreed to fee for perpetual care when the cemetery authority has established a perpetual care fund for the cemetery, to be paid either as a lump sum, or in not to exceed five installments in a manner agreed to by the parties.

2. Payment under subsection 1 shall be made at a rate that does not exceed the rate charged for like care and maintenance of other lots of similar size in the same cemetery, upon the affidavit of the superintendent or other person in charge of such cemetery, that the same has not been otherwise paid or provided for.

Sec. 49. Section 35B.19, Code 2014, is amended to read as follows:

35B.19 Burial records.

~~The county commission of veteran affairs~~ executive director or administrator shall be charged with securing the information requested by the department of veterans affairs of every person having a military service record and buried in ~~that~~ the county. Such information shall be secured from the ~~undertaker~~ funeral director in charge of the burial or cremation and shall be transmitted by the ~~undertaker~~ funeral director to the ~~commission of county veteran affairs~~ office of the county where burial or disposition of cremated remains is made. This information shall be recorded alphabetically and by description of location in the cemetery where the veteran is buried or the place of disposition of the cremated remains of the veteran. This recording shall conform to the directives of the department of veterans affairs and shall be ~~kept in~~ maintained as a book permanent record by the ~~county commission~~ executive director or administrator.

Sec. 50. Section 64.11, Code 2014, is amended to read as follows:

64.11 Expense of bonds paid by county.

If a county treasurer, county attorney, recorder, auditor, sheriff, medical examiner, ~~member of the veterans affairs commission,~~ member of the board of supervisors, engineer, steward, or matron elects to furnish a bond with an association or incorporation as surety as provided in this chapter, the reasonable cost of the bond shall be paid by the county where the bond is filed.

Sec. 51. Section 331.381, subsection 6, Code 2014, is amended to read as follows:

6. Audit and pay the burial expense for indigent veterans, as provided in section ~~35B.15~~ 35B.14, subsection 4.

Sec. 52. Section 331.502, subsection 13, Code 2014, is amended by striking the subsection.

Sec. 53. Section 331.502, subsection 14, Code 2014, is amended to read as follows:

14. Issue warrants and maintain a ~~book containing a~~ permanent record of persons receiving veteran assistance as provided in section 35B.10.

Sec. 54. REPEAL. Sections 35B.8, 35B.9, 35B.12, 35B.13, 35B.15, and 35B.18, Code 2014, are repealed.

DIVISION VIII
HOMEOWNERSHIP PROGRAM

Sec. 55. Section 16.54, subsections 1 and 3, Code 2014, are amended to read as follows:

1. For the purposes of this section, "eligible member of the armed forces of the United States" or "eligible service member" means a person who is or was, if discharged under honorable conditions, a member of the national guard, or a reserve, or regular component of the armed forces of the United States, who has served at least ninety days of active duty service beginning on or after September 11, 2001, or during the period of the Persian Gulf Conflict, beginning August 2, 1990, and ending April 6, 1991. "Eligible member of the armed forces of the United States" or "eligible service member" also means a former member of the national guard, or a reserve, or regular component of the armed forces of the United

States, who was honorably discharged due to injuries incurred while on federal active duty beginning on or after September 11, 2001, or during the period of the Persian Gulf Conflict, beginning August 2, 1990, and ending April 6, 1991, that precluded completion of a minimum aggregate of ninety days of federal active duty.

3. The program shall be administered by the authority and shall provide loans, grants, or other assistance to ~~persons who are or were eligible service members of the armed forces of the United States~~. In the event an eligible service member is deceased, the surviving spouse of the eligible member shall be eligible for assistance under the program, subject to the surviving spouse meeting the program's eligibility requirements other than the military service requirement. In addition, a person eligible for the program under this section may participate in other loan and grant programs of the authority, provided the person meets the requirements of those programs.

Sec. 56. Section 16.54, subsection 4, paragraphs a and b, Code 2014, are amended to read as follows:

a. The person eligible for the program shall, for financed home purchases that close on or after July 1, 2008, use a lender that participates in the authority's applicable first mortgage financing programs for homebuyers or a lender approved by the authority under subsection 5.

b. (1) For financed home purchases that close on or after July 1, 2008, the eligible person shall participate, if eligible to participate, in one of the authority's ~~other applicable~~ first mortgage financing programs for homebuyers. ~~However, a person~~

(2) Notwithstanding subparagraph (1), an eligible service member who qualifies for one of the authority's other applicable first mortgage financing programs for homebuyers may use a lender that does not participate in the authority's first mortgage financing programs for homebuyers if such lender is approved by the authority under subsection 5. For financed home purchases that close on or after July 1, 2014, an eligible service member who qualifies for one of the authority's first mortgage financing programs may accept financing other than that available under the authority's first mortgage financing programs for homebuyers if all of the following apply:

(a) The financing is offered by a lender that participates in one of the authority's first mortgage financing programs for homebuyers or by a lender approved pursuant to subsection 5.

(b) The authority determines that the offered financing would be economically feasible and financially advantageous for the eligible service member.

DIVISION IX CIVIL SERVICE EXAMINATION ELIGIBILITY

Sec. 57. NEW SECTION. 341A.6A Veteran eligibility.

If a veteran has been honorably discharged between forty-five days before and sixty days after an examination or test is administered under section 341A.6, the commission may allow the veteran to be subject to such examination or testing up to ninety days following the date that the original examination or testing was conducted and if appropriate shall add the veteran's name and address to the eligibility list for a vacant position pursuant to section 341A.13.

Sec. 58. Section 400.10, Code 2014, is amended to read as follows:

400.10 Preferences.

1. In all examinations and appointments under this chapter, other than promotions and appointments of chief of the police department and chief of the fire department, veterans who are citizens and residents of the United States, shall have five percentage points added to the veteran's grade or score attained in qualifying examinations for appointment to positions and five additional percentage points added to the grade or score if the veteran has a service-connected disability or is receiving compensation, disability benefits, or pension under laws administered by the United States department of veterans affairs. An honorably discharged veteran who has been awarded the Purple Heart incurred in action shall be considered to have a service-connected disability. However, the percentage points shall

be given only upon passing the exam and shall not be the determining factor in passing. Veteran's preference percentage points shall be applied once to the final scores used to rank applicants for selection for an interview. For purposes of this section, "veteran" means as defined in section 35.1 except that the requirement that the person be a resident of this state shall not apply.

2. If a veteran entitled to preference pursuant to this section has been honorably discharged between forty-five days before and sixty days after an examination is administered pursuant to section 400.8, the commission may allow the veteran to be subject to examination up to ninety days following the date the original examination was administered and if appropriate shall add the veteran's name to the list for original appointment pursuant to section 400.11, subsection 1.

Approved May 26, 2014