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SENATE FILE 256  
BY IVERSON and JUDGE

(COMPANION TO LSB 1804HH BY KREMER)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to veterans' benefits, veterans preference,  
2 veterans' claims, and providing a penalty.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 256

1 Section 1. NEW SECTION. 35.1 DEFINITIONS.

2 As used in this chapter and chapters 35A through 35D:

3 1. "Commission" means the commission of veterans affairs  
4 created in section 35A.2.

5 2. "Veteran" means a resident of this state who served in  
6 the armed forces of the United States and who was discharged  
7 under honorable conditions. "Veteran" includes the following  
8 persons:

9 a. Former members of the reserve forces of the United  
10 States who served at least six years in the reserve forces  
11 after January 28, 1973, and who were discharged under  
12 honorable conditions.

13 b. Former members of the Iowa national guard who served at  
14 least six years in the Iowa national guard after January 28,  
15 1973, and who were discharged under honorable conditions.

16 c. Former members of the active, oceangoing merchant  
17 marines who served during World War II at any time between  
18 December 7, 1941, and December 31, 1946, both dates inclusive,  
19 who were discharged under honorable conditions.

20 d. Former members of the women's air force service pilots  
21 and other persons who have been conferred veterans status  
22 based on their civilian duties during World War II in  
23 accordance with federal Pub. L. No. 95-202, 38 U.S.C. § 106.

24 Sec. 2. Section 35.8, Code 1997, is amended to read as  
25 follows:

26 35.8 MONEY COMPRISING FUND.

27 A war orphans educational aid fund is created as a separate  
28 fund in the state treasury under the control of the commission  
29 of veterans affairs. Any money hereafter appropriated for the  
30 purpose of aiding in the education of orphaned children of  
31 honorably-discharged-persens-who-served-in-the-military-or  
32 naval-forces of the United States in World War I or World War  
33 II veterans, as provided by this chapter defined in section  
34 35.1, shall be known as deposited in the war orphans  
35 educational aid fund.

1 Sec. 3. Section 35.9, unnumbered paragraph 1, Code 1997,  
2 is amended to read as follows:

3 The commission of veterans affairs may expend not more than  
4 six hundred dollars per year for any one child who has lived  
5 in the state of Iowa for two years preceding application for  
6 aid, and who is the child of a person who died during World  
7 War-I-between-the-dates-of-April-6, 1917, and June 2, 1921, or  
8 during World War II-between-the-dates-of-September-16, 1940,  
9 and December-31, 1946, both-dates-inclusive, or the Korean  
10 Conflict-between-June-25, 1950, and January-31, 1955, both  
11 dates-inclusive, or the Vietnam Conflict-between-August 5,  
12 1964, and May-7, 1975, both-dates-inclusive, or the Persian  
13 Gulf Conflict-at-any-time-between-August-2, 1990, and the date  
14 the-president-or-the-Congress-of-the-United-States-declares-a  
15 permanent-cessation-of-hostilities, both-dates-inclusive,  
16 while-serving-in-the during active federal military or naval  
17 forces service while serving in the armed forces or during  
18 active federal military service in the Iowa national guard or  
19 other military component of the United States, to include  
20 members-of-the-reserve-components-performing-service-or-duties  
21 required-or-authorized-under-chapter-39, United-States-Code  
22 and-Title-32, United-States-Code, sections-502-through-505,  
23 and-active-state-service-required-or-authorized-under-chapter  
24 29A, or-as-a-result-of-such-service, to defray the expenses of  
25 tuition, matriculation, laboratory and similar fees, books and  
26 supplies, board, lodging, and any other reasonably necessary  
27 expense for such the child or children incident to attendance  
28 in this state at an educational or training institution of  
29 college grade, or in a business or vocational training school  
30 with standards approved by the commission of veterans affairs.  
31 However, if Congress enacts a date different from August-2,  
32 1990, as the beginning of the Persian Gulf Conflict for  
33 purposes of determining whether a veteran is entitled to  
34 receive military benefits as a veteran of the Persian Gulf  
35 Conflict, that date shall be substituted for August-2, 1990.

1     Sec. 4. Section 35A.8, Code 1997, is amended by adding the  
2 following new subsection:

3     NEW SUBSECTION. 4. a. The executive director shall  
4 provide for the administration of the bonus authorized in this  
5 subsection. The executive director shall adopt rules,  
6 pursuant to chapter 17A, as necessary to administer this  
7 subsection including, but not limited to, application pro-  
8 cedures, investigation, approval or disapproval, and payment  
9 of claims.

10    b. (1) Each person who served on active duty in the  
11 active, oceangoing merchant marine service of the United  
12 States, at any time between September 16, 1940, and September  
13 2, 1945, both dates inclusive, and who served for a period of  
14 not less than one hundred twenty days on or before December  
15 31, 1946, and who at the time of entering into the merchant  
16 marine service was a legal resident of the state of Iowa, and  
17 who had maintained the person's residence in this state for a  
18 period of at least six months immediately before entering the  
19 merchant marine service, and was honorably discharged or  
20 separated from the merchant marine service, is entitled to  
21 receive from moneys appropriated for that purpose the sum of  
22 twelve dollars and fifty cents for each month that the person  
23 was on active duty in the merchant marine service, all before  
24 December 31, 1946, not to exceed a total sum of five hundred  
25 dollars. Compensation for a fraction of a month shall not be  
26 considered unless the fraction is sixteen days or more, in  
27 which case the fraction shall be computed as a full month.

28    (2) A person is not entitled to compensation pursuant to  
29 this subsection if the person received a bonus or compensation  
30 similar to that provided in this subsection from another  
31 state.

32    (3) A person is not entitled to compensation pursuant to  
33 this subsection if the person was on active duty in the  
34 merchant marine service after September 16, 1940, and the  
35 person refused on conscientious, political, religious, or

1 other grounds, to be subject to military discipline.

2 (4) The surviving unremarried widow or widower, child or  
3 children, mother, father, or person standing in loco parentis,  
4 in the order named and none other, of any deceased person,  
5 shall be paid the compensation that the deceased person would  
6 be entitled to pursuant to this subsection, if living, but if  
7 any person has died or shall die, or is disabled, from  
8 service-connected causes incurred during the period and in the  
9 area from which the person is entitled to receive compensation  
10 pursuant to this subsection, the person or the first survivor  
11 as designated by this subsection and in the order named, shall  
12 be paid five hundred dollars, regardless of the length of  
13 service.

14 c. A person who knowingly makes a false statement relating  
15 to a material fact in supporting an application under this  
16 subsection is guilty of a serious misdemeanor. A person  
17 convicted pursuant to this subsection shall forfeit all  
18 benefits to which the person may have been entitled under this  
19 subsection.

20 d. All payments and allowances made under this subsection  
21 shall be exempt from taxation and from levy and sale on  
22 execution.

23 e. The bonus compensation authorized under this subsection  
24 shall be paid from moneys appropriated for that purpose.

25 Sec. 5. Section 35B.3, Code 1997, is amended to read as  
26 follows:

27 35B.3 COUNTY COMMISSION OF VETERAN AFFAIRS.

28 The county commission of veteran affairs shall consist of  
29 either three or five persons, as determined by the board of  
30 supervisors, all of whom shall be honorably-discharged-persons  
31 who-served-in-the-military-or-naval-forces-of-the-United  
32 States-in-any-war,-including-World-War-I-at-any-time-between  
33 April-6,-1917,-and-November-11,-1918,-both-dates-inclusive,  
34 World-War-II-at-any-time-between-December-7,-1941,-and  
35 December-31,-1946,-both-dates-inclusive,-the-Korean Conflict

1 at any time between June 25, 1950, and January 31, 1955, both  
2 dates inclusive, the Vietnam Conflict at any time between  
3 December 22, 1961, and May 7, 1975, both dates inclusive, and  
4 the Persian Gulf Conflict at any time between August 2, 1990,  
5 and the date the president or the Congress of the United  
6 States declares a permanent cessation of hostilities, both  
7 dates inclusive. -- However, if Congress enacts a date different  
8 from August 2, 1990, as the beginning of the Persian Gulf  
9 Conflict for purposes of determining whether a veteran is  
10 entitled to receive military benefits as a veteran of the  
11 Persian Gulf Conflict, that date shall be substituted for  
12 August 2, 1990 veterans as defined in section 35.1. If  
13 possible, each member of the commission shall be a veteran of  
14 a different war or conflict, so as to divide membership among  
15 the persons who served in World War I, World War II, the  
16 Korean Conflict, the Vietnam Conflict, and the Persian Gulf  
17 Conflict, however, military action. However, this  
18 qualification does not preclude membership to a veteran who  
19 served in more than one of the wars or conflicts military  
20 actions.

21 Sec. 6. Section 35B.10, unnumbered paragraph 1, Code 1997,  
22 is amended to read as follows:

23 All claims certified by the commission shall be reviewed by  
24 the board of supervisors and the county auditor shall issue  
25 warrants in payment of the claims. All applications,  
26 investigation reports and case records are privileged  
27 communications and shall be held confidential, subject to use  
28 and inspection only by persons authorized by law in connection  
29 with their official duties relating to financial audits and  
30 the administration of this chapter. However, the county  
31 commission of veteran affairs shall prepare and file in the  
32 office of the county auditor on or before the thirtieth day of  
33 each January, April, July and October a report showing the  
34 names and addresses case numbers of all recipients receiving  
35 assistance under this chapter, together with the amount paid

1 to each during the preceding quarter. Each report so filed  
2 shall be securely fixed in a record book to be used only for  
3 such reports made under this chapter.

4 Sec. 7. Section 35B.13, Code 1997, is amended to read as  
5 follows:

6 35B.13 BURIAL -- EXPENSES.

7 The commission is responsible for the interment in a  
8 suitable cemetery of the body of any honorably-discharged  
9 ~~person who served in the military or naval forces of the~~  
10 ~~United States during any war, including World War I at any~~  
11 ~~time between April 6, 1917, and November 11, 1918, both dates~~  
12 ~~inclusive; World War II at any time between December 7, 1941,~~  
13 ~~and December 31, 1946, both dates inclusive; the Korean~~  
14 ~~Conflict at any time between June 25, 1950, and January 31,~~  
15 ~~1955, both dates inclusive; the Vietnam Conflict at any time~~  
16 ~~between December 22, 1961, and May 7, 1975, both dates~~  
17 ~~inclusive; and the Persian Gulf Conflict at any time between~~  
18 ~~August 2, 1990, and the date the president or the Congress of~~  
19 ~~the United States declares a permanent cessation of~~  
20 ~~hostilities, both dates inclusive; veteran, as defined in~~  
21 ~~section 35.1, or the spouse, surviving spouse, or child of the~~  
22 ~~person, if the person has died without leaving sufficient~~  
23 ~~means to defray the funeral expenses. However, if Congress~~  
24 ~~enacts a date different from August 2, 1990, as the beginning~~  
25 ~~of the Persian Gulf Conflict for purposes of determining~~  
26 ~~whether a veteran is entitled to receive military benefits as~~  
27 ~~a veteran of the Persian Gulf Conflict, that date shall be~~  
28 ~~substituted for August 2, 1990.~~ The commission may pay the  
29 expenses in a sum not exceeding an amount established by the  
30 board of supervisors.

31 Sec. 8. Section 35B.14, unnumbered paragraph 1, Code 1997,  
32 is amended to read as follows:

33 The board of supervisors of each county may appropriate  
34 moneys for the food, clothing, shelter, utilities, medical  
35 benefits, and funeral expenses of honorably-discharged,

1 indigent persons who served in the military or naval forces of  
2 the United States in any war including World War I at any time  
3 between April 6, 1917, and November 11, 1918, both dates  
4 inclusive; World War II at any time between December 7, 1941,  
5 and December 31, 1946, both dates inclusive; the Korean  
6 Conflict at any time between June 25, 1950, and January 31,  
7 1955, both dates inclusive; the Vietnam Conflict at any time  
8 between December 22, 1961, and May 7, 1975, both dates  
9 inclusive; and the Persian Gulf Conflict at any time between  
10 August 2, 1990, and the date the president or the Congress of  
11 the United States declares a permanent cessation of  
12 hostilities, both dates inclusive; veterans, as defined in  
13 section 35.1, and their indigent spouses, surviving spouses,  
14 and minor children not over eighteen years of age, having a  
15 legal residence in the county. However, if Congress enacts a  
16 date different from August 2, 1990, as the beginning of the  
17 Persian Gulf Conflict for purposes of determining whether a  
18 veteran is entitled to receive military benefits as a veteran  
19 of the Persian Gulf Conflict, that date shall be substituted  
20 for August 2, 1990.

21 Sec. 9. Section 35B.16, Code 1997, is amended to read as  
22 follows:

23 35B.16 MARKERS FOR GRAVES.

24 The county commission of veteran affairs may furnish a  
25 suitable and appropriate metal marker for the grave of each  
26 honorably discharged person who served in the military or  
27 naval forces of the United States during any war, including  
28 World War I at any time between April 6, 1917, and November  
29 11, 1918, both dates inclusive; World War II at any time  
30 between December 7, 1941, and December 31, 1946, both dates  
31 inclusive; the Korean Conflict at any time between June 25,  
32 1950, and January 31, 1955, both dates inclusive; the Vietnam  
33 Conflict at any time between December 22, 1961, and May 7,  
34 1975, both dates inclusive; and the Persian Gulf Conflict at  
35 any time between August 2, 1990, and the date the president or

1 ~~the Congress of the United States declares a permanent~~  
2 ~~cessation of hostilities, both dates inclusive, and~~ veteran,  
3 as defined in section 35.1, who is buried within the limits of  
4 the county, ~~to.~~ The marker shall be placed at the  
5 individual's grave to permanently mark and designate the grave  
6 for memorial purposes. The expenses shall be paid from any  
7 funds raised as provided in this chapter. ~~If Congress enacts~~  
8 ~~a date different from August 2, 1990, as the beginning of the~~  
9 ~~Persian Gulf Conflict for purposes of determining whether a~~  
10 ~~veteran is entitled to receive military benefits as a veteran~~  
11 ~~of the Persian Gulf Conflict, that date shall be substituted~~  
12 ~~for August 2, 1990.~~

13 Sec. 10. Section 35C.3, Code 1997, is amended to read as  
14 follows:

15 35C.3 DUTY TO INVESTIGATE AND APPOINT.

16 When any preferred person ~~shall apply~~ applies for  
17 appointment or employment under this chapter, the officer,  
18 board, or person whose duty it is or may be to appoint or  
19 employ some person to fill ~~such~~ the position or place shall,  
20 before appointing or employing anyone to fill ~~such~~ the  
21 position or place, make an investigation as to the  
22 qualifications of ~~said~~ the applicant for ~~such~~ the place or  
23 position, and if the applicant is of good moral character and  
24 can perform the duties of ~~said~~ the position ~~so~~ applied for, as  
25 ~~hereinbefore provided,~~ ~~said~~ the officer, board, or person  
26 shall appoint ~~said~~ the applicant to ~~such~~ the position, place,  
27 or employment. ~~Said~~ The appointing officer, board, or person  
28 shall set forth in writing and file for public inspection, the  
29 specific grounds upon which it ~~is held that the person~~  
30 ~~appointed is entitled to said appointment, or in the case such~~  
31 ~~appointment is refused, the specific grounds for the refusal~~  
32 ~~thereof~~ refused to appoint the person. Within ten days after  
33 an appointment is refused, the appointing officer, board, or  
34 person shall notify the unsuccessful applicant in writing of  
35 the specific grounds for refusal.

1     Sec. 11. NEW SECTION. 35C.5A ARBITRATION.

2     In addition to the remedies provided in sections 35C.4 and  
3 35C.5, a person belonging to a class of persons qualifying for  
4 a preference may submit any refusal to allow a preference, or  
5 any reduction of the person's salary as described in section  
6 35C.4, to arbitration within sixty days after written  
7 notification of the refusal or reduction. Within ten days  
8 after any submission, an arbitrator shall be selected by a  
9 committee that includes one member chosen by the person  
10 refused preference, one member chosen by the appointing  
11 officer, board, or person, and one member who shall be a  
12 disinterested party selected by the other two members of the  
13 committee. A list of qualified arbitrators may be obtained  
14 from the American arbitration association or other recognized  
15 arbitration organization or association. The decision of the  
16 arbitrator shall be final and binding on the parties.

17     Sec. 12. Section 37.10, unnumbered paragraph 1, Code 1997,  
18 is amended to read as follows:

19     Each commissioner shall be ~~an honorably discharged soldier,~~  
20 ~~sailor, marine, airman, or coast guard member~~ a veteran, as  
21 defined in section 35.1, and be a resident of the county in  
22 which the memorial hall or monument is located.

23     Sec. 13. Section 282.6, unnumbered paragraph 1, Code 1997,  
24 is amended to read as follows:

25     Every school shall be free of tuition to all actual  
26 residents between the ages of five and twenty-one years and to  
27 resident ~~honorably discharged soldiers, sailors, and marines~~  
28 veterans as defined in section 35.1, as many months after  
29 becoming twenty-one years of age as they have spent in the  
30 ~~military or naval service~~ armed forces of the United States  
31 before they became twenty-one, provided, however, fees may be  
32 charged covering instructional costs for a summer school or  
33 drivers education program. The board of education may, in a  
34 hardship case, exempt a student from payment of the above  
35 fees. Every person, however, who shall attend any school

1 after graduation from a four-year course in an approved high  
2 school or its equivalent shall be charged a sufficient tuition  
3 fee to cover the cost of the instruction received by such the  
4 person.

5 Sec. 14. Section 331.608, subsection 8, Code 1997, is  
6 amended to read as follows:

7 8. As used in this section, "veteran" means a man-or-woman  
8 veteran as defined in section 35.1 who enlisted or was  
9 inducted from the county, resided at any time in the county,  
10 or is buried in the county ~~and who served as a member of a~~  
11 ~~branch of the armed forces of the United States of America, as~~  
12 ~~a member of the merchant marine during the time of war, during~~  
13 ~~the Korean Conflict beginning June 25, 1950, and ending~~  
14 ~~January 31, 1955, both dates inclusive, or during the Vietnam~~  
15 ~~Conflict beginning August 5, 1964, and ending June 30, 1973,~~  
16 ~~both dates inclusive, or as a member of the armed forces of a~~  
17 ~~country allied with the United States of America or the armed~~  
18 ~~forces of Iowa or another state or territory.~~

19 Sec. 15. Section 400.10, Code 1997, is amended to read as  
20 follows:

21 400.10 PREFERENCES.

22 In all examinations and appointments under this chapter,  
23 other than promotions and appointments of chief of the police  
24 department and chief of the fire department, honorably  
25 ~~discharged veterans from the military or naval forces of the~~  
26 ~~United States in any war in which the United States has been~~  
27 ~~engaged, including the Korean Conflict at any time between~~  
28 ~~June 25, 1950, and January 31, 1955, both dates inclusive, the~~  
29 ~~Vietnam Conflict beginning August 5, 1964, and ending May 7,~~  
30 ~~1975, both dates inclusive, and the Persian Gulf Conflict~~  
31 ~~beginning August 2, 1990, and ending on the date specified by~~  
32 ~~the president or the Congress of the United States as the date~~  
33 ~~of permanent cessation of hostilities, both dates inclusive,~~  
34 and as defined in section 35.1, who are citizens and residents  
35 of this state, shall have five points added to the veteran's

1 grade or score attained in qualifying examinations for  
2 appointment to positions and five additional points added to  
3 the grade or score if the veteran has a service-connected  
4 disability or is receiving compensation, disability benefits  
5 or pension under laws administered by the veterans  
6 administration. ~~However, if the Congress of the United States~~  
7 ~~enacts a date different from August 27, 1990, as the beginning~~  
8 ~~of the Persian Gulf Conflict to determine the eligibility of a~~  
9 ~~veteran for military benefits as a veteran of the Persian Gulf~~  
10 ~~Conflict, the date enacted by the Congress of the United~~  
11 ~~States shall be substituted for August 27, 1990.~~ An honorably  
12 discharged veteran who has been awarded the Purple Heart for  
13 disabilities incurred in action shall be considered to have a  
14 service-connected disability. However, the points shall be  
15 given only upon passing the exam and shall not be the  
16 determining factor in passing.

17 ~~For the purposes of this section World War II shall be from~~  
18 ~~December 7, 1941, to December 31, 1946, both dates inclusive.~~

19 Sec. 16. Section 427.3, subsections 1 and 2, Code 1997,  
20 are amended to read as follows:

21 1. The property, not to exceed two thousand seven hundred  
22 seventy-eight dollars in taxable value of any ~~honorably~~  
23 ~~discharged soldier, sailor, marine, or nurse~~ veteran, as  
24 defined in section 35.1, of the first World War.

25 2. The property, not to exceed one thousand eight hundred  
26 fifty-two dollars in taxable value of an honorably separated,  
27 retired, furloughed to a reserve, placed on inactive status,  
28 or discharged ~~soldier, sailor, marine, or nurse of the second~~  
29 ~~World War from December 7, 1941, to December 31, 1946, army of~~  
30 ~~occupation in Germany from November 12, 1918, to July 11,~~  
31 ~~1923, American expeditionary forces in Siberia from November~~  
32 ~~12, 1918, to April 30, 1920, second Nicaraguan campaign with~~  
33 ~~the navy or marines in Nicaragua or on combatant ships 1926-~~  
34 ~~1933, second Haitian suppression of insurrections 1919-1920,~~  
35 ~~navy and marine operations in China 1937-1939 and Yangtze~~

1 service-with-navy-and-marines-in-Shanghai-or-in-the-Yangtze  
2 Valley-1926-1927-and-1930-1932-or-of-the-Korean-Conflict-at  
3 any-time-between-June-25, 1950, and-January-31, 1955, both  
4 dates-inclusive, or-those-who-served-on-active-duty-during-the  
5 Vietnam-Conflict-beginning-December-22, 1961, and-ending-May  
6 7, 1975, both-dates-inclusive, or-those-who-served-on-active  
7 duty-during-the-Persian-Gulf-Conflict-at-any-time-between  
8 August-2, 1990, and-the-date-the-president-or-the-Congress-of  
9 the-United-States-declares-a-permanent-cessation-of  
10 hostilities, both-dates-inclusive veteran, as defined in  
11 section 35.1. However, if-Congress-enacts-a-date-different  
12 from-August-2, 1990, as-the-beginning-of-the-Persian-Gulf  
13 Conflict-for-purposes-of-determining-whether-a-veteran-is  
14 entitled-to-receive-military-benefits-as-a-veteran-of-the  
15 Persian-Gulf-Conflict, that-date-shall-be-substituted-for  
16 August-2, 1990.--For-the-purposes-of-this-section, "active  
17 duty" means-full-time-duty-in-the-armed-forces-of-the-United  
18 States, excluding-active-duty-for-training-purposes-only-and  
19 excluding-any-period-a-person-was-assigned-by-the-armed-forces  
20 to-a-civilian-institution-for-a-course-of-education-or  
21 training-which-was-substantially-the-same-as-established  
22 courses-offered-to-civilians, or-as-a-cadet-or-midshipman,  
23 however-enrolled, at-one-of-the-service-academies:

24 Sec. 17. Section 427.3, Code 1997, is amended by adding  
25 the following new subsection:

26 NEW SUBSECTION. 5. The military service tax credit  
27 payable to political subdivisions of this state pursuant to  
28 chapter 426A shall be paid in full from state-appropriated  
29 funds.

30 Sec. 18. Section 427.4, Code 1997, is amended to read as  
31 follows:

32 427.4 EXEMPTIONS TO RELATIVES.

33 In case any person in the foregoing classifications does  
34 not claim any-such the exemption from taxation, it shall be  
35 allowed in the name of such the person to the same extent on

1 the property of any one of the following persons in the order  
2 named:

3 1. The spouse, or surviving spouse remaining unmarried, of  
4 ~~any-such-soldier,-sailor,-marine,-or-nurse~~ a veteran, as  
5 defined in section 35.1, where they are living together or  
6 were living together at the time of the death of ~~such-person~~  
7 the veteran.

8 2. The parent whose spouse is deceased and who remains  
9 unmarried, of ~~any-such-soldier,-sailor,-marine,-or-nurse~~ a  
10 veteran, as defined in section 35.1, whether living or  
11 deceased, where ~~such~~ the parent is, or was at the time of  
12 death of the ~~soldier,-sailor,-marine,-or-nurse~~ veteran,  
13 dependent on ~~such-person~~ the veteran for support.

14 3. The minor child, or children owning property as tenants  
15 in common, of ~~any-such~~ a deceased ~~soldier,-sailor,-marine,-or~~  
16 ~~nurse~~ veteran, as defined in section 35.1.

17 No more than one tax exemption shall be allowed under this  
18 section or section 427.3 in the name of ~~any-honorably~~  
19 ~~discharged-soldier,-sailor,-marine,-or-nurse~~ a veteran, as  
20 defined in section 35.1.

21 Sec. 19. Section 483A.24, subsection 13, Code 1997, is  
22 amended to read as follows:

23 13. Upon payment of the fee of thirty dollars for a  
24 lifetime hunting and fishing combined license, the department  
25 shall issue a hunting and fishing combined license to a  
26 resident of Iowa who is a veteran, as defined in section 35.1,  
27 ~~who was disabled during-the-period-of-a-veteran's-service~~  
28 ~~listed-in-this-subsection~~ or who was a prisoner of war during  
29 that veteran's military service. The department shall prepare  
30 an application to be used by a person requesting a hunting and  
31 fishing combined license under this subsection. The  
32 commission of veterans affairs shall assist the department in  
33 verifying the status or claims of applicants under this  
34 subsection. As used in this subsection, ~~"veteran"~~ means a  
35 ~~person who is a resident of Iowa and who served in the armed~~

1 forces-of-the-United-States-of-America-at-any-time-during  
2 World-War-I-between-the-dates-of-April-6,1917,-and-July-2,  
3 1921,-World-War-II-between-the-dates-of-December-7,1941, and  
4 December-31,1946,-the-Korean-Conflict-between-the-dates-of  
5 June-27,1950,-and-January-31,1955,-the-Vietnam-Conflict  
6 between-August-5,1964,-and-May-7,1975,-or-the-Persian-Gulf  
7 Conflict-between-August-2,1990,-and-the-date-the-president-or  
8 the-Congress-of-the-United-States-declares-a-permanent  
9 cessation-of-hostilities,-all-dates-inclusive,-and "disabled"  
10 means entitled to compensation under the United States Code,  
11 Title 38, chapter 11.

12 Sec. 20. Section 35.7, Code 1997, is repealed.

13 EXPLANATION

14 This bill redefines "veteran" to include persons who served  
15 in the armed forces of the United States during peacetime or  
16 in civilian occupations which have been given military status  
17 when performed during actual conflict or in war zones.

18 In addition to the persons who served during wars or  
19 military conflicts, the term "veteran" is redefined to include  
20 former members of the armed forces who served on active duty  
21 during peacetime and were discharged under honorable  
22 conditions, former members of the national guard or military  
23 reserve who served six or more years after January 28, 1973,  
24 and were discharged under honorable conditions, former members  
25 of the active, oceangoing merchant marines who served during  
26 World War II and were discharged under honorable conditions,  
27 and former members of the women's air force service pilots and  
28 other persons who have been conferred veterans status based on  
29 their civilian duties during World War II pursuant to federal  
30 law. The definition change makes these persons and their  
31 families eligible for veteran benefits, such as military  
32 service property tax exemptions and credits, education  
33 benefits for veterans' children, burial benefits, employment  
34 preferences, bonus compensation for active, oceangoing  
35 merchant marines during World War II, and benefits for

1 indigent veterans and their families.

2 The bill establishes a bonus compensation for merchant  
3 marines who served during World War II and were discharged  
4 under honorable conditions or for qualified relatives of  
5 deceased merchant marines. The bonus is to be administered by  
6 the executive director of the state commission of veterans  
7 affairs. The bonus amounts to \$12.50 for each month served on  
8 active duty, not to exceed a total of \$500. A person applying  
9 for bonus compensation who knowingly makes a false statement  
10 relating to a material fact commits a serious misdemeanor and  
11 forfeits all rights to such compensation.

12 The bill amends the military service property tax exemption  
13 provisions to correspond to the new definition of veteran.

14 The bill replaces the term "honorably discharged persons"  
15 with the term "veteran" for purposes of memorial markers  
16 placed by county commissions of veteran affairs, for  
17 membership of county commissions of veteran affairs, for  
18 payment of burial expenses of veterans, for payments to  
19 indigent veterans, and for the war orphans educational aid  
20 fund. This change expands the number of persons eligible for  
21 veterans preference and for lifetime hunting and fishing  
22 licenses.

23 Claims certified by a county commission of veteran affairs  
24 are required to be reviewed by the county board of supervisors  
25 and the county auditor then issues warrants in payment of the  
26 claims. The Code requires the county commissions to prepare  
27 and file quarterly in the county auditor's office a report  
28 showing the names and addresses of all recipients of  
29 assistance. The bill requires that case numbers, rather than  
30 names and addresses, be used to identify recipients.

31 Under the bill, when a person who qualifies for a veterans  
32 preference applies for an appointment or employment, and is  
33 refused the appointment or employment, the appointing officer,  
34 board, or person is required, within 10 days of the refusal,  
35 to notify the unsuccessful applicant in writing of the

1 specific grounds for refusal.

2 If a person who belongs to a class of persons qualifying  
3 for veterans preference is refused a preference or receives a  
4 qualifying reduction in salary, the Code currently allows the  
5 person the remedies of judicial review and appeal. The bill  
6 adds arbitration as a third remedy. Within 60 days after  
7 written notification of the refusal or reduction, the person  
8 affected may submit the refusal or reduction to arbitration.  
9 Within 10 days of a submission, an arbitrator shall be  
10 selected by a committee that includes one member chosen by the  
11 person refused preference, one member chosen by the appointing  
12 officer, board, or person, and one member who shall be a  
13 disinterested party selected by the other two members of the  
14 committee. The arbitrator's decision is final and binding.

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SENATE FILE 256

S-3159

1 Amend Senate File 256 as follows:

2 1. Page 1, line 10, by striking the word "six"  
3 and inserting the following: "twenty".  
4 2. Page 1, line 12, by inserting after the word  
5 "conditions." the following: "However, a member of  
6 the reserve forces of the United States who completed  
7 a minimum aggregate of ninety days of active federal  
8 service, other than training, and was discharged under  
9 honorable conditions, or was retired under Title X of  
10 the United States Code shall be included as a  
11 veteran."

12 3. Page 1, line 14, by striking the word "six"  
13 and inserting the following: "twenty".

14 4. Page 1, line 15, by inserting after the word  
15 "conditions." the following: "However, a member of  
16 the Iowa national guard who was activated for federal  
17 duty, other than training, for a minimum aggregate of  
18 ninety days, and was discharged under honorable  
19 conditions or was retired under Title X of the United  
20 States Code shall be included as a veteran."

21 5. Page 3, line 5, by striking the words  
22 "executive director" and inserting the following:  
23 "commission".

By JOHN P. KIBBIE  
RICHARD F. DRAKE

STEWART IVERSON, Jr.  
PATTY JUDGE

S-3159 FILED MARCH 18, 1997

SENATE FILE 256

S-3307

1 Amend Senate File 256 as follows:

2 1. Page 9, by striking lines 17 through 22.  
3 2. By renumbering as necessary.

By STEWART IVERSON, Jr.

S-3307 FILED APRIL 1, 1997

**SENATE FILE 256  
FISCAL NOTE**

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A fiscal note for Senate File 256 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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Senate File 256 redefines the definition of veteran, provides a bonus compensation for merchant marines, and amends the military service property tax exemptions based upon the new definition of veteran.

**ASSUMPTIONS**

1. Bonus compensation for merchant marines:
  - A. There are approximately 300 eligible merchant marines/widows/children.
  - B. The maximum bonus is \$500 per eligible merchant marine or survivor.
  
2. The military service property tax exemptions based upon the new definition of veteran:
  - A. The redefinition of "veteran" to include all persons honorably discharged from the armed services would increase the number of veterans from approximately 295,000 to 350,000 veterans. Of these 55,000 veterans, 41,250 (75.0%) are assumed to be eligible homeowners.
  - B. The expansion of the definition of "veteran" to include veterans of the Iowa National Guard and the reserve forces, would increase the number of eligible veterans by an additional 10,000 persons (555 per year since 1979). This number has been reduced by one-third to avoid double counting those individuals that have served in multiple service areas.
  - C. The military service exemption allows eligible property owners to reduce the taxable value of their homes by \$1,852. The State reimburses local governments for \$6.75 per \$1,000 of lost taxable valuation.
  - D. The average consolidated tax rate is estimated to be \$33.63 per \$1,000 of taxable valuation.
  
3. Senate File 256 also allows the 30,000 newly defined veterans to receive a \$30 lifetime hunting/fishing license. This action would potentially produce an indeterminate loss to the Department of Natural Resources.

-2-

FISCAL IMPACT

The estimated fiscal impact of SF 256 is as follows:

Veterans Benefits as per SF 256  
(dollars in thousands)

	<u>FY 1998</u>	<u>FY 1999</u>
<u>EXPENDITURES</u>		
Merchant Marines	\$ 150	\$ 0
Mil. Exemp. Approp	515	520
Total	<u>\$ 665</u>	<u>\$ 520</u>

The military service property tax exemption would also result in a decrease in revenues to local governments of approximately \$2.1 million, which would not be reimbursed by the State.

SOURCES

Commission on Veterans Affairs  
Iowa Veterans Home  
Department of Management  
U.S. Census Bureau  
U.S. Department of Defense

(LSB 1804SS, VMT)

FILED APRIL 2, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

**SENATE FILE 256  
FISCAL NOTE**

REQ. BY SENATOR KIBBIE

A fiscal note for Amendment S-3159 to Senate File 256 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Amendment S-3159 amends SF 256 by changing the definition of "veteran" as applied to retirees from the Iowa National Guard and the reserve forces.

Under current law, these persons are not eligible for the military service property tax exemption. Senate File 256 extends eligibility to retirees who served at least six years in the Guard or reserves.

Amendment S-3159 amends the eligibility requirement to 20 years of service, all of which has to have been served since 1973.

**ASSUMPTIONS**

This estimate assumes the number of veterans of the Iowa National Guard or the reserve forces eligible for the military service property tax exemption under SF 256 would be reduced by approximately 90.0%.

Senate File 256 also allows the 30,000 newly defined veterans to receive a \$30 lifetime hunting/fishing license. This action would potentially produce an indeterminate loss to the Department of Natural Resources.

**FISCAL IMPACT**

Amendment S-3159 is expected to reduce the General Fund cost of SF 256 by approximately \$80,000 in FY 1998. The cost to local governments would be reduced an additional \$325,000.

The estimated fiscal impact of SF 256 as amended by S-3159 is as follows:

Veterans Benefits as per SF 256 as amended by S-3159  
(dollars in thousands)

	<u>FY 1998</u>	<u>FY 1999</u>
<b><u>EXPENDITURES</u></b>		
Merchant Marines	\$ 150	\$ 0
Mil. Exemp. Approp	435	445
 Total	 <u>\$ 585</u>	 <u>\$ 445</u>

The military service property tax exemption would also result in a decrease in revenues to local governments of approximately \$1.8 million, which would not be reimbursed by the State.

SOURCES

Commission on Veterans Affairs  
Iowa Veterans Home  
Department of Management  
U.S. Census Bureau  
U.S. Department of Defense

(LSB 1804SS.2, VMT)

FILED APRIL 2, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR