



CHESTER J. CULVER  
GOVERNOR

**OFFICE OF THE GOVERNOR**

PATTY JUDGE  
LT. GOVERNOR

May 24, 2007

The Honorable Michael Mauro  
Secretary of State  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

**Senate File 578**, an Act creating a Vietnam Conflict veterans bonus for a certain period of active duty military service, making an appropriation, providing a tax exemption and a penalty, and including a retroactive applicability provision.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chester J. Culver".

Chester J. Culver  
Governor

CJC:bdj

cc: Secretary of the Senate  
Chief Clerk of the House





SENATE FILE 578

AN ACT

CREATING A VIETNAM CONFLICT VETERANS BONUS FOR A CERTAIN PERIOD OF ACTIVE DUTY MILITARY SERVICE, MAKING AN APPROPRIATION, PROVIDING A TAX EXEMPTION AND A PENALTY, AND INCLUDING A RETROACTIVE APPLICABILITY PROVISION.

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

Section 1. Section 35A.8, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 5. a. The executive director shall provide for the administration of the bonus authorized in this subsection. The commission shall adopt rules, pursuant to chapter 17A, as necessary to administer this subsection including but not limited to application procedures, investigation, approval or disapproval, and payment of claims.

b. (1) A person who served on active duty for not less than one hundred twenty days in the armed forces of the United States at any time between July 1, 1973, and May 31, 1975, both dates inclusive, and who at the time of entering into active duty service was a legal resident of the state of Iowa, and who had maintained the person's residence in this state for a period of at least six months immediately before entering into active duty service, and was honorably discharged or separated from active duty service, or is still in active service in an honorable status, or has been retired, or has been furloughed to a reserve, or has been placed on inactive status is entitled to receive from moneys appropriated for that purpose the sum of seventeen dollars and fifty cents for each month that the person was on active duty service in the Vietnam service area, within the dates

specified in this subparagraph, if the veteran earned either a Vietnam service medal or an armed forces expeditionary medal-Vietnam or can otherwise establish service in the Vietnam service area during that period. Compensation under this subparagraph shall not exceed a total sum of five hundred dollars. Compensation for a fraction of a month shall not be considered unless the fraction is sixteen days or more, in which case the fraction shall be computed as a full month.

(2) A person otherwise qualified under this paragraph "b" except that the person did not earn either a Vietnam service medal or an armed forces expeditionary medal-Vietnam, and did not serve in the Vietnam service area during the period between July 1, 1973, and May 31, 1975, both dates inclusive, is entitled to receive from moneys appropriated for that purpose the sum of twelve dollars and fifty cents for each month that the person was on active duty service, within the dates specified in subparagraph (1). Compensation under this subparagraph shall not exceed a total sum of three hundred dollars. Compensation for a fraction of a month shall not be considered unless the fraction is sixteen days or more, in which case the fraction shall be computed as a full month.

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

(4) A person is not entitled to compensation pursuant to this subsection if the person was on active duty service after July 1, 1973, and the person refused on conscientious, political, religious, or other grounds, to be subject to military discipline.

(5) The surviving unremarried widow or widower, child or children, mother, father, or person standing in loco parentis, in the order named and none other, of any deceased person shall be paid the compensation that the deceased person would be entitled to pursuant to this subsection, if living. However, if any person has died or shall die, or is disabled, from service-connected causes incurred during the period and in the area from which the person is entitled to receive compensation pursuant to this subsection, the person or the first survivor as designated by this subparagraph, and in the

order named, shall be paid five hundred dollars or three hundred dollars, whichever maximum amount would have applied pursuant to subparagraph (1) or (2), regardless of the length of service.

(6) The maximum compensation a person may receive pursuant to this subsection shall be reduced by the amount of any Vietnam veterans bonus received from the state by that person for service prior to July 1, 1973.

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

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

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

f. A Vietnam Conflict veterans bonus fund is created in the state treasury. The Vietnam Conflict veterans bonus fund shall consist of all moneys appropriated to the fund to pay the bonus compensation authorized in this subsection. Notwithstanding section 12C.7, interest or earnings on investments or time deposits of the moneys in the Vietnam Conflict veterans bonus fund shall be credited to the bonus fund. Section 8.33 does not apply to moneys appropriated to the Vietnam Conflict veterans bonus fund.

Sec. 2. Section 422.7, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 50. Subtract, to the extent included, the amount of any Vietnam Conflict veterans bonus provided pursuant to section 35A.8, subsection 5.

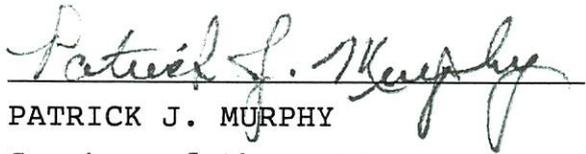
Sec. 3. VIETNAM CONFLICT VETERANS BONUS FUND APPROPRIATION. Notwithstanding any provision of section 35A.13 to the contrary, there is appropriated from the veterans trust fund created in section 35A.13 to the department of veterans affairs for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For deposit in the Vietnam Conflict veterans bonus fund:  
..... \$ 500,000

Sec. 4. RETROACTIVE APPLICABILITY. The section of this Act amending section 422.7, is retroactively applicable to January 1, 2007, and is applicable for tax years beginning on and after that date.



JOHN P. KIBBIE  
President of the Senate



PATRICK J. MURPHY  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 578, Eighty-second General Assembly.



MICHAEL E. MARSHALL  
Secretary of the Senate

Approved May 24<sup>th</sup>, 2007



CHESTER J. CULVER  
Governor