

February 22, 1965.
Place on Calendar.

House File 303
By COMMITTEE ON INDUSTRIAL
AND HUMAN RELATIONS.

Passed House, Date 5/18 Passed Senate, Date 5/27
Vote: Ayes 104 Nays 0 Vote: Ayes 48 Nays 4

Approved _____

passed house as amended 5/22 (83-0) *passed on file 3/23*
A BILL FOR *industrial-human relations 3/24*
pass 5/4

An Act relating to property exclusions of old age assistance recipients

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

1 Section 1. Section two hundred forty-nine point nine (249.9),
2 Code 1962, is hereby repealed and the following enacted in lieu
3 thereof:
4 "An applicant for old-age assistance may retain the following
5 and not be ineligible for assistance:
6 "1. A home which is defined as real property and owned and used
7 by the applicant as a place of residence.
8 "2. Household furnishings and personal clothing.
9 "3. An automobile useful to the person for necessary transpor-
10 tation.
11 "4. Cash, real property, or marketable securities of such
12 value not to exceed four hundred fifty (450) dollars for a single
13 person or eight hundred (800) dollars if married and not separated
14 from the spouse. However, if an applicant is possessed with an
15 excess of the foregoing and if at the discretion of the state
16 department immediate sale, for cash, of such securities or in-
17 vestments necessitates an undue financial sacrifice, the applicant,
18 when in immediate need of assistance, shall assign such securities
19 and investments to the state to be held in trust by the state
20 board to reimburse the old-age assistance revolving fund for the

21 amount paid from the old-age assistance fund and the old-age
22 assistance revolving fund in assistance or other benefits in be-
23 half of said applicant.

24 "5. Life insurance having a cash surrender value not in excess
25 of five hundred (500) dollars for a single person or one thousand
26 (1,000) dollars if married and not separated from the spouse;
27 provided that the person enters into a written agreement with the
28 state department that he will not surrender the life insurance for
29 is cash value, assign the insurance contract or its proceeds, or
30 change the beneficiary under the insurance contract unless he
31 obtains the consent of the state department.

32 "6. A prior arrangement for funeral expense in an amount not
33 to exceed five hundred (500) dollars.

34 "No person shall be allowed assistance if the claimant has
35 transferred real property or interests in the property within five
36 (5) years prior to application without receiving adequate monetary
37 consideration, or has assigned or transferred real or personal
38 property in order to qualify for assistance, or if the claimant or
39 the husband or wife conveys or encumbers any real estate or other
40 property owned by either or both of them for the purpose of pre-
41 venting the state from reimbursing itself for assistance granted or
42 to be granted hereunder."

EXPLANATION OF HOUSE FILE 303

The provisions concerning personal and real property owned by old age recipients were written into Iowa's laws over 25 years ago. Property values have increased extensively during this period so that present exemptions are not realistic.

This revision clarifies and places the exemptions for personal and real property in accord with current values. The provision of "monetary consideration" in transferring property has been included in order to avoid the ambiguity of the current law dealing with "intent" to qualify for assistance or to avoid the old age assistance lien.

HOUSE FILE 303

- 1 Amend House File 303, section 1, line 8 by striking the
- 2 period (.) and adding the following: "not exceeding a value
- 3 of three thousand dollars (\$3,000.00)."
- 4 Further amend House File 303, section 1, line 10 by striking
- 5 the period (.) and adding the following: "not to exceed an
- 6 actual value of two thousand five hundred dollars (\$2,500.00)."
- 7 Further amend House File 303, section 1 by striking all
- 8 of line 32 after the number "6." and all of line 33.

Filed and adopted
May 27, 1965.

House concurred 5/28

By SCHROEDER.