

May 5, 1969
Place on Calendar

HOUSE JOINT RESOLUTION 19

By COMMITTEE ON APPROPRIATIONS

Passed House, Date 5-8-69 Passed Senate, Date 5-16-69

Vote: Ayes 74 Nays 44 Vote: Ayes 35 Nays 21

Approved

Motion to reconsider lost 5-8

HOUSE JOINT RESOLUTION

- 1 A Joint Resolution directing the treasurer of state to call
- 2 and redeem the Korean Veterans' bonus bonds.
- 3 WHEREAS, section thirty-five B point two (35B.2) of the
- 4 Code provides that the Korean veterans' bonus bonds are call-
- 5 able by the treasurer of state, and
- 6 WHEREAS, it is in the best interest of the state to dis-
- 7 continue the tax levy upon moneys and credits after 1970, and
- 8 eliminate the debt and related interest payments, and
- 9 WHEREAS, the state of Iowa will have sufficient moneys in
- 10 the funds directly relating to the issuance, payment, and re-
- 11 demption of the Korean veterans' bonus bonds on May 1, 1970;
- 12 NOW THEREFORE,
- 13 *Be It Resolved by the General Assembly of the State of Iowa:*
- 14 Section 1. The treasurer of state is hereby directed to
- 15 call for payment of all outstanding Korean veterans' bonus
- 16 bonds no later than May 1, 1970, and to make and publish such
- 17 notice of call as may be required by chapter thirty-five B
- 18 (35B) of the Code, and as he may deem necessary to effect
- 19 said call.
- 20 Sec. 2. On May 1, 1970, or as soon thereafter as practi-
- 21 cable, the treasurer of state shall redeem and retire all out-
- 22 standing Korean veterans' bonus bonds, including interest and
- 23 premium, in the manner provided in chapter thirty-five B
- 24 (35B) of the Code.
- 25 Sec. 3. The treasurer of state shall, by August 1, 1970,

*Passed House as amended
by the Senate and further
amended by the House 5-20.
73-37.*

*Conference Committee
Camp, Brown, Priebe and Tiedow
Lang, Kank, Benda, Sanderson*

*Passed Senate per Conference
Committee Report 5/23
36-13.*

Motion to reconsider Tabled.

*Passed House per Conference
Committee Report 5/23
75-26*

1 direct the department of revenue to cause to have the tax
2 levied on moneys and credits for the last and final time for
3 the purpose of paying principal, interest and premium on the
4 Korean veterans' bonus bonds, for 1970 taxes, payable in
5 1971.

6 Sec. 4. The treasurer of state shall set up an escrow
7 account for payment of all legal claims and expenses, includ-
8 ing bonds issued but not submitted for redemption at the date
9 of call, from the available funds relating to the issuance,
10 payment and redemption of the bonds. Any funds remaining
11 after final redemption, interest, premium, and establishment
12 of the escrow account, shall, in accordance with section
13 thirty-five B point eleven (35B.11) of the Code, be trans-
14 ferred to the general fund of the state.

EXPLANATION OF HOUSE JOINT RESOLUTION 19

This resolution will require the state treasurer to redeem and pay off the Korean veterans' bonus bonds and to terminate the moneys and credits tax levy which is the source of payment for these bonds. There are sufficient funds presently available from this tax levy to pay off the bonds, and there is no logical reason why the tax should continue or why these funds should not be used for early payment of the bonds.

SENATE AMENDMENT TO HOUSE JOINT RESOLUTION 19

1 House Joint Resolution 19 is hereby amended by striking
2 all after line five (5) on page one (1) and all of page two
3 (2) and inserting in lieu thereof the following:

4 WHEREAS, it is in the best interest of the state to
5 discontinue the tax levy upon moneys and credits after the
6 levy for the year 1969, payable in 1970, and to pay the debt
7 and stop the interest payments thereon, and

8 WHEREAS, the state of Iowa will have sufficient moneys
9 in the funds relating to the issuance, payment, and
10 redemption of the Korean veterans' bonus bonds on June 1, 1970;
11 NOW THEREFORE,

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

13 Section 1. The treasurer of state is hereby directed
14 to call for payment of all outstanding Korean veterans' bonus
15 bonds no later than June 1, 1970, except those with maturity
16 date on or before December 1, 1970, and to make and publish
17 such notice of call as may be required by chapter thirty-five
18 B (35B) of the Code, and as he may deem necessary to effect
19 said call.

20 Sec. 2. On June 1, 1970, or as soon thereafter as
21 practicable, the treasurer of state shall redeem and retire
22 all outstanding Korean veterans' bonus bonds, including
23 interest, in the manner provided in chapter thirty-five B
24 (35B) of the Code.

25 Sec. 3. The treasurer of state shall, by August 1, 1969,
26 direct the department of revenue to cause to have the tax
27 levied on moneys and credits for the last and final time for
28 the purpose of paying principal and interest on the Korean
29 veterans' bonus bonds, for 1969 taxes, payable in 1970.

30 Sec. 4. The treasurer shall set up an account by entry on
31 his books of a sum sufficient to pay all outstanding bonds,
32 interest, plus outstanding claims and expenses. This account
33 shall be segregated from the general fund and shall represent
34 actual cash on hand. Such cash may be invested and if so
35 invested, interest shall accrue to the general fund of the
36 state. Any funds remaining after establishment of the account,
37 shall, in accordance with section thirty-five B point eleven
38 (35B.11) of the Code, be transferred to the general fund of
39 the state.

40 Sec. 5. The comptroller shall immediately enter into
41 discussions and negotiations with all persons or their
42 authorized representative who still hold outstanding bonds,
43 for redemption of such bonds at par plus interest, or less.
44 Any bonds that can be so retired or redeemed shall be paid
45 and cancelled.

Series concerned as amended 5-20;

Received
May 16, 1969

- 1 Amend the Senate amendment to House Joint Resolution
- 2 19 as follows:
- 3 1. By striking from line twelve (12) the word "Enacted"
- 4 and inserting in lieu thereof the word "Resolved".
- 5 2. By inserting in line twenty-three (23), after the
- 6 word "interest" the words "and premium".
- 7 3. By inserting in line twenty-eight (28), after the
- 8 word "interest" the words "and premium".
- 9 4. By inserting in line thirty-two (32), after the word
- 10 "interest" the words "and premium".

Filed - *Adopted 5-20*
May 19, 1969

CAMP of Clinton

- 1 Amend the Senate amendment to House Joint Resolution 19 by
- 2 adding after the word "call" in line nineteen (19) the words "so long
- 3 as no penalty is assessed or charged for such redemption".

Filed May 20, 1969
Ruled out of order

JESSE of Polk

HOUSE AMENDMENT TO SENATE AMENDMENT
TO HOUSE JOINT RESOLUTION 19

- 1 Amend the Senate amendment to House Joint Resolution 19
- 2 as follows:
- 3 1. By striking from line twelve (12) the word
- 4 "Enacted" and inserting in lieu thereof the word
- 5 "Resolved".
- 6 2. By inserting in line twenty-three (23), after
- 7 the word "interest" the words "and premium".
- 8 3. By inserting in line twenty-eight (28), after the
- 9 word "interest" the words "and premium".
- 10 4. By inserting in line thirty-two (32), after the
- 11 word "interest" the words "and premium".

*Senate concurred
5-21-69*
*Motion to reconsider
filed 5-21-69
prevailed 5-22
Sen. refused to concur
House inserted
5-22*

1 Amend House Joint Resolution 19 as follows:
2 1. By striking from page 1 lines 3 through 25.
3 2. By striking from page 2 lines 1 through 14, and
4 inserting in lieu thereof the following:
5 "WHEREAS, there appears to be an excess of funds available
6 to pay for the costs of redeeming the Korean veterans' bonus
7 bonds in the year 1969; and
8 WHEREAS, funds in excess of the amount required to redeem
9 the Korean bonus bonds might be used for purposes other than
10 those originally intended; and
11 WHEREAS, there is an effort to enact legislation providing
12 for the payment of a bonus to veterans of the Viet Nam
13 conflict; and
14 WHEREAS, taxes were authorized to be levied for the sole
15 purpose of paying veterans of the Korean conflict and may not
16 be legally available for other purposes; NOW THEREFORE,
17 Be It Resolved by the General Assembly of the State of Iowa:
18 Section 1. That the Legislative Research Committee or its
19 successor agency be directed to conduct a study during the
20 interim between the annual sessions of the Sixty-third General
21 Assembly for the purpose of determining the amount of funds
22 available and needed to redeem the Korean bonus bonds, the
23 legality of using such funds for purposes other than originally
24 intended, and the most proper use of any legally available surplus
25 funds resulting from the levy of taxes for the purpose of pro-
26 viding a bonus to veterans of the Korean conflict.
27 Sec. 2. The Legislative Research Committee or its
28 successor agency shall report to the members of the Sixty-
29 third General Assembly no later than February 15, 1970, its
30 findings, recommendations, and any accompanying legislation
31 deemed necessary to carry out such findings and recommendations."
32 3. By striking from lines 1 and 2 of page 1 the words
23 "treasurer of state to call and redeem" and inserting in lieu
34 thereof the words "legislative research committee or its
35 successor agency to conduct a study relating to".

Filed - *Ruled not germane 5-7*

May 7, 1969

GANNON of Jasper

1 Amend House Joint Resolution 19 as follows:
2 1. Line eleven (11) by striking the word "May"
3 and inserting in lieu thereof the word "June".
4 2. Line sixteen (16) by striking the word "May"
5 and inserting in lieu thereof the word "June".
6 3. Line twenty (20) by striking the word "May"
7 and inserting in lieu thereof the word "June".

Filed and adopted

May 8, 1969

CAMP of Clinton

- 1 Amend the Lange amendment to House Joint Resolution
- 2 19, filed May 15, 1969, by striking in line 33 the words
- 3 "final redemption, interest, premium, and".

Filed and adopted

May 16, 1969

By LANGE

- 1 Amend the Lange amendment to House Joint Resolution 19, filed
- 2 May 15, 1969 as follows:
- 3 1. By striking from line 20 the words, "and premium".
- 4 2. By striking from line 25 the words, ", interest and premium",
- 5 and by inserting in lieu thereof the words, "and interest".
- 6 3. By striking from line 29 the word, "premiums,".
- 7 4. By adding the following new section thereto:
- 8 "Sec. 5. The comptroller shall immediately enter into dis-
- 9 cussions and negotiations with all persons or their authorized re-
- 10 presentatives who still hold outstanding bonds, for redemption of such
- 11 bonds at par plus interest, or less. Any bonds that can be so retired
- 12 or redeemed shall be paid and cancelled."

Filed and adopted

May 16, 1969

By GAUDINEER and KOSEK

- 1 Amend the Lange amendment to House Joint Resolution
- 2 19, filed May 15, 1969, page 1, by striking the word, "Resolved"
- 3 in line 11 and inserting in lieu thereof the word "Enacted".
- 4 And by striking the period (.) in line 36 and insert in
- 5 lieu thereof the following:
- 6 " , invested pursuant to section four hundred fifty-two
- 7 point ten (452.10) of the Code. Said funds so transferred
- 8 and invested shall be designated the Viet Nam Bonus Fund and
- 9 shall not be disbursed for any state purpose unless specifically
- 10 appropriated by an Act of the General Assembly."

Filed, division 1 adopted,

and division 2 lost

May 16, 1969

By SHIRLEY

HOUSE JOINT RESOLUTION 19

1 House Joint Resolution 19 is hereby amended by striking all
2 after line five (5) on page one (1) and all of page two (2) and
3 inserting in lieu thereof the following:

4 WHEREAS, it is in the best interest of the state to discontinue
5 the tax levy upon moneys and credits after the levy for the year
6 1969, payable in 1970, and to pay the debt and stop the interest
7 payments thereon, and

8 WHEREAS, the state of Iowa will have sufficient moneys in the
9 funds directly relating to the issuance, payment, and redemption
10 of the Korean veterans' bonus bonds on June 1, 1970; NOW THERE-
FORE,

11 Be It Resolved by the General Assembly of the State of Iowa:

12 Section 1. The treasurer of state is hereby directed to
13 call for payment of all outstanding Korean veterans' bonus
14 bonds no later than June 1, 1970, except those with maturity date
15 on or before December 1, 1970, and to make and publish such notice
16 of call as may be required by chapter thirty-five B (35B) of the
17 Code, and as he may deem necessary to effect said call.

18 Sec. 2. On June 1, 1970, or as soon thereafter as practicable,
19 the treasurer of state shall redeem and retire all outstanding
20 Korean veterans' bonus bonds, including interest and premium,
21 in the manner provided in chapter thirty-five B (35B) of the Code.

22 Sec. 3. The treasurer of state shall, by August 1, 1969,
23 direct the department of revenue to cause to have the tax levied
24 on moneys and credits for the last and final time for the purpose
25 of paying principal, interest and premium on the Korean veterans'
26 bonus bonds, for 1969 taxes, payable in 1970.

27 Sec. 4. The treasurer shall set up an account by entry on his
28 books of a sum sufficient to pay all outstanding bonds, interest,
29 premiums, plus outstanding claims and expenses. This account
30 shall be segregated from the general fund and shall represent
31 actual cash on hand. Such cash may be invested and if so invested,
32 interest shall accrue to the general fund of the state. Any
33 funds remaining after final redemption, interest, premium, and
34 establishment of the account, shall, in accordance with section
35 thirty-five B point eleven (35B.11) of the Code, be transferred to
36 the general fund of the state.

Filed

May 15, 1969

By LANGE

CONFERENCE COMMITTEE REPORT

*House adopted 5/23
Senate adopted 5/23*

House Joint Resolution 19

Senator Lange submitted the following report and moved its adoption:

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the difference between the House and Senate on House Joint Resolution 19, a joint resolution directing the treasurer of state to call and redeem the Korean veterans' bonus bonds, respectfully make the following recommendations:

1. That the House recede from its amendment to the Senate amendment.
2. That the Senate recede from its amendment.
3. Amend House Joint Resolution 19 by striking all after the resolving clause and inserting in lieu thereof the following:

"Section 1. The treasurer of state shall, by August 1, 1969, direct the department of revenue to cause to have the tax levied on moneys and credits for the last and final time for the purpose of paying principal and interest on the Korean veterans' bonus bonds, for 1969 taxes payable in 1970.

Sec. 2. The treasurer shall set up an account by entry on his books of a sum sufficient to pay all outstanding bonds, accrued interest, and premium payment required if such bonds, before maturity, in the future are called, plus outstanding claims and expenses. This account shall be segregated from the general fund and shall represent actual cash on hand. Such cash may be invested and if so invested, interest shall accrue to the general fund of the state. Any funds remaining after establishment of the account, shall in accordance with section thirty-five B point eleven (35B.11) of the Code, be transferred to the general fund of the state. Thereafter all payments of interest upon the outstanding bonds and all payments upon the principal of such bonds as such payments become due shall be made from this fund."

4. Amend the title by striking all after the word "Resolution" in line 1, and inserting in lieu thereof the following:

"regarding the fact that there is now sufficient security in the Korean Veterans' Bonus Fund to retire all outstanding bonds plus interest as they become due; to provide for a trust fund to accomplish such retirement; and to authorize payment and early retirement of such bonds if voluntarily surrendered by a bondholder.

WHEREAS, there will be, after collection of the one mill tax levied for 1969 payable in 1970, sufficient funds in the Korean War Service Compensation Fund and the Korean Veterans' Tax Fund to retire all outstanding bonds as they become due plus accrued interest and the premium payment required if such bonds should be called, before maturity, in the future; and

WHEREAS, pursuant to Section Five (5), Article VII, Constitution of Iowa, a tax may be levied to pay a bonded indebtedness for so long as it is necessary to raise funds for the purpose of paying the interest on such debt as it falls due and discharge the principal of such debt."

On the Part of the Senate:
ELMER F. LANGE, Chairman
KENNETH BENDA
LEE H. GAUDINEER, Jr.
ERNEST KOSEK

On the Part of the House:
JOHN CAMP, Chairman
ROBERT M. KREAMER
BERL E. PRIEBE
DALE L. TIEDEN