

JAN 11 1996  
APPROPRIATIONS

HOUSE FILE 2052  
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(COMPANION TO LSB 3137SS  
BY BOSWELL)

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

A BILL FOR

1 An Act relating to the compensation of merchant marines for  
2 active service, creating a merchant marine service  
3 compensation fund, providing for administrative procedures,  
4 providing for other properly related matters, making an  
5 appropriation, and providing a penalty.

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

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HF 2052

1 Section 1. NEW SECTION. 35E.1 DEFINITIONS.

2 As used in this Act, unless the context otherwise requires:

3 1. "Active duty" means full-time duty in the merchant  
4 marine service of the United States, excluding active duty for  
5 training purposes only, excluding any period a person was  
6 assigned to a civilian institution for a course of study or  
7 training which was substantially the same as established  
8 courses offered to civilians, and including a cadet or  
9 midshipman enrolled at one of the service academies.

10 2. "Board" means the merchant marine service compensation  
11 board.

12 3. "Fund" means the merchant marine service compensation  
13 fund.

14 Sec. 2. NEW SECTION. 35E.2 MERCHANT MARINE SERVICE  
15 COMPENSATION BOARD.

16 A merchant marine service compensation board is created.  
17 The membership of the board consists of the auditor of state,  
18 the treasurer of state, and the adjutant general of this  
19 state.

20 Sec. 3. NEW SECTION. 35E.3 MERCHANT MARINE SERVICE  
21 COMPENSATION FUND CREATED.

22 A merchant marine service compensation fund is created in  
23 the state treasury. The proceeds of the fund shall be used to  
24 pay the compensation claims, administrative expenses and  
25 costs, and legal fees as otherwise provided in this chapter.

26 Sec. 4. NEW SECTION. 35E.4. DUTIES OF THE BOARD --  
27 APPLICATIONS -- DEADLINE.

28 1. The board shall administer the provisions of this  
29 chapter, shall examine all applications for service  
30 compensation, shall approve or disapprove the applications,  
31 and shall carry out any investigations as necessary to  
32 establish facts. If an application is disapproved by the  
33 board, the applicant may appeal to the district court of the  
34 state of Iowa in the county of the applicant's legal residence  
35 as provided in section 17A.19.

1       2. When an application is approved by the board, the  
2 applicant shall be paid as provided in this chapter. The  
3 board shall prepare and transmit vouchers to the department of  
4 revenue and finance in payment of the compensation claims  
5 provided for in this chapter and other necessary  
6 administrative expenses. The director of revenue and finance  
7 shall issue a warrant for the amount stated in the voucher and  
8 the treasurer of state shall pay the warrants out of the  
9 merchant marine compensation fund.

10       3. The board may employ assistants and incur other  
11 expenses as may be necessary for the administration of this  
12 chapter. The assistants as the board may determine shall be  
13 exempt from the provisions of chapter 19A and shall give bond  
14 in an amount as may be determined by the board. The board  
15 shall adopt rules, pursuant to chapter 17A, as necessary to  
16 administer this chapter.

17       4. To receive compensation as provided in this chapter, an  
18 applicant, or the applicant's successor in interest, shall  
19 file an application with the board before July 1, 1998. The  
20 application shall be made on forms provided by the board.

21       Sec. 5. NEW SECTION. 35E.5 MERCHANT MARINE COMPENSATION  
22 -- QUALIFIED PERSONS.

23       1. Each person who served on active duty in the merchant  
24 marine service of the United States, at any time between  
25 September 16, 1940, and September 2, 1945, both dates  
26 inclusive, and who served for a period of not less than one  
27 hundred twenty days on or before December 31, 1946, and who at  
28 the time of entering into the merchant marine service was a  
29 legal resident of the state of Iowa, and who had maintained  
30 the person's residence in this state for a period of at least  
31 six months immediately before entering the merchant marine  
32 service and was honorably discharged or separated from the  
33 merchant marine service is entitled to receive from the fund  
34 the sum of twenty-two dollars and seventy-five cents for each  
35 month that the person was on active duty in the merchant

1 marine service, all before December 31, 1946, not to exceed a  
2 total sum of five hundred dollars. Compensation for a  
3 fraction of a month shall not be considered unless the  
4 fraction is sixteen days or more, in which case the fraction  
5 shall be computed as a full month.

6 2. A person is not entitled to compensation pursuant to  
7 this chapter if the person received a bonus or compensation of  
8 a similar nature as provided in this chapter from another  
9 state.

10 3. A person is not entitled to compensation pursuant to  
11 this chapter if the person was on active duty in the merchant  
12 marine service after September 16, 1940, and the person  
13 refused on conscientious, political, religious, or other  
14 grounds, to be subject to military discipline.

15 4. The surviving widow or widower, child or children,  
16 mother, father, or person standing in loco parentis, in the  
17 order named and none other, of any deceased person, shall be  
18 paid the compensation that the deceased person would be  
19 entitled to pursuant to this chapter, if living, but if any  
20 person has died or shall die, or is disabled, from service-  
21 connected causes incurred during the period and in the area  
22 from which the person is entitled to receive compensation  
23 pursuant to this chapter, the person or the first survivor as  
24 designated by this chapter and in the order named, shall be  
25 paid five hundred dollars, regardless of the length of  
26 service.

27 Sec. 6. NEW SECTION. 35E.6 FALSE STATEMENT -- PENALTY.

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

33 Sec. 7. NEW SECTION. 35E.7 TAX EXEMPTION.

34 All payments and allowances made under this chapter shall  
35 be exempt from taxation and from levy and sale on execution.

1     Sec. 8. APPROPRIATION. There is appropriated to the  
2 merchant marine compensation fund from the general fund of the  
3 state for the fiscal biennium beginning July 1, 1996, and  
4 ending June 30, 1998, the sum of \$250,000, or so much thereof  
5 as is necessary, to pay the merchant marine compensation  
6 claims, administrative expenses and costs, and legal fees as  
7 authorized in chapter 35E.

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## EXPLANATION

9     This bill provides a bonus for Iowans who served on active  
10 duty with the merchant marines of the United States during  
11 World War II. The bill includes merchant mariners who served  
12 on active duty between September 16, 1940, and September 2,  
13 1945, and who served for at least 120 days on or before  
14 December 31, 1946. The compensation amounts to \$22.75 per  
15 month but not to exceed a total sum of \$500. The bill also  
16 provides for payment to certain surviving family members of a  
17 deceased merchant mariner. An application for compensation  
18 must be filed before July 1, 1998.

19     The bill creates a merchant marine service compensation  
20 board consisting of the auditor of state, treasurer of state,  
21 and adjutant general of this state, and a merchant marine  
22 service compensation fund, the proceeds of which will be used  
23 to pay the merchant mariners compensation, administrative  
24 costs and expenses, and legal fees.

25     An appropriation of \$250,000 is included to fund the  
26 requirements of the bonus and its administrative costs.

27     A person who knowingly submits false statements in support  
28 of a bonus claim is guilty of a serious misdemeanor. A  
29 serious misdemeanor is punishable by a fine of at least \$250  
30 but not more than \$1,500 and imprisonment for not more than  
31 one year.

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