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SENATE FILE 203

BY BOSWELL, HUSAK, JUDGE, KIBBIE, FRAISE, JENSEN, GETTINGS, DEARDEN, GRONSTAL, BISIGNANO, SORENSEN, DVORSKY, BLACK, GIANNETTO, DELUHERY, FINK, RITTMER, MURPHY, PALMER, SZYMONIAK, FLYNN, LUNDBY, NEUHAUSER, BANKS, IVERSON, PRIEBE, CONNOLLY, and HANSEN

(COMPANION TO LSB 3137HH BY GRIES)

Passed	Senate, D	Date	Passed	House,	Date	
Vote:	Ayes	Nays	Vote:	Ayes	Na	ys
	App	proved			_	

A BILL FOR

1 2 3 4 5	An	An Act relating to the compensation of merchant marines for active service, creating a merchant marine service compensation fund, providing for administrative procedures, providing for other properly related matters, making an appropriation, and providing a penalty.					
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TLSB 3137SS 76 tj/jw/5

Section 1. <u>NEW SECTION</u>. 35E.1 DEFINITIONS.
As used in this Act, unless the context otherwise requires:
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. <u>NEW SECTION</u>. 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. <u>NEW SECTION</u>. 35E.3 MERCHANT MARINE SERVICE 21 COMPENSATION FUND CREATED.

A merchant marine service compensation fund is created in the state treasury. The proceeds of the fund shall be used to to pay the compensation claims, administrative expenses and costs, and legal fees as otherwise provided in this chapter. Sec. 4. <u>NEW SECTION</u>. 35E.4. DUTIES OF THE BOARD --27 APPLICATIONS -- DEADLINE.

1. The board shall administer the provisions of this chapter, shall examine all applications for service compensation, shall approve or disapprove the applications, and shall carry out any investigations as necessary to setablish facts. If an application is disapproved by the sourd, the applicant may appeal to the district court of the state of Iowa in the county of the applicant's legal residence 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.

4. To receive compensation as provided in this chapter, an
applicant, or the applicant's successor in interest, shall
file an application with the board before July 1, 1998. The
application shall be made on forms provided by the board.
Sec. 5. <u>NEW SECTION</u>. 35E.5 MERCHANT MARINE COMPENSATION
22 -- QUALIFIED PERSONS.

1. Each person who served on active duty in the merchant marine service of the United States, at any time between September 16, 1940, and September 2, 1945, both dates inclusive, and who served for a period of not less than one hundred twenty days on or before December 31, 1946, and who at the time of entering into the merchant marine 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 the merchant marine service and was honorably discharged or separated from the merchant marine service is entitled to receive from the fund the sum of twenty-two dollars and seventy-five cents for each month that the person was on active duty in the merchant

-2-

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.

4. The surviving 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 chapter, if living, but if any person has died or shall die, or is disabled, from serviceconnected causes incurred during the period and in the area from which the person is entitled to receive compensation pursuant to this chapter, the person or the first survivor as designated by this chapter and in the order named, shall be paid five hundred dollars, regardless of the length of service.

Sec. 6. <u>NEW SECTION</u>. 35E.6 FALSE STATEMENT -- PENALTY. A person who knowingly makes a false statement relating to a material fact in supporting an application under this chapter is guilty of a serious misdemeanor. A person convicted pursuant to this section shall forfeit all benefits to which the person may have been entitled under this chapter. Sec. 7. <u>NEW SECTION</u>. 35E.7 TAX EXEMPTION.

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

-3-

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.

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.

An appropriation of \$250,000 is included to fund the requirements of the bonus and its administrative costs. A person who knowingly submits false statements in support 8 of a bonus claim is guilty of a serious misdemeanor. A 9 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.

-4-

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LSB 3137SS 76 tj/jw/5