

H-4 17 and
H- 4/6/98 Amend/DoPace
W/H 8935
FILED APR 17 1997
H. 4/20/98 Referred to approp.

547

SENATE FILE
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 256)

Passed Senate, Date 4/21/97 (p. 1289) Passed House, Date _____

Vote: Ayes 48 Nays 1 Vote: Ayes _____ Nays _____

MTR:
4/21/97 by Halvorson Approved _____
% 4/21/97 Iverson

A BILL FOR

1 An Act relating to veterans' benefits, veterans preference,
2 veterans' claims, and providing a penalty.

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

4
5

SENATE FILE 547

H-9319

1 Amend the amendment, H-8935, to Senate File 547, as
2 passed by the Senate, as follows:
3 1. Page 1, line 15, by striking the word "Sec.
4 ____." and inserting the following: "Sec. 101."
5 2. Page 1, by inserting after line 26 the
6 following:
7 "____. Page 14, by inserting after line 15 the
8 following:
9 "Sec. ____ . Sections 1 and 101 of this Act are
10 effective for military service tax exemption claims
11 filed or on file on or after January 1, 1999, for
12 property taxes due and payable in the fiscal year
13 beginning July 1, 2000.""

adopted 4/20/98 (p. 1825) By LARSON of Linn
H-9319 FILED APRIL 20, 1998

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1 Section 1. NEW SECTION. 35.1 DEFINITIONS.

2 As used in this chapter and chapters 35A through 35D:

3 1. "Commission" means the commission of veterans affairs
4 created in section 35A.2.

5 2. "Veteran" means a resident of this state who served in
6 the armed forces of the United States and who was discharged
7 under honorable conditions. "Veteran" includes the following
8 persons:

9 a. Former members of the reserve forces of the United
10 States who served at least twenty years in the reserve forces
11 after January 28, 1973, and who were discharged under
12 honorable conditions. However, a member of the reserve forces
13 of the United States who completed a minimum aggregate of
14 ninety days of active federal service, other than training,
15 and was discharged under honorable conditions, or was retired
16 under Title X of the United States Code shall be included as a
17 veteran.

18 b. Former members of the Iowa national guard who served at
19 least twenty years in the Iowa national guard after January
20 28, 1973, and who were discharged under honorable conditions.
21 However, a member of the Iowa national guard who was activated
22 for federal duty, other than training, for a minimum aggregate
23 of ninety days, and was discharged under honorable conditions
24 or was retired under Title X of the United States Code shall
25 be included as a veteran.

26 c. Former members of the active, oceangoing merchant
27 marines who served during World War II at any time between
28 December 7, 1941, and December 31, 1946, both dates inclusive,
29 who were discharged under honorable conditions.

30 d. Former members of the women's air force service pilots
31 and other persons who have been conferred veterans status
32 based on their civilian duties during World War II in
33 accordance with federal Pub. L. No. 95-202, 38 U.S.C. § 106.

34 Sec. 2. Section 35.8, Code 1997, is amended to read as
35 follows:

1 35.8 MONEY COMPRISING FUND.

2 A war orphans educational aid fund is created as a separate
3 fund in the state treasury under the control of the commission
4 of veterans affairs. Any money hereafter appropriated for the
5 purpose of aiding in the education of orphaned children of
6 ~~honorably-discharged-persons-who-served-in-the-military-or~~
7 ~~naval-forces-of-the-United-States-in-World-War-I-or-World-War~~
8 ~~II~~ veterans, as provided-by-this-chapter defined in section
9 35.1, shall be known as deposited in the war orphans
10 educational aid fund.

11 Sec. 3. Section 35.9, unnumbered paragraph 1, Code 1997,
12 is amended to read as follows:

13 The commission of veterans affairs may expend not more than
14 six hundred dollars per year for any one child who has lived
15 in the state of Iowa for two years preceding application for
16 aid, and who is the child of a person who died ~~during-World~~
17 ~~War-I-between-the-dates-of-April-6, 1917, and June 27, 1921, or~~
18 ~~during-World-War-II-between-the-dates-of-September-16, 1940,~~
19 ~~and-December-31, 1946, both-dates-inclusive, or-the-Korean~~
20 ~~Conflict-between-June-25, 1950, and January 31, 1955, both~~
21 ~~dates-inclusive, or-the-Vietnam-Conflict-between-August-5,~~
22 ~~1964, and May 7, 1975, both-dates-inclusive, or-the-Persian~~
23 ~~Gulf-Conflict-at-any-time-between-August-2, 1990, and-the-date~~
24 ~~the-president-or-the-Congress-of-the-United-States-declares-a~~
25 ~~permanent-cessation-of-hostilities, both-dates-inclusive,~~
26 ~~while-serving-in-the~~ during active federal military or ~~naval~~
27 forces service while serving in the armed forces or during
28 active federal military service in the Iowa national guard or
29 other military component of the United States, ~~to-include~~
30 ~~members-of-the-reserve-components-performing-service-or-duties~~
31 ~~required-or-authorized-under-chapter-39, United-States-Code~~
32 ~~and-Title-32, United-States-Code, sections-502-through-505,~~
33 ~~and-active-state-service-required-or-authorized-under-chapter~~
34 ~~29A, or-as-a-result-of-such-service,~~ to defray the expenses of
35 tuition, matriculation, laboratory and similar fees, books and

1 supplies, board, lodging, and any other reasonably necessary
2 expense for such the child or children incident to attendance
3 in this state at an educational or training institution of
4 college grade, or in a business or vocational training school
5 with standards approved by the commission of veterans affairs.
6 ~~However, if Congress enacts a date different from August 27,~~
7 ~~1990, as the beginning of the Persian Gulf Conflict for~~
8 ~~purposes of determining whether a veteran is entitled to~~
9 ~~receive military benefits as a veteran of the Persian Gulf~~
10 ~~Conflict, that date shall be substituted for August 27, 1990.~~

11 Sec. 4. Section 35A.8, Code 1997, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. 4. a. The executive director shall
14 provide for the administration of the bonus authorized in this
15 subsection. The commission shall adopt rules, pursuant to
16 chapter 17A, as necessary to administer this subsection
17 including, but not limited to, application procedures,
18 investigation, approval or disapproval, and payment of claims.

19 b. (1) Each person who served on active duty in the
20 active, oceangoing merchant marine service of the United
21 States, at any time between September 16, 1940, and September
22 2, 1945, both dates inclusive, and who served for a period of
23 not less than one hundred twenty days on or before December
24 31, 1946, and who at the time of entering into the merchant
25 marine service was a legal resident of the state of Iowa, and
26 who had maintained the person's residence in this state for a
27 period of at least six months immediately before entering the
28 merchant marine service, and was honorably discharged or
29 separated from the merchant marine service, is entitled to
30 receive from moneys appropriated for that purpose the sum of
31 twelve dollars and fifty cents for each month that the person
32 was on active duty in the merchant marine service, all before
33 December 31, 1946, not to exceed a total sum of five hundred
34 dollars. Compensation for a fraction of a month shall not be
35 considered unless the fraction is sixteen days or more, in

1 which case the fraction shall be computed as a full month.

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

6 (3) A person is not entitled to compensation pursuant to
7 this subsection if the person was on active duty in the
8 merchant marine service after September 16, 1940, and the
9 person refused on conscientious, political, religious, or
10 other grounds, to be subject to military discipline.

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

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

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

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

34 Sec. 5. Section 35B.3, Code 1997, is amended to read as
35 follows:

1 35B.3 COUNTY COMMISSION OF VETERAN AFFAIRS.

2 The county commission of veteran affairs shall consist of
3 either three or five persons, as determined by the board of
4 supervisors, all of whom shall be ~~honorably-discharged-persons~~
5 ~~who-served-in-the-military-or-naval-forces-of-the-United~~
6 ~~States-in-any-war,-including-World-War-I-at-any-time-between~~
7 ~~April-6,-1917,-and-November-11,-1918,-both-dates-inclusive,-~~
8 ~~World-War-II-at-any-time-between-December-7,-1941,-and~~
9 ~~December-31,-1946,-both-dates-inclusive,-the-Korean-Conflict~~
10 ~~at-any-time-between-June-25,-1950,-and-January-31,-1955,-both~~
11 ~~dates-inclusive,-the-Vietnam-Conflict-at-any-time-between~~
12 ~~December-22,-1961,-and-May-7,-1975,-both-dates-inclusive,-and~~
13 ~~the-Persian-Gulf-Conflict-at-any-time-between-August-2,-1990,~~
14 ~~and-the-date-the-president-or-the-Congress-of-the-United~~
15 ~~States-declares-a-permanent-cessation-of-hostilities,-both~~
16 ~~dates-inclusive.--However,-if-Congress-enacts-a-date-different~~
17 ~~from-August-2,-1990,-as-the-beginning-of-the-Persian-Gulf~~
18 ~~Conflict-for-purposes-of-determining-whether-a-veteran-is~~
19 ~~entitled-to-receive-military-benefits-as-a-veteran-of-the~~
20 ~~Persian-Gulf-Conflict,-that-date-shall-be-substituted-for~~
21 ~~August-2,-1990~~ veterans as defined in section 35.1. If
22 possible, each member of the commission shall be a veteran of
23 a different war-or-conflict,-so-as-to-divide-membership-among
24 the-persons-who-served-in-World-War-I,-World-War-II,-the
25 Korean-Conflict,-the-Vietnam-Conflict,-and-the-Persian-Gulf
26 Conflict,-however, military action. However, this
27 qualification does not preclude membership to a veteran who
28 served in more than one of the wars-or-conflicts military
29 actions.

30 Sec. 6. Section 35B.10, unnumbered paragraph 1, Code 1997,
31 is amended to read as follows:

32 All claims certified by the commission shall be reviewed by
33 the board of supervisors and the county auditor shall issue
34 warrants in payment of the claims. All applications,
35 investigation reports and case records are privileged

1 communications and shall be held confidential, subject to use
2 and inspection only by persons authorized by law in connection
3 with their official duties relating to financial audits and
4 the administration of this chapter. However, the county
5 commission of veteran affairs shall prepare and file in the
6 office of the county auditor on or before the thirtieth day of
7 each January, April, July and October a report showing the
8 ~~names-and-addresses~~ case numbers of all recipients receiving
9 assistance under this chapter, together with the amount paid
10 to each during the preceding quarter. Each report so filed
11 shall be securely fixed in a record book to be used only for
12 such reports made under this chapter.

13 Sec. 7. Section 35B.13, Code 1997, is amended to read as
14 follows:

15 35B.13 BURIAL -- EXPENSES.

16 The commission is responsible for the interment in a
17 suitable cemetery of the body of any honorably-discharged
18 ~~person-who-served-in-the-military-or-naval-forces-of-the~~
19 ~~United-States-during-any-war,-including-World-War-I-at-any~~
20 ~~time-between-April-6,-1917,-and-November-11,-1918,-both-dates~~
21 ~~inclusive,-World-War-II-at-any-time-between-December-7,-1941,~~
22 ~~and-December-31,-1946,-both-dates-inclusive,-the-Korean~~
23 ~~Conflict-at-any-time-between-June-25,-1950,-and-January-31,~~
24 ~~1955,-both-dates-inclusive,-the-Vietnam-Conflict-at-any-time~~
25 ~~between-December-22,-1961,-and-May-7,-1975,-both-dates~~
26 ~~inclusive,-and-the-Persian-Gulf-Conflict-at-any-time-between~~
27 ~~August-2,-1990,-and-the-date-the-president-or-the-Congress-of~~
28 ~~the-United-States-declares-a-permanent-cessation-of~~
29 ~~hostilities,-both-dates-inclusive,~~ veteran, as defined in
30 section 35.1, or the spouse, surviving spouse, or child of the
31 person, if the person has died without leaving sufficient
32 means to defray the funeral expenses. However, ~~if-Congress~~
33 ~~enacts-a-date-different-from-August-2,-1990,-as-the-beginning~~
34 ~~of-the-Persian-Gulf-Conflict-for-purposes-of-determining~~
35 ~~whether-a-veteran-is-entitled-to-receive-military-benefits-as~~

1 a-veteran-of-the-Persian-Gulf-Conflict, that date shall be
2 substituted for August 27, 1990. The commission may pay the
3 expenses in a sum not exceeding an amount established by the
4 board of supervisors.

5 Sec. 8. Section 35B.14, unnumbered paragraph 1, Code 1997,
6 is amended to read as follows:

7 The board of supervisors of each county may appropriate
8 moneys for the food, clothing, shelter, utilities, medical
9 benefits, and funeral expenses of honorably discharged,
10 indigent persons who served in the military or naval forces of
11 the United States in any war including World War I at any time
12 between April 6, 1917, and November 11, 1918, both dates
13 inclusive; World War II at any time between December 7, 1941,
14 and December 31, 1946, both dates inclusive; the Korean
15 Conflict at any time between June 25, 1950, and January 31,
16 1955, both dates inclusive; the Vietnam Conflict at any time
17 between December 22, 1961, and May 7, 1975, both dates
18 inclusive; and the Persian Gulf Conflict at any time between
19 August 2, 1990, and the date the president or the Congress of
20 the United States declares a permanent cessation of
21 hostilities, both dates inclusive; veterans, as defined in
22 section 35.1, and their indigent spouses, surviving spouses,
23 and minor children not over eighteen years of age, having a
24 legal residence in the county. However, if Congress enacts a
25 date different from August 2, 1990, as the beginning of the
26 Persian Gulf Conflict for purposes of determining whether a
27 veteran is entitled to receive military benefits as a veteran
28 of the Persian Gulf Conflict, that date shall be substituted
29 for August 2, 1990.

30 Sec. 9. Section 35B.16, Code 1997, is amended to read as
31 follows:

32 35B.16 MARKERS FOR GRAVES.

33 The county commission of veteran affairs may furnish a
34 suitable and appropriate metal marker for the grave of each
35 honorably discharged person, who served in the military or

1 naval-forces-of-the-United-States-during-any-war,-including
 2 World-War-I-at-any-time-between-April-6,-1917,-and-November
 3 11,-1918,-both-dates-inclusive,-World-War-II-at-any-time
 4 between-December-7,-1941,-and-December-31,-1946,-both-dates
 5 inclusive,-the-Korean-Conflict-at-any-time-between-June-25,
 6 1950,-and-January-31,-1955,-both-dates-inclusive,-the-Vietnam
 7 Conflict-at-any-time-between-December-22,-1961,-and-May-7,
 8 1975,-both-dates-inclusive,-and-the-Persian-Gulf-Conflict-at
 9 any-time-between-August-2,-1990,-and-the-date-the-president-or
 10 the-Congress-of-the-United-States-declares-a-permanent
 11 cessation-of-hostilities,-both-dates-inclusive,-and veteran,
 12 as defined in section 35.1, who is buried within the limits of
 13 the county,-to. The marker shall be placed at the
 14 individual's grave to permanently mark and designate the grave
 15 for memorial purposes. The expenses shall be paid from any
 16 funds raised as provided in this chapter. ~~If-Congress-enacts~~
 17 ~~a-date-different-from-August-2,-1990,-as-the-beginning-of-the~~
 18 ~~Persian-Gulf-Conflict-for-purposes-of-determining-whether-a~~
 19 ~~veteran-is-entitled-to-receive-military-benefits-as-a-veteran~~
 20 ~~of-the-Persian-Gulf-Conflict,-that-date-shall-be-substituted~~
 21 ~~for-August-2,-1990.~~

22 Sec. 10. Section 35C.3, Code 1997, is amended to read as
 23 follows:

24 35C.3 DUTY TO INVESTIGATE AND APPOINT.

25 When any preferred person ~~shall-apply~~ applies for
 26 appointment or employment under this chapter, the officer,
 27 board, or person whose duty it is or may be to appoint or
 28 employ some person to fill ~~such~~ the position or place shall,
 29 before appointing or employing anyone to fill ~~such~~ the
 30 position or place, make an investigation as to the
 31 qualifications of ~~said~~ the applicant for ~~such~~ the place or
 32 position, and if the applicant is of good moral character and
 33 can perform the duties of ~~said~~ the position ~~so~~ applied for, as
 34 ~~hereinbefore-provided,-said~~ the officer, board, or person
 35 shall appoint ~~said~~ the applicant to ~~such~~ the position, place,

1 or employment. ~~Said~~ The appointing officer, board, or person
2 shall set forth in writing and file for public inspection, the
3 specific grounds upon which it ~~is held that the person~~
4 ~~appointed is entitled to said appointment, or in the case such~~
5 ~~appointment is refused, the specific grounds for the refusal~~
6 thereof refused to appoint the person. Within ten days after
7 an appointment is refused, the appointing officer, board, or
8 person shall notify the unsuccessful applicant in writing of
9 the specific grounds for refusal.

10 Sec. 11. NEW SECTION. 35C.5A ARBITRATION.

11 In addition to the remedies provided in sections 35C.4 and
12 35C.5, a person belonging to a class of persons qualifying for
13 a preference may submit any refusal to allow a preference, or
14 any reduction of the person's salary as described in section
15 35C.4, to arbitration within sixty days after written
16 notification of the refusal or reduction. Within ten days
17 after any submission, an arbitrator shall be selected by a
18 committee that includes one member chosen by the person
19 refused preference, one member chosen by the appointing
20 officer, board, or person, and one member who shall be a
21 disinterested party selected by the other two members of the
22 committee. A list of qualified arbitrators may be obtained
23 from the American arbitration association or other recognized
24 arbitration organization or association. The decision of the
25 arbitrator shall be final and binding on the parties.

26 Sec. 12. Section 37.10, unnumbered paragraph 1, Code 1997,
27 is amended to read as follows:

28 Each commissioner shall be ~~an honorably discharged soldier,~~
29 ~~sailor, marine, airman, or coast-guard member~~ a veteran, as
30 defined in section 35.1, and be a resident of the county in
31 which the memorial hall or monument is located.

32 Sec. 13. Section 282.6, unnumbered paragraph 1, Code 1997,
33 is amended to read as follows:

34 Every school shall be free of tuition to all actual
35 residents between the ages of five and twenty-one years and to

1 resident ~~honorably-discharged-soldiers, sailors, and marines~~
2 veterans as defined in section 35.1, as many months after
3 becoming twenty-one years of age as they have spent in the
4 ~~military-or-naval-service~~ armed forces of the United States
5 before they became twenty-one, provided, however, fees may be
6 charged covering instructional costs for a summer school or
7 drivers education program. The board of education may, in a
8 hardship case, exempt a student from payment of the above
9 fees. Every person, however, who shall attend any school
10 after graduation from a four-year course in an approved high
11 school or its equivalent shall be charged a sufficient tuition
12 fee to cover the cost of the instruction received by such the
13 person.

14 Sec. 14. Section 331.608, subsection 8, Code 1997, is
15 amended to read as follows:

16 8. As used in this section, "veteran" means a ~~man-or-woman~~
17 veteran as defined in section 35.1 who enlisted or was
18 inducted from the county, resided at any time in the county,
19 or is buried in the county ~~and-who-served-as-a-member-of-a~~
20 ~~branch-of-the-armed-forces-of-the-United-States-of-America, as~~
21 ~~a-member-of-the-merchant-marine-during-the-time-of-war, during~~
22 ~~the-Korean-Conflict-beginning-June-25, 1950, and ending~~
23 ~~January-31, 1955, both-dates-inclusive, or during the-Vietnam~~
24 ~~Conflict-beginning-August-5, 1964, and ending-June-30, 1973,~~
25 ~~both-dates-inclusive, or-as-a-member-of-the-armed-forces-of-a~~
26 ~~country-allied-with-the-United-States-of-America-or-the-armed~~
27 ~~forces-of-Iowa-or-another-state-or-territory.~~

28 Sec. 15. Section 400.10, Code 1997, is amended to read as
29 follows:

30 400.10 PREFERENCES.

31 In all examinations and appointments under this chapter,
32 other than promotions and appointments of chief of the police
33 department and chief of the fire department, honorably
34 ~~discharged veterans from-the-military-or-naval-forces-of-the~~
35 ~~United-States-in-any-war-in-which-the-United-States-has-been~~

1 engaged, including the Korean Conflict at any time between
2 June 25, 1950, and January 31, 1955, both dates inclusive, the
3 Vietnam Conflict beginning August 5, 1964, and ending May 7,
4 1975, both dates inclusive, and the Persian Gulf Conflict
5 beginning August 2, 1990, and ending on the date specified by
6 the president or the Congress of the United States as the date
7 of permanent cessation of hostilities, both dates inclusive,
8 and as defined in section 35.1, who are citizens and residents
9 of this state, shall have five points added to the veteran's
10 grade or score attained in qualifying examinations for
11 appointment to positions and five additional points added to
12 the grade or score if the veteran has a service-connected
13 disability or is receiving compensation, disability benefits
14 or pension under laws administered by the veterans
15 administration. However, if the Congress of the United States
16 enacts a date different from August 2, 1990, as the beginning
17 of the Persian Gulf Conflict to determine the eligibility of a
18 veteran for military benefits as a veteran of the Persian Gulf
19 Conflict, the date enacted by the Congress of the United
20 States shall be substituted for August 2, 1990. An honorably
21 discharged veteran who has been awarded the Purple Heart for
22 disabilities incurred in action shall be considered to have a
23 service-connected disability. However, the points shall be
24 given only upon passing the exam and shall not be the
25 determining factor in passing.

26 ~~For the purposes of this section World War II shall be from~~
27 ~~December 7, 1941, to December 31, 1946, both dates inclusive.~~
28 Sec. 16. Section 427.3, subsections 1 and 2, Code 1997,
29 are amended to read as follows:

30 1. The property, not to exceed two thousand seven hundred
31 seventy-eight dollars in taxable value of any honorably
32 ~~discharged soldier, sailor, marine, or nurse~~ veteran, as
33 defined in section 35.1, of the first World War.

34 2. The property, not to exceed one thousand eight hundred
35 fifty-two dollars in taxable value of an honorably separated,

1 retired, furloughed to a reserve, placed on inactive status,
2 or discharged soldier, sailor, marine, or nurse of the second
3 World War from December 7, 1941, to December 31, 1946, army of
4 occupation in Germany from November 12, 1918, to July 11,
5 1923, American expeditionary forces in Siberia from November
6 12, 1918, to April 30, 1920, second Nicaraguan campaign with
7 the navy or marines in Nicaragua or on combatant ships 1926-
8 1933, second Haitian suppression of insurrections 1919-1920,
9 navy and marine operations in China 1937-1939 and Yangtze
10 service with navy and marines in Shanghai or in the Yangtze
11 Valley 1926-1927 and 1930-1932 or of the Korean Conflict at
12 any time between June 25, 1950, and January 31, 1955, both
13 dates inclusive, or those who served on active duty during the
14 Vietnam Conflict beginning December 22, 1961, and ending May
15 7, 1975, both dates inclusive, or those who served on active
16 duty during the Persian Gulf Conflict at any time between
17 August 2, 1990, and the date the president or the Congress of
18 the United States declares a permanent cessation of
19 hostilities, both dates inclusive veteran, as defined in
20 section 35.1. However, if Congress enacts a date different
21 from August 2, 1990, as the beginning of the Persian Gulf
22 Conflict for purposes of determining whether a veteran is
23 entitled to receive military benefits as a veteran of the
24 Persian Gulf Conflict, that date shall be substituted for
25 August 2, 1990. -- For the purposes of this section, "active
26 duty" means full-time duty in the armed forces of the United
27 States, excluding active duty for training purposes only and
28 excluding any period a person was assigned by the armed forces
29 to a civilian institution for a course of education or
30 training which was substantially the same as established
31 courses offered to civilians, or as a cadet or midshipman,
32 however enrolled, at one of the service academies.

33 Sec. 17. Section 427.4, Code 1997, is amended to read as
34 follows:

35 427.4 EXEMPTIONS TO RELATIVES.

1 In case any person in the foregoing classifications does
2 not claim ~~any-such~~ the exemption from taxation, it shall be
3 allowed in the name of ~~such~~ the person to the same extent on
4 the property of any one of the following persons in the order
5 named:

6 1. The spouse, or surviving spouse remaining unmarried, of
7 ~~any-such-soldier, sailor, marine, or nurse~~ a veteran, as
8 defined in section 35.1, where they are living together or
9 were living together at the time of the death of ~~such-person~~
10 the veteran.

11 2. The parent whose spouse is deceased and who remains
12 unmarried, of ~~any-such-soldier, sailor, marine, or nurse~~ a
13 veteran, as defined in section 35.1, whether living or
14 deceased, where ~~such~~ the parent is, or was at the time of
15 death of the ~~soldier, sailor, marine, or nurse~~ veteran,
16 dependent on ~~such-person~~ the veteran for support.

17 3. The minor child, or children owning property as tenants
18 in common, of ~~any-such~~ a deceased ~~soldier, sailor, marine, or~~
19 nurse veteran, as defined in section 35.1.

20 No more than one tax exemption shall be allowed under this
21 section or section 427.3 in the name of ~~any-honorably~~
22 ~~discharged-soldier, sailor, marine, or nurse~~ a veteran, as
23 defined in section 35.1.

24 Sec. 18. Section 483A.24, subsection 13, Code 1997, is
25 amended to read as follows:

26 13. Upon payment of the fee of thirty dollars for a
27 lifetime hunting and fishing combined license, the department
28 shall issue a hunting and fishing combined license to a
29 resident of Iowa who is a veteran, as defined in section 35.1,
30 ~~who was disabled during-the-period-of-a-veteran's-service~~
31 ~~listed-in-this-subsection~~ or who was a prisoner of war during
32 that veteran's military service. The department shall prepare
33 an application to be used by a person requesting a hunting and
34 fishing combined license under this subsection. The
35 commission of veterans affairs shall assist the department in

1 verifying the status or claims of applicants under this
 2 subsection. As used in this subsection, "veteran" means a
 3 person who is a resident of Iowa and who served in the armed
 4 forces of the United States of America at any time during
 5 World War I between the dates of April 6, 1917, and July 2,
 6 1921, World War II between the dates of December 7, 1941, and
 7 December 31, 1946, the Korean Conflict between the dates of
 8 June 27, 1950, and January 31, 1955, the Vietnam Conflict
 9 between August 5, 1964, and May 7, 1975, or the Persian Gulf
 10 Conflict between August 2, 1990, and the date the president or
 11 the Congress of the United States declares a permanent
 12 cessation of hostilities, all dates inclusive, and "disabled"
 13 means entitled to compensation under the United States Code,
 14 Title 38, chapter 11.

15 Sec. 19. Section 35.7, Code 1997, is repealed.

16 EXPLANATION

17 This bill redefines "veteran" to include persons who served
 18 in the armed forces of the United States during peacetime or
 19 in civilian occupations which have been given military status
 20 when performed during actual conflict or in war zones.

21 In addition to the persons who served during wars or
 22 military conflicts, the term "veteran" is redefined to include
 23 former members of the armed forces who served on active duty
 24 during peacetime and were discharged under honorable
 25 conditions, former members of the national guard or military
 26 reserve who served 20 or more years after January 28, 1973,
 27 and were discharged under honorable conditions, former members
 28 of the active, oceangoing merchant marines who served during
 29 World War II and were discharged under honorable conditions,
 30 and former members of the women's air force service pilots and
 31 other persons who have been conferred veterans status based on
 32 their civilian duties during World War II pursuant to federal
 33 law. A veteran also includes a member of the reserve forces
 34 of the United States or the Iowa national guard who was
 35 activated for federal service for at least 90 days or

1 completed at least 90 days of active federal service,
2 excluding training, and was discharged or retired under
3 honorable conditions. The definition change makes these
4 persons and their families eligible for veteran benefits, such
5 as military service property tax exemptions and credits,
6 education benefits for veterans' children, burial benefits,
7 employment preferences, bonus compensation for active,
8 oceangoing merchant marines during World War II, and benefits
9 for indigent veterans and their families.

10 The bill establishes a bonus compensation for merchant
11 marines who served during World War II and were discharged
12 under honorable conditions or for qualified relatives of
13 deceased merchant marines. The bonus is to be administered by
14 the executive director of the state commission of veterans
15 affairs. The bonus amounts to \$12.50 for each month served on
16 active duty, not to exceed a total of \$500. A person applying
17 for bonus compensation who knowingly makes a false statement
18 relating to a material fact commits a serious misdemeanor and
19 forfeits all rights to such compensation.

20 The bill amends the military service property tax exemption
21 provisions to correspond to the new definition of veteran.

22 The bill replaces the term "honorably discharged persons"
23 with the term "veteran" for purposes of memorial markers
24 placed by county commissions of veteran affairs, for
25 membership of county commissions of veteran affairs, for
26 payment of burial expenses of veterans, for payments to
27 indigent veterans, and for the war orphans educational aid
28 fund. This change expands the number of persons eligible for
29 veterans preference and for lifetime hunting and fishing
30 licenses.

31 Claims certified by a county commission of veteran affairs
32 are required to be reviewed by the county board of supervisors
33 and the county auditor then issues warrants in payment of the
34 claims. The Code requires the county commissions to prepare
35 and file quarterly in the county auditor's office a report

1 showing the names and addresses of all recipients of
2 assistance. The bill requires that case numbers, rather than
3 names and addresses, be used to identify recipients.

4 Under the bill, when a person who qualifies for a veterans
5 preference applies for an appointment or employment, and is
6 refused the appointment or employment, the appointing officer,
7 board, or person is required, within 10 days of the refusal,
8 to notify the unsuccessful applicant in writing of the
9 specific grounds for refusal.

10 If a person who belongs to a class of persons qualifying
11 for veterans preference is refused a preference or receives a
12 qualifying reduction in salary, the Code currently allows the
13 person the remedies of judicial review and appeal. The bill
14 adds arbitration as a third remedy. Within 60 days after
15 written notification of the refusal or reduction, the person
16 affected may submit the refusal or reduction to arbitration.
17 Within 10 days of a submission, an arbitrator shall be
18 selected by a committee that includes one member chosen by the
19 person refused preference, one member chosen by the appointing
20 officer, board, or person, and one member who shall be a
21 disinterested party selected by the other two members of the
22 committee. The arbitrator's decision is final and binding.

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**SENATE FILE 547
FISCAL NOTE**

A fiscal note for Senate File 547, as amended by H-8935, is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 547, as amended by H-8935, redefines the definition of veteran, provides a bonus compensation for merchant marines, and amends the military service property tax exemptions based upon the new definition of veteran.

ASSUMPTIONS

1. Bonus compensation for merchant marines:
 - A. There are approximately 300 eligible merchant marines/widows/children.
 - B. The maximum bonus is \$500 per eligible merchant marine or survivor.
2. The military service property tax exemptions based upon the new definition of veteran:
 - A. The redefinition of "veteran" to include all persons honorably discharged from the armed services would increase the number of veterans from approximately 295,000 to 350,000 veterans. Of these 55,000 veterans, 41,250 (75.0%) are assumed to be eligible homeowners.
 - B. The expansion of the definition of "veteran" to include veterans of the Iowa National Guard and the reserve forces, would increase the number of eligible veterans by an additional 600 persons. This number has been reduced by one-third to avoid double counting those individuals that have served in multiple service areas.
 - C. The military service exemption allows eligible property owners to reduce the taxable value of their homes by \$1,852. The State reimburses local governments for \$6.75 per \$1,000 of lost taxable valuation. Amendment H-8935 would increase the reimbursement to \$10.49 per \$1,000 of valuation.
 - D. The average consolidated tax rate is estimated to be \$33.63 per \$1,000 of taxable valuation.

-2-

FISCAL IMPACT

The estimated cost to the State General Fund for SF 547, as amended by H-8935, is as follows:

| | <u>FY 1999</u> | <u>FY 2000</u> |
|------------------------|--------------------|--------------------|
| Merchant Marines | \$ 150,000 | \$ 0 |
| Military Exemp. Approp | <u>2,235,000</u> | <u>2,335,000</u> |
| Total | <u>\$2,385,000</u> | <u>\$2,335,000</u> |

The effect of H-8935 would be to increase the State reimbursement for the military service property tax credit from the current \$6.75 per \$1,000 of assessed valuation to \$10.49 per \$1,000 of assessed valuation. This effectively reimburses counties for the \$1.8 million increased cost of adding the newly defined veterans. The remainder of the impact, approximately \$435,000, is due to adding the newly defined veterans to the existing \$6.75 per \$1,000 of assessed valuation portion.

SOURCES

Commission on Veterans Affairs
Iowa Veterans Home
Department of Management
U.S. Census Bureau
U.S. Department of Defense

(LSB 1804sv.4, LCS)

FILED APRIL 9, 1998

BY DENNIS PROUTY, FISCAL DIRECTOR

JANUARY 21, 1998

SENATE FILE 547
FISCAL NOTE

A fiscal note for Senate File 547 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 547 redefines the definition of veteran, provides a bonus compensation for merchant marines, and amends the military service property tax exemptions based upon the new definition of veteran.

ASSUMPTIONS

1. Bonus compensation for merchant marines:
 - A. There are approximately 300 eligible merchant marines/widows/children.
 - B. The maximum bonus is \$500 per eligible merchant marine or survivor.

2. The military service property tax exemptions based upon the new definition of veteran:
 - A. The redefinition of "veteran" to include all persons honorably discharged from the armed services would increase the number of veterans from approximately 295,000 to 350,000 veterans. Of these 55,000 veterans, 41,250 (75.0%) are assumed to be eligible homeowners.
 - B. The expansion of the definition of "veteran" to include veterans of the Iowa National Guard and the reserve forces, would increase the number of eligible veterans by an additional 600 persons. This number has been reduced by one-third to avoid double counting those individuals that have served in multiple service areas.
 - C. The military service exemption allows eligible property owners to reduce the taxable value of their homes by \$1,852. The State reimburses local governments for \$6.75 per \$1,000 of lost taxable valuation.
 - D. The average consolidated tax rate is estimated to be \$33.63 per \$1,000 of taxable valuation.

-2-

FISCAL IMPACT

The estimated fiscal impact of SF 547 is as follows:

Veterans Benefits as per SF 547
(dollars in thousands)

| | <u>FY 1998</u> | <u>FY 1999</u> |
|---------------------|----------------|----------------|
| <u>EXPENDITURES</u> | | |
| Merchant Marines | \$ 150 | \$ 0 |
| Mil. Exemp. Approp | 435 | 445 |
| Total | <u>\$ 585</u> | <u>\$ 445</u> |

The military service property tax exemption would also result in a decrease in revenues to local governments of approximately \$1.8 million, which would not be reimbursed by the State.

SOURCES

Commission on Veterans Affairs
Iowa Veterans Home
Department of Management
U.S. Census Bureau
U.S. Department of Defense

(LSB 1804sv.3, LCS)

FILED JANUARY 20, 1998

BY DENNIS PROUTY, FISCAL DIRECTOR

**SENATE FILE 547
FISCAL NOTE**

A fiscal note for Senate File 547 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 547 redefines the definition of veteran, provides a bonus compensation for merchant marines, and amends the military service property tax exemptions based upon the new definition of veteran.

ASSUMPTIONS

1. Bonus compensation for merchant marines:
 - A. There are approximately 300 eligible merchant marines/widows/children.
 - B. The maximum bonus is \$500 per eligible merchant marine or survivor.

2. The military service property tax exemptions based upon the new definition of veteran:
 - A. The redefinition of "veteran" to include all persons honorably discharged from the armed services would increase the number of veterans from approximately 295,000 to 350,000 veterans. Of these 55,000 veterans, 41,250 (75.0%) are assumed to be eligible homeowners.
 - B. The expansion of the definition of "veteran" to include veterans of the Iowa National Guard and the reserve forces, would increase the number of eligible veterans by an additional 600 persons. This number has been reduced by one-third to avoid double counting those individuals that have served in multiple service areas.
 - C. The military service exemption allows eligible property owners to reduce the taxable value of their homes by \$1,852. The State reimburses local governments for \$6.75 per \$1,000 of lost taxable valuation.
 - D. The average consolidated tax rate is estimated to be \$33.63 per \$1,000 of taxable valuation.

3. Senate File 547 also allows the 30,000 newly defined veterans to receive a \$30 lifetime hunting/fishing license. This action would potentially produce an indeterminate loss to the Department of Natural Resources.

-2-

FISCAL IMPACT

The estimated fiscal impact of SF 547 is as follows:

Veterans Benefits as per SF 547
(dollars in thousands)

| | <u>FY 1998</u> | <u>FY 1999</u> |
|---------------------|----------------|----------------|
| <u>EXPENDITURES</u> | | |
| Merchant Marines | \$ 150 | \$ 0 |
| Mil. Exemp. Approp | 435 | 445 |
| Total | <u>\$ 585</u> | <u>\$ 445</u> |

The military service property tax exemption would also result in a decrease in revenues to local governments of approximately \$1.8 million, which would not be reimbursed by the State.

SOURCES

Commission on Veterans Affairs
Iowa Veterans Home
Department of Management
U.S. Census Bureau
U.S. Department of Defense

(LSB 1804SV.2, JAM)

FILED APRIL 21, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 547

S-3642

1 Amend Senate File 547 as follows:
2 1. By striking page 10, line 28, through page 11,
3 line 27, and inserting the following:
4 "Sec. ____ . Section 400.10, Code 1997, is amended
5 by striking the section and inserting in lieu thereof
6 the following:
7 400.10 PREFERENCES.
8 1. In all examinations and appointments under this
9 chapter, other than promotions and appointment of
10 chief of the police department or chief of the fire
11 department:
12 a. An applicant who is a veteran as defined in
13 section 35.1 shall have five points added to the
14 applicant's grade or score attained in the qualifying
15 examination for appointment to a position.
16 b. An applicant who is a veteran discharged under
17 honorable conditions from the military or naval forces
18 of the United States in any war in which the United
19 States has been engaged, including the Korean Conflict
20 at any time between June 25, 1950, and January 31,
21 1955, both dates inclusive, the Vietnam Conflict
22 beginning August 5, 1964, and ending May 7, 1975, both
23 dates inclusive, and the Persian Gulf Conflict
24 beginning August 2, 1990, and ending on the date
25 specified by the president or the Congress of the
26 United States as the date of permanent cessation of
27 hostilities, both dates inclusive, and who are
28 citizens and residents of this state, shall have ten
29 points added to the applicant's grade or score
30 attained in qualifying examinations for appointment to
31 a position. For the purposes of this paragraph, World
32 War II shall be from December 7, 1941, to December 31,
33 1946, both dates inclusive.
34 c. If an applicant qualifies as a veteran as
35 provided in paragraph "a" or "b" and has a service-
36 connected disability or is receiving compensation,
37 disability benefits, or pension under laws
38 administered by the veterans administration, five
39 additional points shall be added to the applicant's
40 grade or score awarded pursuant to paragraph "a" or
41 "b". An honorably discharged veteran who has been
42 awarded the Purple Heart for disabilities incurred in
43 action shall be considered to have a service-connected
44 disability.
45 2. However, the points awarded pursuant to
46 subsection 1 shall be added only upon passing the
47 examination and shall not be the determining factor in
48 passing the qualifying examination."

By ROD HALVORSON

S-3642 FILED APRIL 21, 1997

/s/ (p. 13/16)

SENATE FILE 547

H-9029

1 Amend the Committee amendment, H-8935, to Senate
2 File 547, as passed by the Senate, as follows:

3 1. Page 1, by striking lines 10 through 12 and
4 inserting the following: "through 427.7, to the
5 extent of six dollars and seventy-five cents per
6 thousand dollars of assessed value of the exempt
7 property."

8 2. Page 1, line 19, by striking the words "or a
9 portion" and inserting the following: "or a portion".

10 3. Page 1, by striking lines 22 through 26 and
11 inserting the following: "to taxation, the amount of
12 the credit to be not more than six dollars and
13 seventy-five cents per thousand dollars of assessed
14 value of property which would be subject to the tax,
15 except for the military service tax exemption.

16 Sec. . Section 426A.5, Code 1997, is amended to
17 read as follows:

18 426A.5 PROPORTIONATE SHARES TO DISTRICTS.

19 The amount of credits received under this chapter
20 shall then be apportioned by each county treasurer to
21 the several taxing districts in the same manner as
22 though the amount of the credit had been paid by the
23 owner of the property receiving the credit. Each
24 taxing district shall receive its proportionate share
25 of the military service tax credit allowed on each and
26 every tax exemption allowed in such the taxing
27 district, ~~in the proportion that the levy made by such~~
28 ~~taxing district upon general property bears to the~~
29 ~~total levy upon all property subject to general~~
30 ~~property taxation by all taxing districts imposing a~~
31 ~~general property tax in such taxing district based~~
32 upon the amount of property taxes which would be due
33 on the property receiving the credit, if the property
34 were subject to taxation."

By BERNAU of Story
JOCHUM of Dubuque

H-9029 FILED APRIL 8, 1998

adopted
4/20/98
(P. 1825)

SENATE FILE 547

H-8935

1 Amend Senate File 547, as passed by the Senate, as
2 follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "Section 1. Section 25B.7, subsection 2, paragraph
6 c, Code Supplement 1997, is amended to read as
7 follows:

8 c. Military service property tax credit and
9 exemption pursuant to chapter 426A and sections 427.3
10 through 427.7, to the extent of six ten dollars and
11 seventy-five forty-nine cents per thousand dollars of
12 assessed value of the exempt property."

13 2. Page 11, by inserting after line 27 the
14 following:

15 "Sec. ____ . Section 426A.2, Code 1997, is amended
16 to read as follows:

17 426A.2 MILITARY SERVICE TAX CREDIT.

18 The moneys shall be apportioned each year so as to
19 replace all or a portion of the tax which would be due
20 on property eligible for military service tax
21 exemption in the state, if the property were subject
22 to taxation, the amount of the credit to be not more
23 than six ten dollars and seventy-five forty-nine cents
24 per thousand dollars of assessed value of property
25 which would be subject to the tax, except for the
26 military service tax exemption."

Adopted 4/20/98 (P1825) BY COMMITTEE ON WAYS AND MEANS
DINKLA of Guthrie, Chairperson
H-8935 FILED APRIL 6, 1998

SENATE FILE 547

H-9171

1 Amend the amendment, H-8935, to Senate File 547, as
2 passed by the Senate, as follows:

3 1. Page 1, line 10, by striking the word "ten"
4 and inserting the following: "eleven".

5 2. Page 1, line 11, by striking the word "forty-
6 nine" and inserting the following: "twenty-one".

7 3. Page 1, by striking line 23 and inserting the
8 following: "than six eleven dollars and seventy-five
9 twenty-one cents".

10 4. Page 1, by inserting after line 25 the
11 following:

12 " ____ . By striking page 11, line 28, through page
13 13, line 23."

W/D 4/20/98 (P1825) BY GREIG of Emmet
HOLMES of Scott
H-9171 FILED APRIL 14, 1998