

Senate Study Bill 3098 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BILL)

A BILL FOR

1 An Act relating to veterans and military service members and
2 including appropriations and retroactive applicability
3 provisions.

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

DIVISION I

TITLE

Section 1. TITLE. This Act shall be known as the "Home Base Iowa Act".

DIVISION II

RETIREMENT PAY TAX EXEMPTION

Sec. 2. Section 422.5, subsection 3, paragraph a, Code 2014, is amended to read as follows:

a. The tax shall not be imposed on a resident or nonresident whose net income, as defined in section 422.7, is thirteen thousand five hundred dollars or less in the case of married persons filing jointly or filing separately on a combined return, heads of household, and surviving spouses or nine thousand dollars or less in the case of all other persons; but in the event that the payment of tax under this division would reduce the net income to less than thirteen thousand five hundred dollars or nine thousand dollars as applicable, then the tax shall be reduced to that amount which would result in allowing the taxpayer to retain a net income of thirteen thousand five hundred dollars or nine thousand dollars as applicable. The preceding sentence does not apply to estates or trusts. For the purpose of this subsection, the entire net income, including any part of the net income not allocated to Iowa, shall be taken into account. For purposes of this subsection, net income includes all amounts of pensions or other retirement income, except for military retirement pay excluded under section 422.7, subsection 31A, paragraph "a", received from any source which is not taxable under this division as a result of the government pension exclusions in section 422.7, or any other state law. If the combined net income of a husband and wife exceeds thirteen thousand five hundred dollars, neither of them shall receive the benefit of this subsection, and it is immaterial whether they file a joint return or separate returns. However, if a husband and wife file separate returns and have a combined net income of

1 thirteen thousand five hundred dollars or less, neither spouse
2 shall receive the benefit of this paragraph, if one spouse has
3 a net operating loss and elects to carry back or carry forward
4 the loss as provided in section 422.9, subsection 3. A person
5 who is claimed as a dependent by another person as defined in
6 section 422.12 shall not receive the benefit of this subsection
7 if the person claiming the dependent has net income exceeding
8 thirteen thousand five hundred dollars or nine thousand dollars
9 as applicable or the person claiming the dependent and the
10 person's spouse have combined net income exceeding thirteen
11 thousand five hundred dollars or nine thousand dollars as
12 applicable.

13 Sec. 3. Section 422.5, subsection 3B, paragraph a, Code
14 2014, is amended to read as follows:

15 a. The tax shall not be imposed on a resident or nonresident
16 who is at least sixty-five years old on December 31 of
17 the tax year and whose net income, as defined in section
18 422.7, is thirty-two thousand dollars or less in the case
19 of married persons filing jointly or filing separately on a
20 combined return, heads of household, and surviving spouses or
21 twenty-four thousand dollars or less in the case of all other
22 persons; but in the event that the payment of tax under this
23 division would reduce the net income to less than thirty-two
24 thousand dollars or twenty-four thousand dollars as applicable,
25 then the tax shall be reduced to that amount which would result
26 in allowing the taxpayer to retain a net income of thirty-two
27 thousand dollars or twenty-four thousand dollars as applicable.
28 The preceding sentence does not apply to estates or trusts.
29 For the purpose of this subsection, the entire net income,
30 including any part of the net income not allocated to Iowa,
31 shall be taken into account. For purposes of this subsection,
32 net income includes all amounts of pensions or other retirement
33 income, except for military retirement pay excluded under
34 section 422.7, subsection 31A, paragraph "a", received from any
35 source which is not taxable under this division as a result

1 of the government pension exclusions in section 422.7, or any
2 other state law. If the combined net income of a husband and
3 wife exceeds thirty-two thousand dollars, neither of them shall
4 receive the benefit of this subsection, and it is immaterial
5 whether they file a joint return or separate returns. However,
6 if a husband and wife file separate returns and have a combined
7 net income of thirty-two thousand dollars or less, neither
8 spouse shall receive the benefit of this paragraph, if one
9 spouse has a net operating loss and elects to carry back or
10 carry forward the loss as provided in section 422.9, subsection
11 3. A person who is claimed as a dependent by another person as
12 defined in section 422.12 shall not receive the benefit of this
13 subsection if the person claiming the dependent has net income
14 exceeding thirty-two thousand dollars or twenty-four thousand
15 dollars as applicable or the person claiming the dependent
16 and the person's spouse have combined net income exceeding
17 thirty-two thousand dollars or twenty-four thousand dollars as
18 applicable.

19 Sec. 4. Section 422.7, Code 2014, is amended by adding the
20 following new subsection:

21 NEW SUBSECTION. 31A. a. Subtract, to the extent included,
22 retirement pay received by a resident taxpayer from the federal
23 government for military service performed in the armed forces,
24 the armed forces military reserve, or the national guard.

25 b. The exclusion of retirement pay under this subsection is
26 in addition to any exclusion provided under subsection 31.

27 Sec. 5. RETROACTIVE APPLICABILITY. This division of this
28 Act applies retroactively to January 1, 2014, for tax years
29 beginning on or after that date.

30 DIVISION III

31 HOME OWNERSHIP ASSISTANCE PROGRAM APPROPRIATIONS

32 Sec. 6. 2013 Iowa Acts, chapter 138, section 134, subsection
33 3, is amended to read as follows:

34 3. HOME OWNERSHIP ASSISTANCE PROGRAM

35 For transfer to the Iowa finance authority for the

1 continuation of the home ownership assistance program for
2 persons who are or were eligible members of the armed forces of
3 the United States, pursuant to section 16.54:

4 \$ ~~800,000~~
5 2,500,000

6 DIVISION IV

7 VETERANS PREFERENCE

8 Sec. 7. NEW SECTION. 35.3 Veterans preference in private
9 employment permitted.

10 1. A private employer may grant preference in hiring and
11 promotion to an individual who is a veteran.

12 2. a. A private employer may grant preference in hiring
13 and promotion to the spouse of a veteran who has sustained
14 a permanent, compensable service-connected disability as
15 adjudicated by the United States veterans administration or by
16 the retirement board of one of the armed forces of the United
17 States.

18 b. A private employer may grant preference in hiring and
19 promotion to the surviving spouse of a deceased member of the
20 United States armed forces who died while serving on active
21 duty during a time of military conflict or who died as a result
22 of such service.

23 3. Granting a hiring or promotion preference under this
24 section does not violate any state law or local ordinance
25 regarding equal employment opportunity, including but not
26 limited to chapter 216.

27 4. The hiring and promotion preferences allowable
28 under this section shall only be granted if consistent with
29 applicable federal laws and regulations.

30 DIVISION V

31 LICENSED PROFESSIONS AND OCCUPATIONS

32 Sec. 8. Section 272C.4, Code 2014, is amended by adding the
33 following new subsections:

34 NEW SUBSECTION. 11. Adopt rules by January 1, 2015, to
35 provide credit towards qualifications for licensure to practice

1 an occupation or profession in this state for education,
2 training, and service obtained or completed by an individual
3 while serving honorably on federal active duty, state active
4 duty, or national guard duty, as defined in section 29A.1,
5 to the extent consistent with the qualifications required
6 by the appropriate licensing board. The rules shall also
7 provide credit towards qualifications for initial licensure
8 for education, training, or service obtained or completed by
9 an individual while serving honorably in the military forces
10 of another state or the organized reserves of the armed
11 forces of the United States, to the extent consistent with the
12 qualifications required by the appropriate licensing board.

13 NEW SUBSECTION. 12. Establish procedures by January
14 1, 2015, to expedite the licensing of an individual who is
15 licensed in a similar profession or occupation in another state
16 and who is a veteran, as defined in section 35.1, or the spouse
17 of a veteran.

18 *a.* If the board determines that the professional or
19 occupational licensing requirements of the state where the
20 veteran or veteran's spouse is licensed are substantially
21 equivalent to the licensing requirements of this state, the
22 procedures shall require the licensing of the veteran or the
23 veteran's spouse in this state.

24 *b.* If the board determines that the professional or
25 occupational licensing requirements of the state where the
26 veteran or veteran's spouse is licensed are not substantially
27 equivalent to the professional or occupational licensing
28 requirements of this state, the procedures shall allow the
29 provisional licensing of the veteran or veteran's spouse for
30 a period of time deemed necessary by the board to obtain a
31 substantial equivalent to the licensing requirements of this
32 state. The board shall advise the veteran or the veteran's
33 spouse of required education or training necessary to obtain
34 a substantial equivalent to the professional or occupational
35 licensing requirements of this state, and the procedures shall

1 provide for licensing of an individual who has, pursuant to
2 this paragraph, obtained a substantial equivalent to the
3 professional or occupational licensing requirements of this
4 state.

5 NEW SUBSECTION. 13. Beginning December 15, 2016, annually
6 file a report with the governor and the general assembly
7 providing information and statistics on credit received by
8 individuals for education, training, and service pursuant to
9 subsection 11 and information and statistics on licenses and
10 provisional licenses issued pursuant to subsection 12.

11 NEW SUBSECTION. 14. Notwithstanding the designation
12 of the licensing boards in section 272C.1, the provisions
13 of subsections 11 through 13 shall apply to all of the
14 occupational and professional licensing boards of this state.

15 Sec. 9. REPORT. Each licensing board under this division
16 shall file a report with the governor and the general assembly
17 by January 31, 2015, on the substance of rules and procedures
18 adopted to implement the provisions of this division of this
19 Act.

20 DIVISION VI

21 EDUCATION

22 Sec. 10. Section 260C.14, Code 2014, is amended by adding
23 the following new subsection:

24 NEW SUBSECTION. 24. *a.* Beginning December 15, 2015,
25 annually file a report with the governor and the general
26 assembly providing information and statistics for the previous
27 five academic years on the number of students who are veterans
28 per year who received education credit for military education,
29 training, and service, that number as a percentage of veterans
30 known to be enrolled at the college, the average number of
31 credits received by students, and the average number of credits
32 applied towards the award of a certificate, competency-based
33 credential, postsecondary diploma, or associate degree.

34 *b.* For purposes of this subsection, "veteran" means a
35 veteran as defined in section 35.1.

1 Sec. 11. Section 262.9, Code 2014, is amended by adding the
2 following new subsection:

3 NEW SUBSECTION. 38. *a.* Beginning December 15, 2015,
4 annually file a report with the governor and the general
5 assembly providing information and statistics for the previous
6 five academic years on the number of students who are veterans
7 per year who received education credit for military education,
8 training, and service, that number as a percentage of veterans
9 known to be enrolled at the institution, the average number
10 of credits received by students, and the average number of
11 credits applied towards the award or completion of a course of
12 instruction, postsecondary diploma, degree, or other evidences
13 of distinction.

14 *b.* For purposes of this subsection, "veteran" means a
15 veteran as defined in section 35.1.

16 DIVISION VII

17 LICENSE PLATES

18 Sec. 12. Section 35A.11, Code 2014, is amended to read as
19 follows:

20 **35A.11 Veterans license fee fund.**

21 1. A veterans license fee fund is created in the state
22 treasury under the control of the commission. Notwithstanding
23 section 12C.7, interest or earnings on moneys in the veterans
24 license fee fund shall be credited to the veterans license fee
25 fund. Moneys in the fund are appropriated to the commission to
26 be used to fulfill the responsibilities of the commission.

27 2. The fund created in this section shall include the
28 fees credited by the treasurer of state from the ~~sale~~ annual
29 validation of the following special motor vehicle registration
30 plates:

31 ~~1. Veteran special plates issued pursuant to section~~
32 ~~321.34, subsection 13, paragraph "d".~~

33 ~~2. a.~~ National guard special plates issued pursuant to
34 section 321.34, subsection 16.

35 ~~3. b.~~ Pearl Harbor special plates issued pursuant to

1 section 321.34, subsection 17.

2 4. c. Purple heart special plates issued pursuant to
3 section 321.34, subsection 18.

4 5. d. United States armed forces retired special plates
5 issued pursuant to section 321.34, subsection 19.

6 6. e. Silver star and bronze star special plates issued
7 pursuant to section 321.34, subsection 20.

8 7. f. Distinguished service cross, navy cross, and air
9 force cross special plates issued pursuant to section 321.34,
10 subsection 20A.

11 8. g. Soldier's medal, navy and marine corps medal, and
12 airman's medal special plates issued pursuant to section
13 321.34, subsection 20B.

14 9. h. Combat infantryman badge, combat action badge,
15 combat action ribbon, air force combat action medal, and
16 combat medical badge plates issued pursuant to section 321.34,
17 subsection 20C.

18 10. i. Gold star special plates issued pursuant to section
19 321.34, subsection 24.

20 j. United States veteran special plates issued pursuant to
21 section 321.34, subsection 27.

22 Sec. 13. Section 321.34, subsection 16, paragraph a, Code
23 2014, is amended to read as follows:

24 a. An owner referred to in subsection 12 who is a member
25 of the national guard, as defined in chapter 29A, may,
26 upon written application to the department, order special
27 registration plates with a national guard processed emblem
28 with the emblem designed by the department in cooperation with
29 the adjutant general which emblem signifies that the applicant
30 is a member of the national guard. The application shall be
31 approved by the department in consultation with the adjutant
32 general. The special plate fees collected by the director
33 under subsection 12, paragraphs paragraph "a" and "c", from
34 the ~~issuance and~~ annual validation of letter-number designated
35 national guard plates, and subsection 12, paragraph "c", from

1 the issuance and annual validation of personalized national
2 guard plates shall be paid monthly to the treasurer of state
3 and deposited in the road use tax fund. The treasurer of state
4 shall transfer monthly from the statutory allocations fund
5 created under section 321.145, subsection 2, to the veterans
6 license fee fund created in section 35A.11 the amount of the
7 special fees collected under subsection 12, paragraph "a",
8 in the previous month for national guard plates. Special
9 registration plates with a national guard processed emblem
10 shall be surrendered, as provided in subsection 12, in exchange
11 for regular registration plates upon termination of the owner's
12 membership in the active national guard.

13 Sec. 14. Section 321.34, subsection 16, Code 2014, is
14 amended by adding the following new paragraph:

15 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
16 "a", an owner who is approved for special registration plates
17 under this subsection shall be issued one set of special
18 registration plates with a national guard processed emblem at
19 no charge.

20 Sec. 15. Section 321.34, subsection 17, paragraph a, Code
21 2014, is amended to read as follows:

22 *a.* An owner referred to in subsection 12 who was at Pearl
23 Harbor, Hawaii, as a member of the armed services of the United
24 States on December 7, 1941, may, upon written application to
25 the department, order special registration plates with a Pearl
26 Harbor processed emblem. The emblem shall be designed by the
27 department in consultation with service organizations. The
28 application is subject to approval by the department. The
29 special plate fees collected by the director under subsection
30 12, ~~paragraphs~~ paragraph "a" and "c", from the issuance and
31 annual validation of letter-number designated Pearl Harbor
32 plates, and subsection 12, paragraph "c", from the issuance and
33 annual validation of personalized Pearl Harbor plates shall
34 be paid monthly to the treasurer of state and deposited in
35 the road use tax fund. The treasurer of state shall transfer

1 monthly from the statutory allocations fund created under
2 section 321.145, subsection 2, to the veterans license fee
3 fund created in section 35A.11 the amount of the special fees
4 collected under subsection 12, paragraph "a", in the previous
5 month for Pearl Harbor plates.

6 Sec. 16. Section 321.34, subsection 17, Code 2014, is
7 amended by adding the following new paragraph:

8 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
9 "a", an owner who is approved for special registration plates
10 under this subsection shall be issued one set of special
11 registration plates with a Pearl Harbor processed emblem at no
12 charge.

13 Sec. 17. Section 321.34, subsection 18, paragraph a, Code
14 2014, is amended to read as follows:

15 *a.* An owner referred to in subsection 12 who was awarded
16 a purple heart medal by the United States government for
17 wounds received in military or naval combat against an armed
18 enemy of the United States may, upon written application to
19 the department and presentation of satisfactory proof of the
20 award of the purple heart medal, order special registration
21 plates with a purple heart processed emblem. The design of
22 the emblem shall include a representation of a purple heart
23 medal and ribbon. The application is subject to approval by
24 the department in consultation with the adjutant general. The
25 special plate fees collected by the director under subsection
26 12, ~~paragraphs~~ paragraph "a" and "e", from the issuance and
27 annual validation of letter-number designated purple heart
28 plates, and subsection 12, paragraph "c", from the issuance and
29 annual validation of personalized purple heart plates shall
30 be paid monthly to the treasurer of state and deposited in
31 the road use tax fund. The treasurer of state shall transfer
32 monthly from the statutory allocations fund created under
33 section 321.145, subsection 2, to the veterans license fee
34 fund created in section 35A.11 the amount of the special fees
35 collected under subsection 12, paragraph "a", in the previous

1 month for purple heart plates.

2 Sec. 18. Section 321.34, subsection 18, Code 2014, is
3 amended by adding the following new paragraph:

4 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
5 "a", an owner who is approved for special registration plates
6 under this subsection shall be issued one set of special
7 registration plates with a purple heart processed emblem at no
8 charge.

9 Sec. 19. Section 321.34, subsection 19, paragraph a, Code
10 2014, is amended to read as follows:

11 *a.* An owner referred to in subsection 12 who is a retired
12 member of the United States armed forces may, upon written
13 application to the department and upon presentation of
14 satisfactory proof of membership, order special registration
15 plates with a United States armed forces retired processed
16 emblem. The emblem shall be designed by the department in
17 consultation with service organizations. The application is
18 subject to approval by the department. For purposes of this
19 subsection, a person is considered to be retired if the person
20 is recognized by the United States armed forces as retired
21 from the United States armed forces. The special plate fees
22 collected by the director under subsection 12, ~~paragraphs~~
23 paragraph "a" and "c", from the ~~issuance and~~ annual validation
24 of letter-number designated armed forces retired plates, and
25 subsection 12, paragraph "c", from the ~~issuance and annual~~
26 validation of personalized armed forces retired plates shall
27 be paid monthly to the treasurer of state and deposited in
28 the road use tax fund. The treasurer of state shall transfer
29 monthly from the statutory allocations fund created under
30 section 321.145, subsection 2, to the veterans license fee
31 fund created in section 35A.11 the amount of the special fees
32 collected under subsection 12, paragraph "a", in the previous
33 month for armed forces retired plates.

34 Sec. 20. Section 321.34, subsection 19, Code 2014, is
35 amended by adding the following new paragraph:

1 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
2 "a", an owner who is approved for special registration plates
3 under this subsection shall be issued one set of special
4 registration plates with an armed forces retired processed
5 emblem at no charge.

6 Sec. 21. Section 321.34, subsection 20, paragraph a, Code
7 2014, is amended to read as follows:

8 *a.* An owner referred to in subsection 12 who was awarded a
9 silver or a bronze star by the United States government, may,
10 upon written application to the department and presentation
11 of satisfactory proof of the award of the silver or bronze
12 star, order special registration plates with a silver or bronze
13 star processed emblem. The emblem shall be designed by the
14 department in consultation with the adjutant general. The
15 special plate fees collected by the director under subsection
16 12, ~~paragraphs~~ paragraph "a" and "c", from the issuance and
17 annual validation of letter-number designated silver star and
18 bronze star plates, and subsection 12, paragraph "c", from the
19 issuance and annual validation of personalized silver star and
20 bronze star plates shall be paid monthly to the treasurer of
21 state and deposited in the road use tax fund. The treasurer
22 of state shall transfer monthly from the statutory allocations
23 fund created under section 321.145, subsection 2, to the
24 veterans license fee fund created in section 35A.11 the amount
25 of the special fees collected under subsection 12, paragraph
26 "a", in the previous month for silver star and bronze star
27 plates.

28 Sec. 22. Section 321.34, subsection 20, Code 2014, is
29 amended by adding the following new paragraph:

30 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
31 "a", an owner who is approved for special registration plates
32 under this subsection shall be issued one set of special
33 registration plates with a silver star or bronze star processed
34 emblem at no charge.

35 Sec. 23. Section 321.34, subsection 20A, paragraph a, Code

1 2014, is amended to read as follows:

2 *a.* An owner referred to in subsection 12 who was awarded
3 a distinguished service cross, a navy cross, or an air force
4 cross by the United States government may, upon written
5 application to the department and presentation of satisfactory
6 proof of the award, order special registration plates with
7 a distinguished service cross, navy cross, or air force
8 cross processed emblem. The emblem shall be designed by the
9 department in consultation with the adjutant general. The
10 special plate fees collected by the director under subsection
11 12, ~~paragraphs paragraph "a" and "c",~~ from the ~~issuance and~~
12 annual validation of letter-number designated distinguished
13 service cross, navy cross, and air force cross plates, and
14 subsection 12, paragraph "c", from the issuance and annual
15 validation of personalized distinguished service cross, navy
16 cross, and air force cross plates shall be paid monthly to the
17 treasurer of state and deposited in the road use tax fund. The
18 treasurer of state shall transfer monthly from the statutory
19 allocations fund created under section 321.145, subsection 2,
20 to the veterans license fee fund created in section 35A.11
21 the amount of the special fees collected under subsection 12,
22 paragraph "a", in the previous month for distinguished service
23 cross, navy cross, and air force cross plates.

24 Sec. 24. Section 321.34, subsection 20A, Code 2014, is
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
27 "a", an owner who is approved for special registration plates
28 under this subsection shall be issued one set of special
29 registration plates with a distinguished service cross, navy
30 cross, or air force cross processed emblem at no charge.

31 Sec. 25. Section 321.34, subsection 20B, paragraph a, Code
32 2014, is amended to read as follows:

33 *a.* An owner referred to in subsection 12 who was awarded a
34 soldier's medal, a navy and marine corps medal, or an airman's
35 medal by the United States government may, upon written

1 application to the department and presentation of satisfactory
2 proof of the award, order special registration plates with
3 a soldier's medal, navy and marine corps medal, or airman's
4 medal processed emblem. The emblem shall be designed by the
5 department in consultation with the adjutant general. The
6 special plate fees collected by the director under subsection
7 12, ~~paragraphs~~ paragraph "a" and "c", from the ~~issuance and~~
8 annual validation of letter-number designated soldier's medal,
9 navy and marine corps medal, and airman's medal plates, and
10 subsection 12, paragraph "c", from the issuance and annual
11 validation of personalized soldier's medal, navy and marine
12 corps medal, and airman's medal plates shall be paid monthly
13 to the treasurer of state and deposited in the road use tax
14 fund. The treasurer of state shall transfer monthly from the
15 statutory allocations fund created under section 321.145,
16 subsection 2, to the veterans license fee fund created in
17 section 35A.11 the amount of the special fees collected
18 under subsection 12, paragraph "a", in the previous month for
19 soldier's medal, navy and marine corps medal, and airman's
20 medal plates.

21 Sec. 26. Section 321.34, subsection 20B, Code 2014, is
22 amended by adding the following new paragraph:

23 NEW PARAGRAPH. *Ob.* Notwithstanding subsection 12, paragraph
24 "a", an owner who is approved for special registration plates
25 under this subsection shall be issued one set of special
26 registration plates with a soldier's medal, navy and marine
27 corps medal, or airman's medal processed emblem at no charge.

28 Sec. 27. Section 321.34, subsection 20C, paragraph b, Code
29 2014, is amended to read as follows:

30 *b.* An owner referred to in subsection 12 who was awarded a
31 combat infantryman badge, combat action badge, combat action
32 ribbon, air force combat action medal, or combat medical
33 badge by the United States government may, upon written
34 application to the department and presentation of satisfactory
35 proof of the award, order special registration plates with a

1 combat infantryman badge, combat action badge, combat action
 2 ribbon, air force combat action medal, or combat medical badge
 3 processed emblem. The special plate fees collected by the
 4 director under subsection 12, ~~paragraphs~~ paragraph "a" and
 5 "c", from the ~~issuance and~~ annual validation of letter-number
 6 designated combat infantryman badge, combat action badge,
 7 combat action ribbon, air force combat action medal, and
 8 combat medical badge plates, and subsection 12, paragraph
 9 "c", from the issuance and annual validation of personalized
 10 combat infantryman badge, combat action badge, combat action
 11 ribbon, air force combat action medal, and combat medical badge
 12 plates shall be paid monthly to the treasurer of state and
 13 deposited in the road use tax fund. The treasurer of state
 14 shall transfer monthly from the statutory allocations fund
 15 created under section 321.145, subsection 2, to the veterans
 16 license fee fund created in section 35A.11 the amount of the
 17 special fees collected under subsection 12, paragraph "a", in
 18 the previous month for combat infantryman badge, combat action
 19 badge, combat action ribbon, air force combat action medal, and
 20 combat medical badge plates.

21 Sec. 28. Section 321.34, subsection 20C, Code 2014, is
 22 amended by adding the following new paragraph:

23 NEW PARAGRAPH. *0c.* Notwithstanding subsection 12, paragraph
 24 "a", an owner who is approved for special registration plates
 25 under this subsection shall be issued one set of special
 26 registration plates with a combat infantryman badge, combat
 27 action badge, combat action ribbon, air force combat action
 28 medal, and combat medical badge distinguishing processed emblem
 29 at no charge.

30 Sec. 29. Section 321.34, subsection 24, Code 2014, is
 31 amended to read as follows:

32 24. *Gold star plates.*

33 a. An owner referred to in subsection 12 who is the
 34 surviving spouse, parent, child, or sibling of a deceased
 35 member of the United States armed forces who died while serving

1 on active duty during a time of military conflict or who died
2 as a result of such service may order special registration
3 plates bearing a gold star emblem upon written application
4 to the department accompanied by satisfactory supporting
5 documentation as determined by the department. The gold star
6 emblem shall be designed by the department in cooperation with
7 the commission of veterans affairs. The special plate fees
8 collected by the director under subsection 12, ~~paragraphs~~
9 paragraph "a" and "c", from the ~~issuance and~~ annual validation
10 of letter-number designated gold star plates, and subsection
11 12, paragraph "c", from the issuance and annual validation of
12 personalized gold star plates shall be paid monthly to the
13 treasurer of state and deposited in the road use tax fund. The
14 treasurer of state shall transfer monthly from the statutory
15 allocations fund created under section 321.145, subsection 2,
16 to the veterans license fee fund created in section 35A.11
17 the amount of the special fees collected under subsection 12,
18 paragraph "a", in the previous month for gold star plates.

19 b. Notwithstanding subsection 12, paragraph "a", an owner
20 who is approved for special registration plates under this
21 subsection shall be issued one set of special registration
22 plates bearing a gold star emblem at no charge.

23 Sec. 30. Section 321.34, Code 2014, is amended by adding the
24 following new subsection:

25 NEW SUBSECTION. 27. *United States veteran plates.*

26 a. An owner referred to in subsection 12 who served in the
27 armed forces of the United States and was discharged under
28 honorable conditions may, upon written application to the
29 department and upon presentation of satisfactory proof of
30 military service and discharge under honorable conditions,
31 order special registration plates bearing a distinguishing
32 processed emblem depicting the word "veteran" below an image
33 of the American flag. The application is subject to approval
34 by the department. The special plate fees collected by the
35 director under subsection 12, paragraph "a", from the annual

1 validation of letter-number designated United States veteran
2 plates, and subsection 12, paragraph "c", from the issuance
3 and annual validation of personalized United States veteran
4 plates, shall be paid monthly to the treasurer of state and
5 deposited in the road use tax fund. The treasurer of state
6 shall transfer monthly from the statutory allocations fund
7 created under section 321.145, subsection 2, to the veterans
8 license fee fund created in section 35A.11 the amount of the
9 special fees collected under subsection 12, paragraph "a", in
10 the previous month for United States veteran plates.

11 b. Notwithstanding subsection 12, paragraph "a", an owner
12 who is approved for a special registration plate under this
13 subsection shall be issued one set of special registration
14 plates bearing a distinguishing processed emblem depicting
15 the word "veteran" below an image of the American flag at no
16 charge.

17 DIVISION VIII

18 IOWA WORKFORCE DEVELOPMENT APPROPRIATIONS

19 Sec. 31. APPROPRIATIONS.

20 1. There is appropriated from the general fund of the state
21 to the department of workforce development for the fiscal year
22 beginning July 1, 2014, and ending June 30, 2015, the following
23 amount, or so much thereof as is necessary, to be used for the
24 purposes designated:

25 For funding research linking military occupational
26 education, training, and service to existing licensing
27 requirements in this state, for funding implementation of
28 this Act, and for meeting additional demand for workforce
29 development services provided to veterans:

30 \$ 1,000,000

31 2. There is appropriated from the general fund of the state
32 to the department of workforce development for the fiscal year
33 beginning July 1, 2014, and ending June 30, 2015, the following
34 amount, or so much thereof as is necessary, to be used for the
35 purposes designated:

1 For awarding a grant, in the amount appropriated, to a
2 nonprofit workforce services foundation exempt from federal
3 taxation under section 501(c)(3) of the Internal Revenue
4 Code that is administered by an agency of this state for the
5 purposes of paying for the direct expenses of marketing this
6 state to veterans through public-private partnerships:

7 \$ 1,000,000

8 EXPLANATION

9 The inclusion of this explanation does not constitute agreement with
10 the explanation's substance by the members of the general assembly.

11 This bill enacts the "Home Base Iowa Act", which relates to
12 veterans and military service members by exempting military
13 service retirement pay for certain purposes of the state
14 individual income tax, providing appropriations for the home
15 ownership assistance program for military members, permitting
16 private employers to grant certain employment preferences to
17 veterans and certain spouses of veterans and service members,
18 relating to professional licensure, requiring reporting on the
19 provision of certain educational credits, and relating to fees
20 charged for license plates associated with military service.

21 Division I of the bill states that the Act is to be known as
22 the "Home Base Iowa Act".

23 Division II of the bill exempts from the individual income
24 tax all retirement pay of an Iowa resident from federal
25 military service in the armed forces, the military reserve,
26 or the national guard. The exemption is in addition to the
27 general pension exclusion. The bill also exempts military
28 retirement pay from the net income calculations used to
29 determine certain personal income tax filing thresholds.

30 The division applies retroactively to January 1, 2014, for
31 tax years beginning on or after that date.

32 Division III of the bill increases the fiscal year 2014-2015
33 appropriation for the home ownership assistance program for
34 military members from \$800,000 to \$2.5 million.

35 Division IV allows private employers to grant a preference

1 in hiring and promotion to veterans and certain veterans'
2 spouses.

3 Division IV specifically permits private employers to
4 grant a preference in hiring and promotion to veterans, as
5 defined in the Iowa department of veterans affairs law, and
6 as far as is consistent with federal laws and regulations.
7 Private employers are also allowed to grant such preferences
8 to the spouse of a veteran who has sustained a permanent,
9 compensable service-connected disability as adjudicated by the
10 United States veterans administration or by the retirement
11 board of one of the armed forces of the United States. These
12 employers may also grant hiring and promotion preferences
13 to the surviving spouse of a deceased member of the United
14 States armed forces who died while serving on active duty
15 during a time of military conflict or who died as a result of
16 such service. The division states that hiring and promotion
17 preferences granted by private employers do not violate
18 any state law or local ordinance regarding equal employment
19 opportunity.

20 Division V of the bill amends Code section 272C.4 to require
21 that all professional and occupational licensing boards adopt
22 rules by January 1, 2015, to provide credit towards licensing
23 for education, training, and service that is either obtained
24 or completed by an individual while serving on federal active
25 duty, state active duty, or national guard duty. The division
26 further requires that the rules provide such credit toward
27 licensure for service in the military forces of other states
28 or the organized reserves of the armed forces of the United
29 States. Code section 272C.1 provides that the term "licensing"
30 and its derivations include the terms "registration" and
31 "certification" and their derivations.

32 Division V of the bill also requires that licensing boards
33 establish procedures to expedite the licensing in this state of
34 certain individuals who are licensed to practice in a similar
35 profession or occupation in another state if the individual

1 is a veteran or the spouse of a veteran and if the board
2 determines that the licensing requirements of the other state
3 are substantially equivalent to the licensing requirements
4 of this state. The division also requires that if the board
5 determines that another state's licensing requirements are
6 not substantially equivalent to the licensing requirements of
7 this state, the board shall issue a provisional license to
8 the qualifying veteran or the qualifying spouse of a veteran
9 for a period of time deemed necessary to obtain a substantial
10 equivalent to the licensing requirements of this state.

11 Division V requires that licensing boards provide a report
12 to the governor and to the general assembly by December 15,
13 2016, on the awarding of credits for qualifying education,
14 training, and service and on licensing and provisional
15 licensing awarded under the division.

16 Division V requires that each licensing board report to the
17 governor and the general assembly by January 31, 2015, on the
18 substance of the rules and procedures adopted to carry out the
19 provisions of the division.

20 Division VI of the bill requires that the board of
21 directors of each community college file an annual report,
22 beginning December 15, 2015, with the governor and the general
23 assembly, including certain statistics relating to the award
24 of educational credits to veterans for military education,
25 training, and experience for the prior five academic years.

26 Division VI also requires that the board of regents file an
27 annual report, beginning December 15, 2015, with the governor
28 and the general assembly, including certain statistics relating
29 to the award of educational credits to veterans for military
30 education, training, and service for the prior five academic
31 years.

32 Division VII of the bill eliminates the special plate
33 issuance fees charged for issuance of certain special motor
34 vehicle registration plates associated with military service
35 which are established statutorily. The affected plates are

1 national guard plates; Pearl Harbor plates; purple heart
2 plates; United States armed forces retired plates; silver star
3 and bronze star plates; distinguished service cross, navy
4 cross, and air force cross special plates; soldier's medal,
5 navy and marine corps medal, and airman's medal special plates;
6 and gold star plates. The division also eliminates special
7 plate issuance fees for United States veteran plates which were
8 established by the department of transportation, in cooperation
9 with the commission of veterans affairs, by administrative
10 process. Under current law, the fee for issuance of the
11 special plates is \$25. The issuance fee for United States
12 veteran plates is \$35. The division maintains transfers to
13 the veterans license fee fund from the annual validation fees
14 for these special plates. The division adds the United States
15 armed forces veteran plate, which is currently established
16 administratively, to the list of special motor vehicle
17 registration plates established in Code section 321.34. The
18 division also makes additional corresponding changes.

19 Division VIII provides an appropriation of \$1 million from
20 the general fund of the state to the department of workforce
21 development to fund research linking military occupational
22 education, training, and service to existing licensing
23 requirements in this state, to fund implementation of the bill,
24 and to support additional demand for workforce development
25 services to be provided to veterans. The division also
26 provides a \$1 million appropriation from the general fund to
27 the department of workforce development to be used to provide
28 a grant, in that amount, to a nonprofit workforce services
29 organization administered by an agency of this state for the
30 purposes of paying for the direct expenses of marketing this
31 state to veterans.