

Senate Study Bill 1152 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
VETERANS AFFAIRS BILL BY
CHAIRPERSON REICHMAN)

A BILL FOR

1 An Act relating to the administration of the veterans trust
2 fund.

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

1 Section 1. Section 35A.13, subsection 3, Code 2023, is
2 amended to read as follows:

3 3. Moneys credited to the trust fund shall not be
4 transferred, used, obligated, appropriated, or otherwise
5 encumbered, except as provided in [this section](#). ~~Moneys in the~~
6 ~~trust fund may also be used for cemetery grant development~~
7 ~~purposes provided that any moneys so allocated, except~~
8 ~~for moneys used for department of administrative services~~
9 ~~expenditures related to the grant, are returned to the trust~~
10 ~~fund upon receipt of federal funds received for such purposes.~~

11 Sec. 2. Section 35A.13, subsection 5, Code 2023, is amended
12 by adding the following new paragraph:

13 NEW PARAGRAPH. *0d.* The commission shall not use moneys
14 appropriated to the commission pursuant to this subsection in
15 any fiscal quarter in an amount greater than thirty percent of
16 the moneys appropriated to the commission for the fiscal year.

17 Sec. 3. Section 35A.13, subsection 5, paragraph d, Code
18 2023, is amended to read as follows:

19 *d.* Notwithstanding ~~paragraphs "a", "b", and "c"~~ any other
20 provision of this subsection, moneys credited to the war
21 orphans educational assistance account shall be expended as
22 provided in [subsection 8](#).

23 Sec. 4. Section 35A.13, subsection 7, paragraph 1, Code
24 2023, is amended to read as follows:

25 1. Expenses related to initial screening for any military
26 service-connected traumatic brain injury sustained while on
27 federal active duty, state active duty, or national guard duty,
28 as defined in [section 29A.1](#), or sustained while on federal
29 reserve duty pursuant to orders issued under Tit. 10 of the
30 United States Code for which payment or reimbursement is not
31 otherwise available through any other federal or state program
32 or, if applicable, through a veteran's private insurance or
33 managed care organization. A Notwithstanding subsection 7A, a
34 veteran seeking moneys for expenses pursuant to this paragraph
35 ~~"1"~~ shall not be subject to an income limit.

1 Sec. 5. Section 35A.13, Code 2023, is amended by adding the
2 following new subsections:

3 NEW SUBSECTION. 7A. To be eligible to receive benefits
4 pursuant to subsection 7, an applicant must meet all of the
5 following requirements:

6 a. The applicant's household income, benefits from the
7 federal veterans pension program, service-connected disability
8 income, and social security income, do not exceed two hundred
9 percent of the federal poverty level for a family of applicable
10 size in effect on the date the application was received by
11 a county director of veterans affairs. The commission may
12 waive the requirements of this paragraph if all the applicant's
13 income is from a fixed source and all other sources of
14 assistance have been exhausted.

15 b. (1) The applicant's available liquid assets are equal
16 to or less than fifteen thousand dollars. For the purposes
17 of this paragraph, "*available liquid assets*" means cash on
18 hand, cash in a checking or savings account, stocks, bonds,
19 certificates of deposit, treasury bills, and money market funds
20 and other liquid investments owned individually or jointly by
21 the applicant and the applicant's spouse.

22 (2) Notwithstanding subparagraph (1), an asset shall not be
23 counted as an applicant's available liquid asset if the asset
24 is any of the following:

25 (a) The cash surrender value of a life insurance policy,
26 real property, an established burial account, or a personal
27 vehicle.

28 (b) A fund deposited in an individual retirement account in
29 accordance with section 408(a) of the federal Internal Revenue
30 Code, a self-employed pension plan, also known as a Keogh plan
31 or H.R. 10 plan, or a deferred compensation plan that the
32 applicant may not withdraw from without incurring a penalty.

33 NEW SUBSECTION. 7B. Benefits from the veterans trust fund
34 to an individual shall not exceed five thousand dollars in any
35 calendar year and shall not exceed ten thousand dollars for the

1 lifetime of the individual.

2 NEW SUBSECTION. 9A. The director shall oversee the
3 management of the veterans trust fund, including compliance
4 with limits on grant amounts, the timely distribution of
5 moneys, and the application of procedures to ensure applicant
6 eligibility in accordance with this section. Any grant of
7 moneys from the veterans trust fund shall be subject to final
8 approval by the director or the director's designee.

9

EXPLANATION

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

12 This bill relates to the administration of the veterans
13 trust fund.

14 The bill no longer allows veterans trust fund moneys to be
15 used for cemetery development purposes in certain situations.

16 The bill prohibits the commission of veterans affairs (CVA)
17 from using any moneys appropriated to the CVA in a fiscal
18 quarter in an amount greater than 30 percent of the moneys
19 appropriated.

20 The bill requires, for an applicant to be eligible to
21 receive benefits from the veterans trust fund, the applicant's
22 household income, benefits from the federal veterans pension
23 program, service-connected disability income, and social
24 security income to be at or below 200 percent of the federal
25 poverty level for a family of applicable size in effect on
26 the date the application was received by a county director of
27 veterans affairs. The CVA may waive income requirements if all
28 the applicant's income is from a fixed source and all other
29 sources of assistance have been exhausted.

30 The bill also requires, for an applicant to be eligible to
31 receive benefits from the veterans trust fund, the applicant's
32 available liquid assets to be equal to or less than \$15,000.
33 The bill defines "available liquid assets" as cash on
34 hand, cash in a checking or savings account, stocks, bonds,
35 certificates of deposit, treasury bills, and money market funds

1 and other liquid investments owned individually or jointly by
2 the applicant and the applicant's spouse. However, an asset
3 is not an available liquid asset if it is the cash surrender
4 value of a life insurance policy, real property, an established
5 burial account, or a personal vehicle. An asset is also not
6 an available liquid asset if it is a fund deposited in an
7 individual retirement account in accordance with section 408(a)
8 of the federal Internal Revenue Code, a self-employed pension
9 plan (a Keogh plan or H.R. 10 plan), or a deferred compensation
10 plan that the applicant may not withdraw from without incurring
11 a penalty.

12 The bill limits the benefits an individual may receive from
13 the veterans trust fund to \$5,000 in any calendar year and
14 \$10,000 for the lifetime of the individual.

15 The bill directs the director of the department of veterans
16 affairs to oversee the management of the veterans trust fund,
17 including compliance with limits on grant amounts, the timely
18 distribution of moneys, and the application of procedures to
19 ensure applicant eligibility.

20 The bill requires any grant of moneys from the veterans trust
21 fund to be subject to final approval by the director of the
22 department of veterans affairs or the director's designee.

23 The bill makes conforming changes to Code section 35A.13,
24 subsection 4, paragraph "d", and subsection 7, paragraph "1".