

FILED MAR 02 2006

SENATE FILE 2312
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SSB 3137)

Passed Senate, Date 3-21-06 Passed House, Date _____
Vote: Ayes 47 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing hardship grants on behalf of veterans seriously
2 injured in a combat zone, providing an income tax exclusion,
3 and including an effective date and retroactive applicability
4 provision.

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

SF 2312

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1 Section 1. NEW SECTION. 35A.14 VETERANS APPRECIATION
2 PROGRAM -- GRANTS.

3 1. For the purposes of this section, "veteran" means a
4 resident of this state who is or was a member of the national
5 guard, reserve, or regular component of the armed forces of
6 the United States who has served at least ninety days of
7 active duty at any time after September 11, 2001, and, if
8 discharged, was discharged under honorable conditions.

9 2. A veterans appreciation program is created under the
10 control of the department for the purpose of providing
11 hardship grants to eligible veterans.

12 3. Moneys appropriated to the department for providing
13 veterans appreciation grants under this section may be
14 expended for one-time hardship grants of up to ten thousand
15 dollars to a seriously injured veteran who received a combat-
16 related injury while serving in a combat zone or in a zone
17 where the veteran was receiving hazardous duty pay since
18 September 11, 2001.

19 4. The commission shall adopt rules governing the
20 distribution of hardship grants under this section.

21 Sec. 2. Section 422.7, Code Supplement 2005, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 45. Subtract, to the extent included, the
24 amount of any grant provided pursuant to the veterans
25 appreciation program pursuant to section 35A.14.

26 Sec. 3. EFFECTIVE DATE -- RETROACTIVE APPLICABILITY.

27 1. The section of this Act creating section 35A.14, being
28 deemed of immediate importance, takes effect upon enactment
29 and is retroactively applicable to veterans seriously injured
30 after September 11, 2001, and is applicable on and after that
31 date.

32 2. The section of this Act amending section 422.7, being
33 deemed of immediate importance, takes effect upon enactment
34 and is retroactively applicable to January 1, 2006, and is
35 applicable for tax years beginning on and after that date.

EXPLANATION

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This bill establishes a veterans appreciation program under the control of the department of veterans affairs.

New Code section 35A.14 establishes the veterans appreciation program. Moneys appropriated to the department for this program may be expended by the department of veterans affairs for one-time hardship grants of up to \$10,000 for seriously injured veterans sustaining a combat-related injury while serving in a combat zone or hazardous duty pay zone since September 11, 2001. The bill also requires that the commission of veterans affairs adopt rules governing the distribution of these grants. The new section takes effect upon enactment and applies retroactively to veterans seriously injured after September 11, 2001.

The bill also amends Code section 422.7 to provide that grants received under this program are subtracted from net income for purposes of taxation. This provision takes effect upon enactment and is applicable to tax years beginning on or after January 1, 2006.

SENATE FILE 2312

S-5074

1 Amend Senate File 2312 as follows:

2 1. Page 1, lines 1 and 2, by striking the words
3 "VETERANS APPRECIATION PROGRAM -- GRANTS" and
4 inserting the following: "INJURED VETERANS GRANT
5 PROGRAM".

6 2. Page 1, line 9, by striking the words "A
7 veterans appreciation program" and inserting the
8 following: "An injured veterans grant program".

9 3. Page 1, line 11, by striking the word
10 "hardship".

11 4. Page 1, line 11, by inserting after the word
12 "eligible" the following: "injured".

13 5. Page 1, line 13, by striking the words
14 "veterans appreciation" and inserting the following:
15 "injured veterans".

16 6. Page 1, line 14, by striking the words "one-
17 time hardship".

18 7. Page 1, by striking lines 15 and 16 and
19 inserting the following: "dollars to a seriously
20 injured veteran to provide financial assistance to the
21 veteran so that family members of the veteran may be
22 with the veteran during the veteran's recovery from an
23 injury received in the line of duty in a combat zone
24 or in a zone".

25 8. Page 1, line 19, by striking the word
26 "commission" and inserting the following:
27 "department".

28 9. Page 1, line 20, by striking the word
29 "hardship".

30 10. Page 1, line 20, by striking the word
31 "section." and inserting the following: "section in
32 accordance with the following:

33 a. Grants shall be paid in increments of two
34 thousand five hundred dollars, up to a maximum of ten
35 thousand dollars upon proof that the veteran has been
36 evacuated from the operational theater in which the
37 veteran was injured to a military hospital for an
38 injury received in the line of duty and shall continue
39 to be paid, at thirty-day intervals, up to the maximum
40 amount, so long as the veteran is hospitalized or
41 receiving medical care or rehabilitation services
42 authorized by the military and the presence or
43 assistance of family members is necessary.

44 b. Proof of continued medical care or
45 rehabilitation services may include any reasonably
46 reliable documentation showing that the veteran is
47 receiving continued medical or rehabilitative care as
48 a result of qualifying injuries. Proof that the
49 injury occurred in the line of duty shall be made
50 based upon the circumstances of the injury known at

S-5074

1 the time of evacuation from the combat zone or zone in
2 which the veteran was receiving hazardous duty pay.
3 c. Grants for veterans injured prior to the
4 effective date of this Act shall be payable, upon a
5 showing that the veteran would have been eligible for
6 payment had the injury occurred on or after the
7 effective date of this Act."

8 11. Page 1, lines 24 and 25, by striking the
9 words "veterans appreciation" and inserting the
10 following: "injured veterans grant".

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

13 "Sec. _____. 2005 Iowa Acts, chapter 175, section 4,
14 subsection 3, as enacted by 2006 Iowa Acts, House File
15 2080, section 3, is amended to read as follows:

16 3. ~~VETERANS APPRECIATION~~ INJURED VETERANS GRANT
17 PROGRAM

18 For implementation of a new ~~veterans appreciation~~
19 injured veterans grant program, contingent upon
20 enactment of law by the Eighty-first General Assembly,
21 2006 Session, codifying the new program requirements
22 in chapter 35A, for providing ~~hardship~~ grants to
23 military veterans seriously injured in a combat zone
24 since September 11, 2001:

25 \$ 1,000,000

26 If the general assembly enacts law codifying a new
27 fund or other requirements for the new program for
28 which the appropriation is made in this subsection,
29 then notwithstanding section 8.33, moneys appropriated
30 in this subsection that remain unencumbered or
31 unobligated at the close of the fiscal year shall not
32 revert but shall remain available for expenditure for
33 the purposes designated until the close of the
34 succeeding fiscal year. However, if the general
35 assembly does not enact such law, the appropriation
36 made in this subsection shall revert as provided in
37 section 8.33."

38 13. Title page, line 1, by striking the word
39 "hardship".

40 14. By renumbering as necessary.

COMMITTEE ON APPROPRIATIONS
JEFF ANGELO, CO-CHAIRPERSON
ROBERT E. DVORSKY, CO-CHAIRPERSON

SENATE FILE **2312**
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SSB 3137)

(AS AMENDED AND PASSED BY THE SENATE MARCH 21, 2006)

- ~~_____~~ - New Language by the Senate
* - Language Stricken by the Senate

Re- Passed Senate, Date 4-24-06 Passed House, Date 4-17-06
Vote: Ayes 50 Nays 0 Vote: Ayes 98 Nays 0
Approved _____

A BILL FOR

* 1 An Act providing grants on behalf of veterans seriously injured
2 in a combat zone, providing an income tax exclusion, and
3 including an effective date and retroactive applicability
4 provision.

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

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S.F. 2312

1 Section 1. NEW SECTION. 35A.14 INJURED VETERANS GRANT
2 PROGRAM.

3 1. For the purposes of this section, "veteran" means a
4 resident of this state who is or was a member of the national
5 guard, reserve, or regular component of the armed forces of
6 the United States who has served at least ninety days of
7 active duty at any time after September 11, 2001, and, if
8 discharged, was discharged under honorable conditions.

9 2. An injured veterans grant program is created under the
*10 control of the department for the purpose of providing grants
11 to eligible injured veterans.

12 3. Moneys appropriated to the department for providing
13 injured veterans grants under this section may be expended for
*14 grants of up to ten thousand dollars to a seriously injured
15 veteran to provide financial assistance to the veteran so that
16 family members of the veteran may be with the veteran during
17 the veteran's recovery from an injury received in the line of
18 duty in a combat zone or in a zone where the veteran was
19 receiving hazardous duty pay since September 11, 2001.

20 4. The department shall adopt rules governing the
*21 distribution of grants under this section in accordance with
22 the following:

23 a. Grants shall be paid in increments of two thousand five
24 hundred dollars, up to a maximum of ten thousand dollars upon
25 proof that the veteran has been evacuated from the operational
26 theater in which the veteran was injured to a military
27 hospital for an injury received in the line of duty and shall
28 continue to be paid, at thirty-day intervals, up to the
29 maximum amount, so long as the veteran is hospitalized or
30 receiving medical care or rehabilitation services authorized
31 by the military and the presence or assistance of family
32 members is necessary.

33 b. Proof of continued medical care or rehabilitation
34 services may include any reasonably reliable documentation
35 showing that the veteran is receiving continued medical or

1 rehabilitative care as a result of qualifying injuries. Proof
2 that the injury occurred in the line of duty shall be made
3 based upon the circumstances of the injury known at the time
4 of evacuation from the combat zone or zone in which the
5 veteran was receiving hazardous duty pay.

6 c. Grants for veterans injured prior to the effective date
7 of this Act shall be payable, upon a showing that the veteran
8 would have been eligible for payment had the injury occurred
9 on or after the effective date of this Act.

10 Sec. 2. Section 422.7, Code Supplement 2005, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 45. Subtract, to the extent included, the
13 amount of any grant provided pursuant to the injured veterans
14 grant program pursuant to section 35A.14.

15 Sec. 3. 2005 Iowa Acts, chapter 175, section 4, subsection
16 3, as enacted by 2006 Iowa Acts, House File 2080, section 3,
17 is amended to read as follows:

18 3. VETERANS-APPRECIATION INJURED VETERANS GRANT PROGRAM

19 For implementation of a new veterans-appreciation injured
20 veterans grant program, contingent upon enactment of law by
21 the Eighty-first General Assembly, 2006 Session, codifying the
22 new program requirements in chapter 35A, for providing
23 hardship grants to military veterans seriously injured in a
24 combat zone since September 11, 2001:

25 \$ 1,000,000

26 If the general assembly enacts law codifying a new fund or
27 other requirements for the new program for which the
28 appropriation is made in this subsection, then notwithstanding
29 section 8.33, moneys appropriated in this subsection that
30 remain unencumbered or unobligated at the close of the fiscal
31 year shall not revert but shall remain available for
32 expenditure for the purposes designated until the close of the
33 succeeding fiscal year. However, if the general assembly does
34 not enact such law, the appropriation made in this subsection
35 shall revert as provided in section 8.33.

1 Sec. 4. EFFECTIVE DATE -- RETROACTIVE APPLICABILITY.

2 1. The section of this Act creating section 35A.14, being
3 deemed of immediate importance, takes effect upon enactment
4 and is retroactively applicable to veterans seriously injured
5 after September 11, 2001, and is applicable on and after that
6 date.

7 2. The section of this Act amending section 422.7, being
8 deemed of immediate importance, takes effect upon enactment
9 and is retroactively applicable to January 1, 2006, and is
10 applicable for tax years beginning on and after that date.

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H-8540

1 Amend Senate File 2312, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 35 the
4 following:

5 "Sec. _____. COUNTY GRANT PROGRAM FOR VETERANS --
6 APPROPRIATION. There is appropriated from the general
7 fund of the state to the department of veterans
8 affairs, for the fiscal year beginning July 1, 2006,
9 and ending June 30, 2007, the following amount, or so
10 much thereof as is necessary, to be used for the
11 purpose designated:

12 For providing matching grants to counties to
13 provide improved services to veterans:

14 \$ 1,000,000

15 The department shall establish a grant application
16 process and shall require each county applying for a
17 grant to submit a plan for utilizing the grant to
18 improve services for veterans. The maximum matching
19 grant to be awarded to a county shall be \$10,000 and
20 the amount awarded shall be matched on a dollar-for-
21 dollar basis by the county. Each county receiving a
22 grant shall submit a report to the department
23 identifying the impact of the grant on increasing
24 services to veterans. The department shall submit a
25 report to the general assembly by October 1, 2007,
26 concerning the impact of the grant program on
27 increasing services to veterans."

28 2. Title page, line 1, by inserting after the
29 word "grants" the following: "to counties to provide
30 veterans services and grants".

31 3. By renumbering as necessary.

By TYMESON of Madison
CHAMBERS of O'Brien

H-8540 FILED APRIL 12, 2006

WITHDRAWN

SENATE FILE 2312

H-8440

1 Amend Senate File 2312, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 6, by striking the words "at
4 least ninety days of" and inserting the following:
5 "on".

6 2. Page 1, line 11, by inserting after the word
7 "veterans." the following: "The department may
8 receive and accept donations, grants, gifts, and
9 contributions from any public or private source for
10 the purpose of providing grants under this section."

11 3. Page 1, line 12, by inserting after the words
12 "appropriated to" the following: "or received by".

13 4. Page 1, line 19, by striking the word "since"
14 and inserting the following: "after".

15 5. Page 2, line 6, by inserting after the word
16 "injured" the following: "after September 11, 2001,
17 but".

COMMITTEE ON WAYS AND MEANS

J. K. VAN FOSSEN of Scott, Chairperson

H-8440 FILED MARCH 30, 2006

SENATE FILE 2312

H-8550

1 Amend the amendment, H-8440, to Senate File 2312,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking lines 6 through 10 and
5 inserting the following:

6 "____. Page 1, line 11, by inserting after the
7 word "veterans." the following: "Providing grants to
8 eligible injured veterans pursuant to this section is
9 deemed to serve a vital and valid public purpose of
10 the state by assisting injured veterans and their
11 families."

12 _____. Page 1, by inserting after line 11 the
13 following:

14 "2A. The department may receive and accept
15 donations, grants, gifts, and contributions from any
16 public or private source for the purpose of providing
17 grants under this section. Moneys received by the
18 department pursuant to this subsection shall be
19 deposited in an injured veterans trust fund which
20 shall be created in the state treasury under the
21 control of the department. Moneys credited to the
22 trust fund shall be appropriated to the department for
23 the purpose of providing injured veterans grants under
24 this section and shall not be transferred, used,
25 obligated, appropriated, or otherwise encumbered,
26 except as provided in this section. Notwithstanding
27 section 12C.7, subsection 2, interest or earnings on
28 moneys in the trust fund shall be credited to the
29 trust fund.""

30 2. Page 1, by inserting after line 17 the
31 following:

32 "____. Page 2, line 11, by striking the word
33 "subsection" and inserting the following:
34 "subsections".

35 _____. Page 2, by inserting after line 14 the
36 following:

37 "NEW SUBSECTION. 46. Subtract, to the extent not
38 otherwise deducted in computing adjusted gross income,
39 the amounts paid by the taxpayer to the department of
40 veterans affairs for the purpose of providing grants
41 under the injured veterans grant program established
42 in section 35A.14. Amounts subtracted under this
43 subsection shall not be used by the taxpayer in
44 computing the amount of charitable contributions as
45 defined by section 170 of the Internal Revenue Code."

46 _____. Title page, line 2, by striking the words
47 "an income tax exclusion" and inserting the following:
48 "income tax exclusions".

49 _____. By renumbering as necessary."

By HUSER of Polk

H-8550 FILED APRIL 17, 2006

ADOPTED

HOUSE AMENDMENT TO
SENATE FILE 2312

S-5199

1 Amend Senate File 2312, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 6, by striking the words "at
4 least ninety days of" and inserting the following:
5 "on".

6 2. Page 1, line 11, by inserting after the word
7 "veterans." the following: "Providing grants to
8 eligible injured veterans pursuant to this section is
9 deemed to serve a vital and valid public purpose of
10 the state by assisting injured veterans and their
11 families."

12 3. Page 1, by inserting after line 11 the
13 following:

14 "2A. The department may receive and accept
15 donations, grants, gifts, and contributions from any
16 public or private source for the purpose of providing
17 grants under this section. Moneys received by the
18 department pursuant to this subsection shall be
19 deposited in an injured veterans trust fund which
20 shall be created in the state treasury under the
21 control of the department. Moneys credited to the
22 trust fund shall be appropriated to the department for
23 the purpose of providing injured veterans grants under
24 this section and shall not be transferred, used,
25 obligated, appropriated, or otherwise encumbered,
26 except as provided in this section. Notwithstanding
27 section 12C.7, subsection 2, interest or earnings on
28 moneys in the trust fund shall be credited to the
29 trust fund."

30 4. Page 1, line 12, by inserting after the words
31 "appropriated to" the following: "or received by".

32 5. Page 1, line 19, by striking the word "since"
33 and inserting the following: "after".

34 6. Page 2, line 6, by inserting after the word
35 "injured" the following: "after September 11, 2001,
36 but".

37 7. Page 2, line 11, by striking the word
38 "subsection" and inserting the following:
39 "subsections".

40 8. Page 2, by inserting after line 14 the
41 following:

42 "NEW SUBSECTION. 46. Subtract, to the extent not
43 otherwise deducted in computing adjusted gross income,
44 the amounts paid by the taxpayer to the department of
45 veterans affairs for the purpose of providing grants
46 under the injured veterans grant program established
47 in section 35A.14. Amounts subtracted under this
48 subsection shall not be used by the taxpayer in
49 computing the amount of charitable contributions as
50 defined by section 170 of the Internal Revenue Code."

S-5199

S-5199

Page 2

1 9. Title page, line 2, by striking the words "an
2 income tax exclusion" and inserting the following:
3 "income tax exclusions".

4 10. By renumbering as necessary.

RECEIVED FROM THE HOUSE

S-5199 FILED APRIL 18, 2006

Danielson co-chair
Zieman co-chair
Horn
Ward

SSB# 3137

State Government

SENATE FILE _____ Succeeded By
BY (PROPOSED COMMITTEE ON) HF 23/2
STATE GOVERNMENT BILL BY
CO-CHAIRPERSON HORN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing hardship grants on behalf of veterans seriously
2 injured in a combat zone, providing an income tax exclusion,
3 and including an effective date and retroactive applicability
4 provision.

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

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1 Section 1. NEW SECTION. 35A.14 VETERANS APPRECIATION
2 PROGRAM -- GRANTS.

3 1. For the purposes of this section, "veteran" means a
4 resident of this state who is or was a member of the national
5 guard, reserve, or regular component of the armed forces of
6 the United States who has served at least ninety days of
7 active duty at any time after September 11, 2001, and, if
8 discharged, was discharged under honorable conditions.

9 2. A veterans appreciation program is created under the
10 control of the department for the purpose of providing
11 hardship grants to eligible veterans.

12 3. Moneys appropriated to the department for providing
13 veterans appreciation grants under this section may be
14 expended for one-time hardship grants of up to ten thousand
15 dollars to a seriously injured veteran who received a combat-
16 related injury while serving in a combat zone or in a zone
17 where the veteran was receiving hazardous duty pay since
18 September 11, 2001.

19 4. The commission shall adopt rules governing the
20 distribution of hardship grants under this section.

21 Sec. 2. Section 422.7, Code Supplement 2005, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 45. Subtract, to the extent included, the
24 amount of any grant provided pursuant to the veterans
25 appreciation program pursuant to section 35A.14.

26 Sec. 3. EFFECTIVE DATE -- RETROACTIVE APPLICABILITY.

27 1. The section of this Act creating section 35A.14, being
28 deemed of immediate importance, takes effect upon enactment
29 and is retroactively applicable to veterans seriously injured
30 after September 11, 2001, and is applicable on and after that
31 date.

32 2. The section of this Act amending section 422.7, being
33 deemed of immediate importance, takes effect upon enactment
34 and is retroactively applicable to January 1, 2006, and is
35 applicable for tax years beginning on and after that date.

EXPLANATION

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This bill establishes a veterans appreciation program under the control of the department of veterans affairs.

New Code section 35A.14 establishes the veterans appreciation program. Moneys appropriated to the department for this program may be expended by the department of veterans affairs for one-time hardship grants of up to \$10,000 for seriously injured veterans sustaining a combat-related injury while serving in a combat zone or hazardous duty pay zone since September 11, 2001. The bill also requires that the commission of veterans affairs adopt rules governing the distribution of these grants. The new section takes effect upon enactment and applies retroactively to veterans seriously injured after September 11, 2001.

The bill also amends Code section 422.7 to provide that grants received under this program are subtracted from net income for purposes of taxation. This provision takes effect upon enactment and is applicable to tax years beginning on or after January 1, 2006.

SENATE FILE 2312

AN ACT

PROVIDING GRANTS ON BEHALF OF VETERANS SERIOUSLY INJURED IN A COMBAT ZONE, PROVIDING INCOME TAX EXCLUSIONS, AND INCLUDING AN EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISION.

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

Section 1. NEW SECTION. 35A.14 INJURED VETERANS GRANT PROGRAM.

1. For the purposes of this section, "veteran" means a resident of this state who is or was a member of the national guard, reserve, or regular component of the armed forces of the United States who has served on active duty at any time after September 11, 2001, and, if discharged, was discharged under honorable conditions.

2. An injured veterans grant program is created under the control of the department for the purpose of providing grants to eligible injured veterans. Providing grants to eligible injured veterans pursuant to this section is deemed to serve a vital and valid public purpose of the state by assisting injured veterans and their families.

3. The department may receive and accept donations, grants, gifts, and contributions from any public or private source for the purpose of providing grants under this section. Moneys received by the department pursuant to this subsection shall be deposited in an injured veterans trust fund which shall be created in the state treasury under the control of the department. Moneys credited to the trust fund shall be appropriated to the department for the purpose of providing injured veterans grants under this section and shall not be transferred, used, obligated, appropriated, or otherwise

encumbered, except as provided in this section. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the trust fund shall be credited to the trust fund.

4. Moneys appropriated to or received by the department for providing injured veterans grants under this section may be expended for grants of up to ten thousand dollars to a seriously injured veteran to provide financial assistance to the veteran so that family members of the veteran may be with the veteran during the veteran's recovery from an injury received in the line of duty in a combat zone or in a zone where the veteran was receiving hazardous duty pay after September 11, 2001.

5. The department shall adopt rules governing the distribution of grants under this section in accordance with the following:

a. Grants shall be paid in increments of two thousand five hundred dollars, up to a maximum of ten thousand dollars upon proof that the veteran has been evacuated from the operational theater in which the veteran was injured to a military hospital for an injury received in the line of duty and shall continue to be paid, at thirty-day intervals, up to the maximum amount, so long as the veteran is hospitalized or receiving medical care or rehabilitation services authorized by the military and the presence or assistance of family members is necessary.

b. Proof of continued medical care or rehabilitation services may include any reasonably reliable documentation showing that the veteran is receiving continued medical or rehabilitative care as a result of qualifying injuries. Proof that the injury occurred in the line of duty shall be made based upon the circumstances of the injury known at the time of evacuation from the combat zone or zone in which the veteran was receiving hazardous duty pay.

c. Grants for veterans injured after September 11, 2001, but prior to the effective date of this Act shall be payable,

upon a showing that the veteran would have been eligible for payment had the injury occurred on or after the effective date of this Act.

Sec. 2. Section 422.7, Code Supplement 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 45. Subtract, to the extent included, the amount of any grant provided pursuant to the injured veterans grant program pursuant to section 35A.14.

NEW SUBSECTION. 46. Subtract, to the extent not otherwise deducted in computing adjusted gross income, the amounts paid by the taxpayer to the department of veterans affairs for the purpose of providing grants under the injured veterans grant program established in section 35A.14. Amounts subtracted under this subsection shall not be used by the taxpayer in computing the amount of charitable contributions as defined by section 170 of the Internal Revenue Code.

Sec. 3. 2005 Iowa Acts, chapter 175, section 4, subsection 3, as enacted by 2006 Iowa Acts, House File 2080, section 3, is amended to read as follows:

3. VETERANS-APPRECIATION INJURED VETERANS GRANT PROGRAM

For implementation of a new veterans-appreciation injured veterans grant program, contingent upon enactment of law by the Eighty-first General Assembly, 2006 Session, codifying the new program requirements in chapter 35A, for providing hardship grants to military veterans seriously injured in a combat zone since September 11, 2001:

..... \$ 1,000,000

If the general assembly enacts law codifying a new fund or other requirements for the new program for which the appropriation is made in this subsection, then notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, if the general assembly does not enact such law, the appropriation made in this subsection shall revert as provided in section 8.33.

Sec. 4. EFFECTIVE DATE -- RETROACTIVE APPLICABILITY.

1. The section of this Act creating section 35A.14, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to veterans seriously injured after September 11, 2001, and is applicable on and after that date.

2. The section of this Act amending section 422.7, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to January 1, 2006, and is applicable for tax years beginning on and after that date.

JEFFREY M. LAMBERTI
President of the Senate

CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2312, Eighty-first General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2006

THOMAS J. VILSACK
Governor