

Reported Recommending
 Ind. Postponed
 Passed House
 Failed to Pass House
 Passed Senate
 Failed to Pass Senate

House File 156

January 30, 1947.

By BURKMAN, SCHWENGEL (Watson).

Military and Veterans Affairs.

A BILL FOR

An Act authorizing the state of Iowa to become indebted in the amount of ninety million dollars, and providing for the issue and sale of bonds of said state in evidence thereof, to procure funds for and pay compensation to persons who served in the military or naval service of the United States at any time between the sixteenth day of September, nineteen hundred forty, and the second day of September, nineteen hundred forty-five, or their successors in interest, providing for a board to administer such payments, providing for additional compensation for persons under disability, providing for the imposition, levy, and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, providing penalties for the violation of the provisions of this act, providing for application of any surplus to the retirement of the indebtedness herein created, and providing for submission of this act to the people to be voted upon at the general election to be held in the year nineteen hundred forty-eight.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Bond authorization. The state of Iowa
 2 is hereby authorized to become indebted in the amount of
 3 ninety million dollars (\$90,000,000.00), and in evidence
 4 thereof there shall be issued and sold negotiable coupon
 5 bonds of said state, as hereinafter provided, and the

6 proceeds thereof shall be paid into the treasury of the
7 state to be expended for the payment of compensation to
8 the persons defined in section four (4) of this act or
9 for the benefit of such persons, as prescribed by section
10 eight (8) of this act, and for expenses incurred in
11 carrying out the provisions of this act.

1 Sec. 2. Bonds—terms—sale. The treasurer
2 of the state is hereby directed to cause to be prepared
3 negotiable coupon bonds of this state in the amount of
4 ninety million dollars (\$90,000,000.00), such bonds to
5 bear interest at the rate of not to exceed four per cent
6 per annum, which interest shall be paid semi-annually.
7 Such bonds shall be issued so that said indebtedness
8 shall be payable in twenty equal annual installments, the
9 last of which shall be within twenty years from date of
10 issue. Said bonds shall be signed by the governor, under
11 the great seal of said state, attested by the secretary
12 of state and countersigned by the treasurer of state, and
13 the full faith, credit and resources of the state of Iowa
14 shall be pledged for the payment thereof. The interest
15 coupons attached to said bonds shall bear the lithographed
16 facsimile signatures of said officials. The treasurer of
17 state shall sell said bonds to obtain funds to carry out
18 the provisions of this act, and to make the payments
19 hereinafter provided. Such bonds shall be sold at not
20 less than the par value thereof and accrued interest thereon

21 to the highest and most responsible bidder after advertising
22 for a period of twenty consecutive days, Sundays excepted,
23 in at least two daily newspapers printed in the city of
24 Des Moines. Advertisements of sale shall recite that the
25 treasurer of state, in his discretion, may reject any or
26 all bids received and, in such event, he shall readvertise
27 for bids in the form and manner above described as many
28 times as in his judgment may be necessary to effect a
29 satisfactory sale at an interest rate as near to one per
30 cent per annum as practicable, subject to the conditions
31 hereinabove.

1 Sec. 3. Compensation fund. The proceeds of
2 such bonds so paid into the treasury of state shall
3 constitute a separate fund which shall be known as the
4 Iowa Compensation Fund and shall be distributed to the
5 persons entitled thereto, as hereinafter prescribed. Said
6 ninety million dollars (\$90,000,000.00) are hereby
7 appropriated out of said Iowa Compensation Fund for the
8 purpose of carrying out the provisions of this act.

1 Sec. 4. Beneficiaries defined. Every person,
2 male or female, who served on active duty in the military
3 or naval service of the United States at any time between
4 September 16, 1940, and September 2, 1945, and who at the
5 time of entering such service was a legal resident of the
6 state of Iowa and who had maintained such residence for
7 a period of at least six (6) months immediately prior

8 thereto, and who is honorably separated or discharged from
9 such service, or who is still in active service, or has been
10 retired, or has been furloughed to a reserve, and who was
11 in such service for a period of at least sixty days, shall
12 be entitled to receive from the Iowa Compensation Fund of
13 the state treasury compensation of thirty-six dollars for
14 each quarter year that such person was in active domestic
15 service and forty-five dollars for each quarter that such
16 person was in active foreign service, all prior to
17 December 31, 1946, not to exceed a total sum of four
18 hundred dollars (\$400.00); provided, that the minimum
19 compensation payable under this act shall be fifty
20 dollars (\$50.00). Compensation for a fraction of a
21 quarter year of service shall be paid on the basis of
22 one-ninetieth ($1/90$) of the above quarter year amounts
23 for each day of such service. No person shall be
24 entitled to such payment or allowance who received
25 from another state a bonus or compensation of a like
26 nature provided for by this act, or who being in such
27 service, received civilian pay for civilian work. The
28 husband or wife, child or children, mother, father,
29 person standing in loco parentis, brothers and sisters,
30 if first of surviving beneficiaries in the order named,
31 of any deceased person shall be paid the sum or
32 allowance that such deceased person would be entitled
33 to under this act, if living; but in lieu thereof, if

34 any person died while serving in the military or naval
35 forces of the United States on or after September 16,
36 1940, and such death was service-connected, the first
37 of survivors as hereinbefore designated and in the order
38 named shall be paid four hundred dollars (\$400.00),
39 regardless of the length of such service. Domestic
40 service means service within the continental limits of
41 the United States (and excluding Alaska); foreign
42 service means all other service. No person shall be
43 entitled to such payment or allowance who being in the
44 military or naval service of the United States, subsequent
45 to September 16, 1940, refused on conscientious, political
46 or other grounds to subject himself to military discipline
47 or to render unqualified service.

1 Sec. 5. Application for compensation.

2 Before receiving any sum under the provisions of this
3 act, the applicant shall file with the clerk of the
4 district court of the county in which he or she resides
5 or resided at the time of entry into service, or with
6 the adjutant general, application therefor on forms
7 provided by the adjutant general, such applications to
8 be so filed on or before December 31, 1950; provided,
9 that when such application is filed with the clerk of
10 the district court it shall be the duty of said clerk
11 to transmit said application to the adjutant general
12 forthwith. Such application shall state facts sufficient

13 to establish the status of such applicant within a class
14 as defined in section four (4) of this act, and shall be
15 duly verified.

1 Sec. 6. False statements. Whoever
2 knowingly makes a false statement, oral or written,
3 relating to a material fact in supporting a claim under
4 the provisions of this act, shall be punished by a fine
5 of not more than one thousand dollars (\$1,000.00) or
6 be imprisoned for not more than one year, or both,
7 and shall forfeit all benefits he or she might have been
8 entitled to under this act.

1 Sec. 7. Iowa Compensation Board—duties—
2 payment of claims—assignments. There is hereby created
3 a board to be known as the Iowa Compensation Board, to
4 consist of the state auditor, the state treasurer, the
5 adjutant general and a veteran of World War II, which
6 veteran shall be appointed by the governor. It shall
7 be the duty of said board to examine into such applications
8 and make any other examination necessary to establish facts,
9 and approve or disapprove the same. Whenever any such
10 application is approved by said board, it shall be the
11 duty of the adjutant general to prepare a voucher and
12 transmit the same to the state auditor; said auditor shall
13 issue a warrant for the amount stated therein, and the
14 state treasurer shall pay such warrant out of said
15 compensation fund. No assignment of any right or claim

16 to benefits hereunder made prior to the issuance of the
17 state auditor's warrant herein provided for, shall be
18 valid, and any transfer or attempt to transfer any such
19 right or claim or any part thereof by any beneficiary
20 prior to the issuance of such warrant and the acquiring
21 or attempting to acquire by any other person of any interest
22 in or title to such claim prior to the issuance of such
23 warrant, shall be a misdemeanor and punishable as such.

1 Sec. 8. Disability fund. After the
2 payment of all approved claims and expenses of
3 administration of the board herein created, all funds
4 remaining in the hands of the compensation board after
5 December 31, 1950, not in excess of ten million dollars
6 (\$10,000,000.00), shall constitute additional compensation
7 to be administered by the compensation board for the
8 amelioration of the condition of residents of this
9 state within the classes as defined in section four (4)
10 of this act, who are suffering from disability. All
11 funds remaining in the hands of the compensation board
12 after December 31, 1950, in excess of ten million
13 dollars (\$10,000,000.00) disability fund, shall be
14 applied to the payment of the debt herein created.

1 Sec. 9. Administration expense—bonds
2 of assistants. The compensation board is hereby empowered
3 to employ such assistants and to incur such other expenses
4 as may be necessary for the administration and carrying out

5 of the provisions of this act; and the funds necessary for
6 such administration and carrying out of the provisions
7 of this act shall be expended from said compensation fund;
8 such assistants as said board may determine shall give
9 bond in such amount as may be fixed by said board, and
10 shall, whenever practicable, be persons within the classes
11 as defined in section four (4) of this act.

1 Sec. 10. Exemptions. All payments and
2 allowances made under this act shall be exempt from all
3 taxation, and from levy and sale on execution, and all
4 bonds issued hereunder shall be exempt from taxation.

1 Sec. 11. Annual board levy. To provide
2 for the payment of the principal of said bonds so issued
3 and sold and the interest thereon as the same become
4 due and mature, there is hereby imposed and levied upon
5 all the taxable property within the State of Iowa, in
6 addition to all other taxes, a direct annual tax for
7 each of the years said bonds are outstanding, sufficient
8 in amount to produce the sum of four million five hundred
9 thousand dollars (\$4,500,000.00) each year for twenty
10 years for the payment of principal of said bonds and
11 sufficient in amount to produce such additional sums as
12 may be needed to pay the interest on such bonds. The
13 treasurer of state shall annually certify to the executive
14 council, prior to the time for the levy of general state
15 taxes, the amount of money required to be raised to pay

16 the principal and interest on such bonds maturing in the
17 ensuing year and said executive council shall annually
18 fix the rate per centum necessary to be levied and assessed
19 upon the valuation of the taxable property within this
20 state to produce funds sufficient to pay the principal
21 of and interest upon such bonds as the same become
22 payable, and such additional annual direct tax shall be
23 levied, certified, assessed and collected at the same
24 time and in the same manner as are taxes for general
25 state purposes.

1 Sec. 12. Rule of construction. If any
2 clause, sentence, paragraph or part of this act shall
3 for any reason be adjudged by any court of competent
4 jurisdiction to be invalid, such judgment shall not
5 affect, impair or invalidate the remainder of the act,
6 but shall be confined in its operation to the clause,
7 sentence, paragraph, or part thereof directly involved
8 in the controversy in which such judgment has been
9 rendered.

1 Sec. 13. Submission to people. This law,
2 after legal publication, shall be submitted to the people
3 of this state at the general election to be held in
4 November, nineteen hundred forty-eight, and shall not
5 take effect unless at such election it shall receive a
6 majority of all votes cast for and against it. Separate
7 ballots shall be provided for the electors which shall

8 be in substantially the following form:

9 (Notice to Voters: For an affirmative

10 vote upon any question submitted upon this ballot, make

11 a cross mark in the square after the word "Yes". For

12 a negative vote, make a similar mark in the square

13 following the word "No".)

14 "Shall the following public measure,

15 being an act of the 52nd General Assembly, be adopted

16 and approved?" Yes No

17 (Here insert in full this law)

1 Sec. 14. Effective date. This act shall

2 take effect immediately upon its adoption and approval

3 at such election.

EXPLANATION OF H. F. 156

This bill is designed to show the veterans of World War II that the State of Iowa desires, at least partially, to compensate them for their successful efforts in winning the war.

This bill is patterned after the bill passed soon after World War I.

It provides for a minimum compensation of \$50 and a maximum compensation of \$400 graduated in amounts dependent upon the individual's length of actual service.

It also provides that the law be submitted to the people of the state at the November, 1948, general election and that the law shall not take effect unless a majority of the voters favor it.

It also authorizes the state to become indebted in the amount of ninety million dollars and the issuance and sale of bonds to provide the funds to carry out the provisions of the act.