

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 994 Session of
2001

INTRODUCED BY GREENLEAF, TOMLINSON, ROBBINS, BELL, LEMMOND,
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TILGHMAN AND WAGNER, JUNE 14, 2001

REFERRED TO MILITARY AND VETERANS AFFAIRS, JUNE 14, 2001

AN ACT

1 Providing compensation to persons in active service in
2 connection with the Persian Gulf Conflict or their
3 beneficiaries; authorizing the incurring of indebtedness and
4 the issue and sale of bonds by the Commonwealth for the
5 payment of compensation, contingent upon electorate approval;
6 creating a special fund in the State Treasury to be known as
7 the Persian Gulf Conflict Veterans' Compensation Bond Fund;
8 imposing powers and duties on the Department of General
9 Services; and making appropriations.

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7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Persian Gulf
11 Conflict Veterans' Compensation and Bond Act.

12 Section 2. Definitions.

13 The following words and phrases when used in this act shall
14 have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 "Active service." For a member of a component of the armed
17 forces of the United States, the time served on active duty for
18 which the member has received or is eligible to receive the
19 Southwest Asia Service Medal for service related to the Persian
20 Gulf Conflict Theater, for a member of the Pennsylvania National
21 Guard or a reserve component of the armed forces of the United
22 States, time served on active duty for the support of operations
23 in the Persian Gulf Conflict Theater whether or not that service
24 was in the theater. The term includes time spent in hospitals as
25 a result of service-connected wounds, diseases or injuries
26 sustained on active service. Proof of such service shall be the
27 official military records of the United States or such other
28 evidence as is deemed sufficient by the Adjutant General. The
29 term does not include time served on active duty for annual
30 training or schooling, except for training and schooling in

1 preparation for active duty in the Persian Gulf Conflict
2 Theater.

3 "Fund." The Persian Gulf Conflict Veterans' Compensation
4 Bond Fund.

5 "Issuing officials." The Governor, the Auditor General and
6 the State Treasurer.

7 "Legal resident of this Commonwealth." A member of the
8 United States Armed Forces, the reserve component of the United
9 States Armed Forces or the Pennsylvania National Guard whose
10 home of record at the time of the Persian Gulf Conflict was this
11 Commonwealth or any specific place in this Commonwealth without
12 regard to the place of enlistment, commission or induction. The
13 proof of such residence shall be the official records of the
14 United States or such other evidence as is deemed sufficient by
15 the Adjutant General.

16 "Persian Gulf Conflict Theater." The area defined as the
17 Persian Gulf Conflict Theater of Operations as established by
18 the United States Department of Defense for the awarding of the
19 Southwest Asia Service Medal for the period of time from August
20 2, 1990, through August 31, 1991.

21 "Veteran." A member of a component of the armed forces of
22 the United States who had active service in the Persian Gulf
23 Conflict Theater or a member of the Pennsylvania National Guard
24 or a reserve component of the armed forces who had active
25 service for the support of operations in the Persian Gulf
26 Conflict Theater. The term does not include an individual who
27 was separated from the armed forces under other than honorable
28 conditions, had renounced his United States citizenship or was
29 called to active duty for the purpose of annual training or
30 schooling.

1 Section 3. Computation of compensation.

2 (a) Eligibility.--Compensation shall be payable under this
3 act only to each veteran who was a legal resident of this
4 Commonwealth.

5 (b) Compensation for service in the Persian Gulf.--
6 Compensation shall be payable on the basis of \$75 for the first
7 month of eligibility with a minimum of one day of active
8 service; thereafter, it shall be computed on the basis of \$75
9 for each month or major fraction thereof.

10 (c) Compensation on behalf of deceased veteran.--In addition
11 to any other compensation authorized under this section, the
12 compensation on behalf of a veteran who died in active service
13 or as a result of service-connected wounds, diseases or injuries
14 sustained during active service shall be \$4,000.

15 (d) Compensation of prisoner of war.--In addition to any
16 compensation under the other provisions of this section, the
17 compensation of a veteran who was declared a prisoner of war,
18 regardless of the length of time spent as a prisoner of war,
19 shall, upon return, be \$4,000.

20 (e) Total amount of compensation.--The compensation provided
21 for active service under subsection (b) shall be not less than
22 \$75 and not more than \$525.

23 (f) Exclusion from compensation.--Any individual who has
24 received a bonus, gratuity or compensation of a nature similar
25 to that provided for by this act from any other state in the
26 United States is ineligible for compensation. This exclusion
27 does not apply to a similar bonus, gratuity or compensation from
28 the Federal Government.

29 Section 4. Application for compensation.

30 (a) Application to Adjutant General.--Applications shall be

1 made by a veteran, the facility entitled under section 5(a) or
2 the beneficiaries designated under section 5(b). The Adjutant
3 General shall ascertain the applicants who are veterans and, as
4 to each veteran, the number of months of service for which the
5 veteran is entitled to receive compensation.

6 (b) Time for filing application.--The Adjutant General shall
7 not accept or consider any application filed after August 31,
8 2005.

9 Section 5. Persons to whom payments shall be made in case of
10 incompetence or death.

11 (a) Incompetence.--In a case where the veteran is
12 incompetent, if no guardian has been appointed, payment shall be
13 made for the benefit of the veteran to the person who is
14 entitled to payment under subsection (b), or, in the absence of
15 any such person and if the veteran is in a facility, to the
16 person in charge of the facility to be expended for the clothing
17 and incidental needs of the veteran. No part of the compensation
18 paid to any facility shall be used for the maintenance of the
19 veteran. A statement from the person in charge of the facility
20 in which the veteran resides shall be evidence to determine the
21 competence of the veteran.

22 (b) Death.--In the case of the death of a veteran, payment
23 shall be made, in the order named, to the:

24 (1) surviving spouse unless the spouse was living
25 separate and apart from the veteran at the time of departure
26 for active service;

27 (2) surviving children, share and share alike; or

28 (3) surviving parents.

29 (c) Definitions.--As used in this section, the following
30 words and phrases shall have the meanings given to them in this

1 subsection:

2 "Facility." Any mental health establishment, hospital,
3 clinic, institution, center, day-care center, base service unit,
4 community mental health center or other organizational unit, or
5 part thereof, which is devoted primarily to the diagnosis,
6 treatment, care, rehabilitation or detention of mentally
7 disabled persons.

8 "Parents." Includes persons who, for a period of not less
9 than one year, acted in the capacity of a foster parent to the
10 veteran immediately prior to the veteran having attained 18
11 years of age.

12 Section 6. Applicant to designate beneficiaries.

13 Every person making application for compensation shall set
14 forth in the application the names and addresses of all persons
15 who, under this act, would be entitled to receive compensation
16 in the event of the death of the applicant. If the applicant
17 dies before the payment of the compensation, the application
18 shall be deemed to inure to the benefit of the person next
19 entitled to compensation, and payment shall be made to the
20 person upon proof of identity satisfactory to the Adjutant
21 General. If no person designated in this act as being entitled
22 to compensation survives the veteran, the right to the
23 compensation shall cease.

24 Section 7. Exemption from attachment, etc.

25 No sum payable under this act to a veteran or to any other
26 person under this act shall be subject to attachment, levy or
27 seizure under any legal or equitable process and shall be exempt
28 from all State taxation. No right to compensation under this act
29 shall be assignable, except as otherwise provided in this act,
30 or shall serve as a security for any loan. Any assignment or

1 loan made in violation of this section shall be void.

2 Assignments to any incorporated or unincorporated organization
3 of veterans, any nonprofit corporation formed solely for the
4 purpose of aiding disabled or incapacitated veterans and the
5 State Veterans' Commission shall be valid.

6 Section 8. Penalty for charging fees for assisting veterans.

7 A person who charges or collects or attempts to charge or
8 collect, either directly or indirectly, any fee or other
9 compensation for assisting, in any manner, a veteran in
10 obtaining any of the benefits provided under this act commits a
11 misdemeanor of the second degree.

12 Section 9. Administration of compensation program.

13 The Adjutant General shall administer the compensation
14 program. For that purpose application forms shall be prepared
15 and distributed, applications shall be investigated, and, if
16 satisfied of the proof of an application, compensation shall be
17 approved and payment of compensation shall be made. The Adjutant
18 General shall promulgate rules and regulations to implement,
19 administer and enforce this act. The Adjutant General shall, as
20 soon as practicable after the effective date of this act,
21 prepare and distribute a digest explaining the provisions of
22 this act to assist veterans in filing their applications and
23 shall, from time to time, prepare and distribute additional or
24 supplementary information as may be found necessary. The
25 Adjutant General shall enlist, as far as possible, the services
26 of veteran organizations in this Commonwealth in the
27 dissemination of the information.

28 Section 10. Payment of compensation.

29 The compensation payable under this act shall, upon
30 requisition by the Adjutant General, be paid by the State

1 Treasurer from the fund, to be created with funds realized from
2 a proposed bond issue. Payments shall be made as soon as
3 possible after funds are available.

4 Section 11. Persian Gulf Conflict Veterans' Compensation Bond
5 Fund.

6 (a) Purpose of fund.--The Persian Gulf Conflict Veterans'
7 Compensation Bond Fund, which is hereby created in the State
8 Treasury, shall be the source from which all payments are
9 authorized with the approval of the Governor to carry out the
10 purposes of this act. The moneys in the fund shall only be
11 utilized:

12 (1) For the purpose of providing compensation to
13 veterans in accordance with the provisions of this act.

14 (2) For payment of the cost of designing and
15 constructing a patriotic monument or memorial in appreciation
16 of veterans of this Commonwealth.

17 (3) For the administrative costs incurred in any of the
18 purposes in paragraph (1) or (2), including the costs
19 incurred in connection with the issuance of the bonds.

20 (b) Interfund transfers authorized.--

21 (1) Whenever the cash balance and the current estimated
22 receipts of the fund shall be insufficient at any time during
23 any State fiscal year to meet promptly the obligations of the
24 Commonwealth from such fund, the State Treasurer is hereby
25 authorized and directed, from time to time during such fiscal
26 year, to transfer from the General Fund to the fund such sums
27 as the Governor directs, but in no case less than the amount
28 necessary to meet promptly the obligations to be paid from
29 the fund nor more than an amount which is the smallest of:

30 (i) the difference between the amount of debt

1 authorized to be issued under the authority of this act
2 and the aggregate principal amount of bonds and notes
3 issued, not including refunding bonds and replacement
4 notes; and

5 (ii) the difference between the aggregate principal
6 amount of bonds and notes to be issued during a State
7 fiscal year and the aggregate principal amount of bonds
8 and notes, not including refunding bonds and replacement
9 notes, issued during such State fiscal year.

10 Any sums so transferred shall be available only for the
11 purposes for which funds are appropriated from the fund. The
12 transfers shall be made under this section upon warrant of
13 the State Treasurer upon requisition of the Governor.

14 (2) In order to reimburse the General Fund for moneys
15 transferred from such funds under paragraph (1), there shall
16 be transferred to the General Fund from the fund moneys from
17 the proceeds obtained from bonds and notes issued under the
18 authority of this act or from other available funds in such
19 amounts and at such times as the Governor shall direct. The
20 retransfers shall be made upon warrant of the State Treasurer
21 upon requisition of the Governor.

22 Section 12. Commonwealth indebtedness.

23 (a) Borrowing authorized.--

24 (1) If and when the electorate approves a referendum
25 question for the incurring of indebtedness in the amount and
26 for the purposes prescribed in this act, the issuing
27 officials, pursuant to the provisions of section 7(a)(3) of
28 Article VIII of the Constitution of Pennsylvania, are
29 authorized and directed to borrow, on the credit of the
30 Commonwealth, money not exceeding in the aggregate the sum of

1 \$16,000,000, not including money borrowed to refund
2 outstanding bonds, notes or replacement notes, as may be
3 found necessary to carry out the purposes of this act.

4 (2) As evidence of the indebtedness, general obligation
5 bonds of the Commonwealth shall be issued, from time to time,
6 to provide moneys necessary to carry out the purposes of this
7 act for such total amounts, in such form, in such
8 denominations and subject to such terms and conditions of
9 issue, redemption and maturity, rate of interest and time of
10 payment of interest as the issuing officials direct, except
11 that the latest stated maturity date shall not exceed 20
12 years from the date of the first obligation issued to
13 evidence the debt.

14 (3) All bonds and notes issued under the authority of
15 this act shall bear facsimile signatures of the issuing
16 officials and a facsimile of the Great Seal of the
17 Commonwealth and shall be countersigned by a duly authorized
18 officer of a duly authorized loan and transfer agent of the
19 Commonwealth.

20 (4) All bonds and notes issued in accordance with the
21 provisions of this section shall be direct obligations of the
22 Commonwealth, and the full faith and credit of the
23 Commonwealth is hereby pledged for the payment of the
24 interest thereon, as it becomes due, and the payment of the
25 principal at maturity. The principal of and interest on the
26 bonds and notes shall be payable in lawful money of the
27 United States.

28 (5) All bonds and notes issued under the provisions of
29 this section shall be exempt from taxation for State and
30 local purposes.

1 (6) The bonds may be issued as coupon bonds or
2 registered as to both principal and interest as the issuing
3 officials may determine. If interest coupons are attached,
4 they shall contain the facsimile signature of the State
5 Treasurer.

6 (7) The issuing officials shall provide for the
7 amortization of the bonds in substantial and regular amounts
8 over the term of the debt so that the bonds of each issue
9 allocated to the programs to be funded from the bond issue
10 shall mature within a period not to exceed the appropriate
11 amortization period for each program as specified by the
12 issuing officials but in no case in excess of 20 years. The
13 first retirement of principal shall be stated to mature prior
14 to the expiration of a period of time equal to one-tenth of
15 the time from the date of the first obligation issued to
16 evidence the debt to the date of the expiration of the term
17 of the debt. Retirements of principal shall be regular and
18 substantial if made in annual or semiannual amounts whether
19 by stated serial maturities or by mandatory sinking fund
20 retirements.

21 (8) The issuing officials are authorized to provide by
22 resolution for the issuance of refunding bonds for the
23 purpose of refunding any debt issued under the provisions of
24 this act and then outstanding, either by voluntary exchange
25 with the holders of the outstanding debt or providing funds
26 to redeem and retire the outstanding debt with accrued
27 interest, any premium payable thereon and the costs of
28 issuance and retirement of the debt, at maturity or at any
29 call date. The issuance of the refunding bonds, the
30 maturities and other details thereof, the rights of the

1 holders thereof and the duties of the issuing official in
2 respect thereto shall be governed by the provisions of this
3 section, insofar as they may be applicable. Refunding bonds,
4 which are not subject to the aggregate limitation of
5 \$16,000,000 of debt to be issued under this act, may be
6 issued by the issuing officials to refund debt originally
7 issued or to refund bonds previously issued for refunding
8 purposes.

9 (9) Whenever any action is to be taken or decision made
10 by the Governor, the Auditor General and the State Treasurer
11 acting as issuing officials and the three officers are not
12 able unanimously to agree, the action or decision of the
13 Governor and either the Auditor General or the State
14 Treasurer shall be binding and final.

15 (b) Sale of bonds.--

16 (1) Whenever bonds are issued, they shall be offered for
17 sale at not less than 98% of the principal amount and accrued
18 interest and shall be sold by the issuing officials to the
19 highest and best bidder or bidders after due public
20 advertisement on the terms and conditions and upon such open
21 competitive bidding as the issuing officials shall direct.
22 The manner and character of the advertisement and the time of
23 advertising shall be prescribed by the issuing officials. No
24 commission shall be allowed or paid for the sale of any bonds
25 issued under the authority of this act.

26 (2) Any portion of any bond issue so offered and not
27 sold or subscribed for at public sale may be disposed of by
28 private sale by the issuing officials in such manner and at
29 such prices, not less than 98% of the principal amount and
30 accrued interest, as the Governor shall direct. No commission

1 shall be allowed or paid for the sale of any bonds issued
2 under the authority of this act.

3 (3) When bonds are issued from time to time, the bonds
4 of each issue shall constitute a separate series to be
5 designated by the issuing officials or may be combined for
6 sale as one series with other general obligation bonds of the
7 Commonwealth.

8 (4) Until permanent bonds can be prepared, the issuing
9 officials may in their discretion issue, in lieu of permanent
10 bonds, temporary bonds in such form and with such privileges
11 as to registration and exchange for permanent bonds as may be
12 determined by the issuing officials.

13 (5) The proceeds realized from the sale of bonds and
14 notes, except refunding bonds and replacement notes, under
15 the provisions of this act shall be paid into the fund. The
16 proceeds shall be paid by the State Treasurer periodically to
17 those Commonwealth officers and Commonwealth agencies
18 authorized to expend them at such times and in such amounts
19 as may be necessary to satisfy the funding needs thereof. The
20 proceeds of the sale of refunding bonds and replacement notes
21 shall be paid to the State Treasurer and applied to the
22 payment of principal, the accrued interest and premium, if
23 any, and cost of redemption of the bonds and notes for which
24 the obligations shall have been issued.

25 (6) Pending their application for the purposes
26 authorized, moneys held or deposited by the State Treasurer
27 may be invested or reinvested as are other funds in the
28 custody of the State Treasurer in the manner provided by law.
29 All earnings received from the investment or deposit of the
30 funds shall be paid into the State Treasury to the credit of

1 the fund. The earnings in excess of bond discounts allowed,
2 expenses paid for the issuance of bonds and notes and
3 interest arbitrage rebates due to the Federal Government
4 shall be transferred annually to the fund. Any interest or
5 investment income shall be applied to assist in the payment
6 of the debt service incurred in connection with this act.

7 (7) The Auditor General shall prepare the necessary
8 registry book to be kept in the office of the duly authorized
9 loan and transfer agent of the Commonwealth for the
10 registration of any bonds, at the request of owners thereof,
11 according to the terms and conditions of issue directed by
12 the issuing officials.

13 (8) There is hereby appropriated to the State Treasurer
14 from the fund as much money as may be necessary for all costs
15 and expenses in connection with the issue of and sale and
16 registration of the bonds and notes in connection with this
17 act and the payment of interest arbitrage rebates or proceeds
18 of such bonds and notes.

19 (c) Temporary financing authorization.--

20 (1) Pending the issuance of bonds of the Commonwealth as
21 authorized, the issuing officials are hereby authorized, in
22 accordance with the provisions of this act and on the credit
23 of the Commonwealth, to make temporary borrowings not to
24 exceed three years in anticipation of the issue of bonds in
25 order to provide funds in such amounts as may, from time to
26 time, be deemed advisable prior to the issue of bonds. In
27 order to provide for and in connection with the temporary
28 borrowings, the issuing officials are hereby authorized in
29 the name and on behalf of the Commonwealth to enter into any
30 purchase, loan or credit agreement or agreements, or other

1 agreement or agreements with any banks or trust companies or
2 other lending institutions, investment banking firms or
3 persons in the United States having power to enter into the
4 same, which agreements may contain provisions not
5 inconsistent with the provisions of this act as may be
6 authorized by the issuing officials.

7 (2) All temporary borrowings made under the
8 authorization of this section shall be evidenced by notes of
9 the Commonwealth, which shall be issued, from time to time,
10 for amounts not exceeding in the aggregate the applicable
11 statutory and constitutional debt limitation, in the form and
12 in the denominations and subject to terms and conditions of
13 sale and issue, prepayment or redemption and maturity, rate
14 or rates of interest and time of payment of interest as the
15 issuing officials shall authorize and direct and in
16 accordance with this act. The authorization and direction may
17 provide for the subsequent issuance of replacement notes to
18 refund outstanding notes or replacement notes, which
19 replacement notes shall, upon issuance thereof, evidence the
20 borrowing, and may specify other terms and conditions with
21 respect to the notes and replacement notes thereby authorized
22 for issuance as the issuing officials may determine and
23 direct.

24 (3) When the authorization and direction of the issuing
25 officials provide for the issuance of replacement notes, the
26 issuing officials are hereby authorized in the name and on
27 behalf of the Commonwealth to issue, enter into or authorize
28 and direct the State Treasurer to enter into agreements with
29 any banks, trust companies, investment banking firms or other
30 institutions or persons in the United States having the power

1 to enter the same:

2 (i) To purchase or underwrite an issue or series of
3 issues or notes.

4 (ii) To credit, to enter into any purchase, loan or
5 credit agreements, to draw moneys pursuant to any such
6 agreements on the terms and conditions set forth therein
7 and to issue notes as evidence of borrowings made under
8 any such agreements.

9 (iii) To appoint as issuing and payment agent or
10 agents with respect to notes.

11 (iv) To do such other acts as may be necessary or
12 appropriate to provide for the payment, when due, of the
13 interest on and the principal of such notes. Such
14 agreements may provide for the compensation of any
15 purchasers or underwriters of notes or replacement notes
16 by discounting the purchase price of the notes or by
17 payment of a fixed fee or commission at the time of
18 issuance thereof, and all other costs and expenses,
19 including fees for agreements related to the notes,
20 issuing and paying agent costs and costs and expenses of
21 issuance, may be paid from the proceeds of the notes.

22 (4) When the authorization and direction of the issuing
23 officials provide for the issuance of replacement notes, the
24 State Treasurer shall, at or prior to the time of delivery of
25 these notes or replacement notes, determine the principal
26 amounts, dates of issue, interest rate or rates, or
27 procedures for establishing such rates from time to time,
28 rates of discount, denominations and all other terms and
29 conditions relating to the issuance and shall perform all
30 acts and things necessary to pay or cause to be paid, when

1 due, all principal of and interest on the notes being
2 refunded by replacement notes and to assure that the same may
3 draw upon any moneys available for that purpose pursuant to
4 any purchase, loan or credit agreements established with
5 respect thereto, all subject to the authorization and
6 direction of the issuing officials.

7 (5) Outstanding notes evidencing such borrowings may be
8 funded and retired by the issuance and sale of the bonds of
9 the Commonwealth as hereinafter authorized. The refunding
10 bonds must be issued and sold not later than a date three
11 years after the date of issuance of the first notes
12 evidencing the borrowings to the extent that payment of such
13 notes has not otherwise been made or provided for by sources
14 other than proceeds of replacement notes.

15 (6) The proceeds of all such temporary borrowing shall
16 be paid to the State Treasurer to be held and disposed of in
17 accordance with the provisions of this act.

18 (d) Debt retirement.--

19 (1) All bonds issued under the authority of this act
20 shall be redeemed at maturity, together with all interest
21 due, from time to time, on the bonds, and these principal and
22 interest payments shall be paid from the Persian Gulf
23 Conflict Veterans' Compensation Bond Sinking Fund, which is
24 hereby created. For the specific purpose of redeeming the
25 bonds at maturity and paying all interest thereon in
26 accordance with the information received from the Governor,
27 the General Assembly shall appropriate moneys to the Persian
28 Gulf Conflict Veterans' Compensation Bond Sinking Fund for
29 the payment of interest on the bonds and notes and the
30 principal thereof at maturity. All moneys paid into the

1 Persian Gulf Conflict Veterans' Compensation Bond Sinking
2 Fund and all of the moneys not necessary to pay accruing
3 interest shall be invested by the State Treasurer in such
4 securities as are provided by law for the investment of the
5 sinking funds of the Commonwealth.

6 (2) The State Treasurer, with the approval of the
7 Governor, is authorized at any time to use any of the moneys
8 in the fund not necessary for the purposes of the referendum
9 authorizing the indebtedness necessary to carry out this act,
10 for the purchase and retirement of all or any part of the
11 bonds and notes issued pursuant to the authorization of this
12 act. In the event that all or any part of the bonds and notes
13 are purchased, they shall be canceled and returned to the
14 loan and transfer agent as canceled and paid bonds and notes,
15 and thereafter all payments of interest thereon shall cease.
16 The canceled bonds, notes and coupons, together with any
17 other canceled bonds, notes and coupons, shall be destroyed
18 as promptly as possible after cancellation but not later than
19 two years after cancellation. A certification evidencing the
20 destruction of the canceled bonds, notes and coupons shall be
21 provided by the loan and transfer agent to the issuing
22 officials. All canceled bonds, notes and coupons shall be so
23 marked as to make the canceled bonds, notes and coupons
24 nonnegotiable.

25 (3) The State Treasurer shall determine and report to
26 the Secretary of the Budget by November 1 of each year, the
27 amount of money necessary for the payment of interest on
28 outstanding obligations and the principal of the obligations,
29 if any, for the following fiscal year and the times and
30 amounts of the payments. It shall be the duty of the Governor

1 to include in every budget submitted to the General Assembly
2 full information relating to the issuance of bonds and notes
3 under the provisions of this act and the status of the
4 Persian Gulf Conflict Veterans' Compensation Bond Sinking
5 Fund of the Commonwealth for the payment of interest on the
6 bonds and notes and the principal thereof at maturity.

7 (4) The General Assembly shall appropriate an amount
8 equal to the sums as may be necessary to meet repayment
9 obligations for principal and interest for deposit into the
10 Persian Gulf Conflict Veterans' Compensation Bond Sinking
11 Fund.

12 (e) Expiration.--Authorization to issue bonds and notes, not
13 including refunding bonds and replacement notes, for the purpose
14 of this act shall expire ten years from the effective date of
15 this section.

16 Section 13. Question.

17 (a) Submission of question to electorate.--The question of
18 incurring indebtedness of up to \$16,000,000 for the purposes set
19 forth in this act shall be submitted to the electors at the next
20 primary, municipal or general election following enactment of
21 this act.

22 (b) Certification.--The Secretary of the Commonwealth shall
23 certify the question to the county boards of elections.

24 (c) Form of question.--The question shall be in
25 substantially the following form:

26 Do you favor indebtedness by the Commonwealth of up to
27 \$16,000,000 for the payment of compensation for service
28 in the Persian Gulf Conflict?

29 (d) Election.--The election shall be conducted in accordance
30 with the act of June 3, 1937 (P.L.1333, No.320), known as the

1 Pennsylvania Election Code, except that the time limits for
2 advertisement of notice of the election may be waived as to the
3 question.

4 (e) Proceeds.--Proceeds of the borrowing shall be used for
5 the payment of compensation for service in or in support of the
6 Persian Gulf Conflict.

7 Section 14. Appropriations.

8 (a) Compensation appropriation.--For the purpose of payment
9 for the compensation to eligible veterans, staff services,
10 postage and other necessary expenses incurred by the Adjutant
11 General in the administration of this compensation program, such
12 sums, or as much thereof as may be necessary, are specifically
13 appropriated to the Adjutant General out of any moneys which
14 have been deposited in the Persian Gulf Conflict Veterans'
15 Compensation Bond Fund.

16 (b) Continuing appropriations.--The appropriations under
17 subsections (a) and (b) shall be continuing appropriations and
18 shall not lapse.

19 Section 15. Effective date.

20 This act shall take effect as follows:

21 (1) Section 13(a), (b), (c) and (d) shall take effect
22 immediately.

23 (2) The remainder of this act shall take effect upon the
24 certification of the approval by the electorate to incur the
25 indebtedness necessary to carry out the provisions of this
26 act.