
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1244 Session of
2013

INTRODUCED BY GOODMAN, BARRAR, B. BOYLE, V. BROWN, BROWBLEE,
CALTAGIRONE, COHEN, DEASY, DeLUCA, DONATUCCI, FARINA, FLECK,
FRANKEL, GIBBONS, GILLEN, GINGRICH, HAGGERTY, C. HARRIS,
HESS, KORTZ, KOTIK, KULA, LONGIETTI, MAHONEY, MATZIE,
McGEEHAN, MICOZZIE, MILLARD, O'BRIEN, PARKER, READSHAW,
ROZZI, SAINATO, TALLMAN, WATSON AND YOUNGBLOOD,
APRIL 23, 2013

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY
PREPAREDNESS, APRIL 23, 2013

AN ACT

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

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 TABLE OF CONTENTS

13

14 Section 1. Short title.

15 Section 2. Definitions.

16 Section 3. Computation of compensation.

17 Section 4. Application for compensation.

18 Section 5. Persons to whom payments shall be made in case of

- 1 incompetence or death.
- 2 Section 6. Applicant to designate beneficiaries.
- 3 Section 7. Exemption from attachment.
- 4 Section 8. Penalty for charging fees for assisting veterans.
- 5 Section 9. Administration of compensation program.
- 6 Section 10. Payment of compensation.
- 7 Section 11. Iraq War Veterans' Compensation Bond Fund.
- 8 Section 12. Commonwealth indebtedness.
- 9 Section 13. Question.
- 10 Section 14. Appropriations.
- 11 Section 15. Effective date.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Short title.

15 This act shall be known and may be cited as the Iraq War
16 Veterans' Benefit Act.

17 Section 2. Definitions.

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

21 "Active service." For a member of a component of the armed
22 forces of the United States, the time served on active duty for
23 which the member has received or is eligible to receive the Iraq
24 Campaign Medal; for a member of the Pennsylvania National Guard
25 or a reserve component of the armed forces of the United States,
26 time served on active duty for the support of operations in the
27 Iraq Conflict Theater, whether or not that service was in the
28 theater. The term includes time spent in hospitals as a result
29 of service-connected wounds, diseases or injuries sustained on
30 active service. Proof of the service shall be the official

1 military records of the United States or other evidence as is
2 deemed sufficient by the Adjutant General. The term does not
3 include time served on active duty for annual training or
4 schooling, except for training and schooling in preparation for
5 active duty in the Iraq Conflict Theater.

6 "Fund." The Iraq War Veterans' Compensation Bond Fund.

7 "Iraq Conflict Theater." The area established by the United
8 States Department of Defense for the awarding of the Iraq
9 Campaign Medal for the period of time from March 19, 2003,
10 through December 31, 2011.

11 "Issuing officials." The Governor, the Auditor General and
12 the State Treasurer of the Commonwealth.

13 "Legal resident of this Commonwealth." A member of the
14 United States Armed Forces, the reserve component of the United
15 States Armed Forces or the Pennsylvania National Guard whose
16 home of record at the time of the Iraq War was this Commonwealth
17 or any specific place in this Commonwealth without regard to the
18 place of enlistment, commission or induction. The proof of
19 residence shall be the official records of the United States or
20 other evidence that is deemed sufficient by the Adjutant
21 General.

22 "Veteran." A member of the armed forces of the United
23 States, including a member of the Army National Guard of the
24 United States, the Air National Guard of the United States or a
25 reserve component of the armed forces, who was ordered into or
26 volunteered to serve on active duty in Iraq during the period
27 from March 19, 2003, to December 31, 2011, and has received the
28 Iraq Campaign Medal established by executive order 13363,
29 November 29, 2004. This term shall not include any individual
30 who has renounced his United States citizenship.

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 and who served under honorable conditions.

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

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 \$5,000.

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 \$5,000.

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 \$600.

23 (f) Exclusion from compensation.--An 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 December 31,
8 2022.

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

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

12 Section 6. Applicant to designate beneficiaries.

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

23 Section 7. Exemption from attachment.

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

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

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

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

11 Section 9. Administration of compensation program.

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

27 Section 10. Payment of compensation.

28 The compensation payable under this act shall, upon
29 requisition by the Adjutant General, be paid by the State
30 Treasurer from the fund to be created with funds realized from a

1 proposed bond issue. Payments shall be made as soon as possible
2 after funds are available.

3 Section 11. Iraq War Veterans' Compensation Bond Fund.

4 (a) Purpose of fund.--The Iraq War Veterans' Compensation
5 Bond Fund is established in the State Treasury and shall be the
6 source from which all payments are authorized with the approval
7 of the Governor to carry out the purposes of this act. The
8 moneys in the fund shall only be utilized:

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

11 (2) For the administrative costs incurred in any of the
12 purposes in paragraph (1), including the costs incurred in
13 connection with the issuance of the bonds.

14 (b) Interfund transfers authorized.--

15 (1) Whenever the cash balance and the current estimated
16 receipts of the fund shall be insufficient at any time during
17 any State fiscal year to meet promptly the obligations of the
18 Commonwealth from the fund, the State Treasurer shall, from
19 time to time during the fiscal year, transfer from the
20 General Fund to the fund the sums as the Governor directs,
21 but in no case less than the amount necessary to meet
22 promptly the obligations to be paid from the fund nor more
23 than an amount that is the smallest of:

24 (i) the difference between the amount of debt
25 authorized to be issued under the authority of this act
26 and the aggregate principal amount of bonds and notes
27 issued, not including refunding bonds and replacement
28 notes; and

29 (ii) the difference between the aggregate principal
30 amount of bonds and notes to be issued during a State

1 fiscal year and the aggregate principal amount of bonds
2 and notes, not including refunding bonds and replacement
3 notes, issued during that State fiscal year.

4 Any sums so transferred shall be available only for the
5 purposes for which funds are appropriated from the fund. The
6 transfers shall be made under this section upon warrant of
7 the State Treasurer upon requisition of the Governor.

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

16 Section 12. Commonwealth indebtedness.

17 (a) Borrowing authorized.--

18 (1) If and when the electorate approves a referendum
19 question for the incurring of indebtedness in the amount and
20 for the purposes prescribed in this act, the issuing
21 officials, pursuant to the provisions of section 7(a)(3) of
22 Article VIII of the Constitution of Pennsylvania, are
23 authorized and directed to borrow, on the credit of the
24 Commonwealth, money not exceeding in the aggregate the sum of
25 \$20,000,000, not including money borrowed to refund
26 outstanding bonds, notes or replacement notes, as may be
27 found necessary to carry out the purposes of this act.

28 (2) As evidence of the indebtedness, general obligation
29 bonds of the Commonwealth shall be issued from time to time
30 to provide moneys necessary to carry out the purposes of this

1 act for the total amounts, in the form, in the denominations
2 and subject to the terms and conditions of issue, redemption
3 and maturity, rate of interest and time of payment of
4 interest that the issuing officials direct, except that the
5 latest stated maturity date shall not exceed 20 years from
6 the date of the first obligation issued to evidence the debt.

7 (3) All bonds and notes issued under the authority of
8 this act shall bear facsimile signatures of the issuing
9 officials and a facsimile of the Great Seal of the
10 Commonwealth and shall be countersigned by a duly authorized
11 officer of a duly authorized loan and transfer agent of the
12 Commonwealth.

13 (4) All bonds and notes issued in accordance with the
14 provisions of this section shall be direct obligations of the
15 Commonwealth, and the full faith and credit of the
16 Commonwealth is hereby pledged for the payment of the
17 interest on the bonds and notes as it becomes due, and the
18 payment of the principal at maturity. The principal of and
19 interest on the bonds and notes shall be payable in lawful
20 money of the United States.

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

24 (6) The bonds may be issued as coupon bonds or
25 registered as to both principal and interest as the issuing
26 officials may determine. If interest coupons are attached,
27 they shall contain the facsimile signature of the State
28 Treasurer.

29 (7) The issuing officials shall provide for the
30 amortization of the bonds in substantial and regular amounts

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

14 (8) The issuing officials are authorized to provide by
15 resolution for the issuance of refunding bonds for the
16 purpose of refunding any debt issued under the provisions of
17 this act and then outstanding, either by voluntary exchange
18 with the holders of the outstanding debt or providing funds
19 to redeem and retire the outstanding debt with accrued
20 interest, any premium payable on the debt and the costs of
21 issuance and retirement of the debt, at maturity or at any
22 call date. The issuance of the refunding bonds, the
23 maturities and other details of the bonds, the rights of the
24 holders of the bonds and the duties of the issuing official
25 in respect to the bonds shall be governed by the provisions
26 of this section insofar as they may be applicable. Refunding
27 bonds, which are not subject to the aggregate limitation of
28 \$20,000,000 of debt to be issued under this act, may be
29 issued by the issuing officials to refund debt originally
30 issued or to refund bonds previously issued for refunding

1 purposes.

2 (9) Whenever any action is to be taken or decision made
3 by the Governor, the Auditor General and the State Treasurer
4 acting as issuing officials and the three officers are not
5 able unanimously to agree, the action or decision of the
6 Governor and either the Auditor General or the State
7 Treasurer shall be binding and final.

8 (b) Sale of bonds.--

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

19 (2) Any portion of any bond issue offered and not sold
20 or subscribed for at public sale may be disposed of by
21 private sale by the issuing officials in the manner and at
22 the prices, not less than 98% of the principal amount and
23 accrued interest, that the Governor may direct. No commission
24 may be allowed or paid for the sale of any bonds issued under
25 the authority of this act.

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

1 (4) Until permanent bonds can be prepared, the issuing
2 officials may in their discretion issue, in lieu of permanent
3 bonds, temporary bonds in the form and with the privileges as
4 to registration and exchange for permanent bonds that may be
5 determined by the issuing officials.

6 (5) The proceeds realized from the sale of bonds and
7 notes, except refunding bonds and replacement notes, under
8 the provisions of this act shall be paid into the fund. The
9 proceeds shall be paid by the State Treasurer periodically to
10 those Commonwealth officers and Commonwealth agencies
11 authorized to expend them at the times and in the amounts
12 that may be necessary to satisfy the funding needs of the
13 agencies. The proceeds of the sale of refunding bonds and
14 replacement notes shall be paid to the State Treasurer and
15 applied to the payment of principal, the accrued interest and
16 premium, if any, and cost of redemption of the bonds and
17 notes for which the obligations shall have been issued.

18 (6) Pending their application for the purposes
19 authorized, moneys held or deposited by the State Treasurer
20 may be invested or reinvested as are other funds in the
21 custody of the State Treasurer in the manner provided by law.
22 All earnings received from the investment or deposit of the
23 funds shall be paid into the State Treasury to the credit of
24 the fund. The earnings in excess of bond discounts allowed,
25 expenses paid for the issuance of bonds and notes and
26 interest arbitrage rebates due to the Federal Government
27 shall be transferred annually to the fund. Any interest or
28 investment income shall be applied to assist in the payment
29 of the debt service incurred in connection with this act.

30 (7) The Auditor General shall prepare the necessary

1 registry book to be kept in the office of the duly authorized
2 loan and transfer agent of the Commonwealth for the
3 registration of any bonds, at the request of owners of the
4 bonds, according to the terms and conditions of issue
5 directed by the issuing officials.

6 (8) There is hereby appropriated to the State Treasurer
7 from the fund as much money as may be necessary for all costs
8 and expenses in connection with the issue of and sale and
9 registration of the bonds and notes in connection with this
10 act and the payment of interest arbitrage rebates or proceeds
11 of the bonds and notes.

12 (c) Temporary financing authorization.--

13 (1) Pending the issuance of bonds of the Commonwealth as
14 authorized, the issuing officials are authorized, in
15 accordance with the provisions of this act and on the credit
16 of the Commonwealth, to make temporary borrowings not to
17 exceed three years in anticipation of the issue of bonds in
18 order to provide funds in amounts as may from time to time be
19 deemed advisable prior to the issue of bonds. In order to
20 provide for and in connection with the temporary borrowings,
21 the issuing officials are hereby authorized in the name and
22 on behalf of the Commonwealth to enter into any purchase,
23 loan or credit agreement or agreements or other agreement or
24 agreements with any banks or trust companies or other lending
25 institutions, investment banking firms or persons in the
26 United States having power to enter into the same, which
27 agreements may contain provisions not inconsistent with the
28 provisions of this act as may be authorized by the issuing
29 officials.

30 (2) All temporary borrowings made under the

1 authorization of this section shall be evidenced by notes of
2 the Commonwealth. The notes shall be issued from time to
3 time, for amounts not exceeding in the aggregate the
4 applicable statutory and constitutional debt limitation, in
5 the form, in the denominations and subject to terms and
6 conditions of sale and issue, prepayment or redemption and
7 maturity, rate or rates of interest and time of payment of
8 interest as the issuing officials shall authorize and in
9 accordance with this act. The authorization may provide for
10 the subsequent issuance of replacement notes to refund
11 outstanding notes or replacement notes, which replacement
12 notes shall, upon issuance thereof, evidence the borrowing
13 and may specify other terms and conditions with respect to
14 the notes and replacement notes thereby authorized for
15 issuance as the issuing officials may determine and direct.

16 (3) When the authorization of the issuing officials
17 provides for the issuance of replacement notes, the issuing
18 officials may in the name and on behalf of the Commonwealth
19 issue, enter into or authorize the State Treasurer to enter
20 into agreements with any banks, trust companies, investment
21 banking firms or other institutions or persons in the United
22 States having the power to enter the same:

23 (i) To purchase or underwrite an issue or series of
24 issues or notes.

25 (ii) To credit, to enter into any purchase, loan or
26 credit agreements, to draw moneys pursuant to the
27 agreements on the terms and conditions of the agreements
28 and to issue notes as evidence of borrowings made under
29 the agreements.

30 (iii) To appoint as issuing and payment agent with

1 respect to notes.

2 (iv) To do other acts that are necessary or
3 appropriate to provide for the payment, when due, of the
4 interest on and the principal of the notes. The
5 agreements may provide for the compensation of any
6 purchasers or underwriters of notes or replacement notes
7 by discounting the purchase price of the notes or by
8 payment of a fixed fee or commission at the time of
9 issuance of the notes. The costs and expenses, including
10 fees for agreements related to the notes, issuing and
11 paying agent costs and costs and expenses of issuance,
12 may be paid from the proceeds of the notes.

13 (4) When the authorization of the issuing officials
14 provides for the issuance of replacement notes, the State
15 Treasurer shall, at or before the time of delivery of these
16 notes or replacement notes, determine the principal amounts,
17 dates of issue, interest rates or procedures for establishing
18 the rates from time to time, rates of discount, denominations
19 and all other terms and conditions relating to the issuance.
20 The State Treasurer shall perform all acts and things
21 necessary to pay or cause to be paid, when due, all principal
22 of and interest on the notes being refunded by replacement
23 notes and to assure that the State Treasurer may draw upon
24 any moneys available for that purpose under any purchase,
25 loan or credit agreements established with respect to the
26 notes subject to the authorization of the issuing officials.

27 (5) Outstanding notes evidencing the borrowings may be
28 funded and retired by the issuance and sale of the bonds of
29 the Commonwealth as provided in this section. The refunding
30 bonds must be issued and sold not later than three years

1 after the date of issuance of the first notes evidencing the
2 borrowings to the extent that payment of the notes has not
3 otherwise been made or provided for by sources other than
4 proceeds of replacement notes.

5 (6) The proceeds of the temporary borrowing shall be
6 paid to the State Treasurer to be held and disposed of in
7 accordance with the provisions of this act.

8 (d) Debt retirement.--

9 (1) Bonds issued under the authority of this act shall
10 be redeemed at maturity, together with all interest due from
11 time to time on the bonds. The principal and interest
12 payments shall be paid from the Iraq War Veterans'
13 Compensation Bond Sinking Fund, which is hereby established.
14 For the specific purpose of redeeming the bonds at maturity
15 and paying all interest on the bonds in accordance with the
16 information received from the Governor, the General Assembly
17 shall appropriate moneys to the Iraq War Veterans'
18 Compensation Bond Sinking Fund for the payment of interest on
19 the bonds and notes and the principal of the bonds and notes
20 at maturity. The moneys paid into the Iraq War Veterans'
21 Compensation Bond Sinking Fund and the moneys not necessary
22 to pay accruing interest shall be invested by the State
23 Treasurer in securities provided by law for the investment of
24 the sinking funds of the Commonwealth.

25 (2) The State Treasurer, with the approval of the
26 Governor, is authorized at any time to use the moneys in the
27 fund not necessary for the purposes of the referendum
28 authorizing the indebtedness necessary to carry out this act,
29 for the purchase and retirement of all or any part of the
30 bonds and notes issued pursuant to the authorization of this

1 act. In the event that all or any part of the bonds and notes
2 are purchased, they shall be canceled and returned to the
3 loan and transfer agent as canceled and paid bonds and notes,
4 and after cancellation, all payments of interest on the bonds
5 and notes shall cease. The canceled bonds, notes and coupons,
6 together with any other canceled bonds, notes and coupons,
7 shall be destroyed as promptly as possible after cancellation
8 but not later than two years after cancellation. A
9 certification evidencing the destruction of the canceled
10 bonds, notes and coupons shall be provided by the loan and
11 transfer agent to the issuing officials. All canceled bonds,
12 notes and coupons shall be so marked as to make the canceled
13 bonds, notes and coupons nonnegotiable.

14 (3) The State Treasurer shall determine and report to
15 the Secretary of the Budget by November 1 of each year the
16 amount of money necessary for the payment of interest on
17 outstanding obligations and the principal of the obligations,
18 if any, for the following fiscal year and the times and
19 amounts of the payments. It shall be the duty of the Governor
20 to include in every budget submitted to the General Assembly
21 full information relating to the issuance of bonds and notes
22 under the provisions of this act and the status of the Iraq
23 War Veterans' Compensation Bond Sinking Fund of the
24 Commonwealth for the payment of interest on the bonds and
25 notes and the principal of the bonds and notes at maturity.

26 (4) The General Assembly shall appropriate an amount
27 equal to the sums as may be necessary to meet repayment
28 obligations for principal and interest for deposit into the
29 Iraq War Veterans' Compensation Bond Sinking Fund.

30 (e) Expiration.--Authorization to issue bonds and notes, not

1 including refunding bonds and replacement notes, for the purpose
2 of this act shall expire ten years from the effective date of
3 this section.

4 Section 13. Question.

5 (a) Submission of question to electorate.--The question of
6 incurring indebtedness of up to \$20,000,000 for the purposes set
7 forth in this act shall be submitted to the electors at the next
8 general election following enactment of this act.

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

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

13 Do you favor indebtedness by the Commonwealth of up to
14 \$20,000,000 for the payment of compensation for service
15 in the Iraq War?

16 (d) Election.--The election shall be conducted in accordance
17 with the act of June 3, 1937 (P.L.1333, No.320), known as the
18 Pennsylvania Election Code, except that the time limits for
19 advertisement of notice of the election may be waived as to the
20 question.

21 (e) Proceeds.--Proceeds of the borrowing shall be used for
22 the payment of compensation for service in or in support of the
23 Iraq War.

24 Section 14. Appropriations.

25 (a) Compensation appropriation.--For the purpose of payment
26 for the compensation to eligible veterans, staff services,
27 postage and other necessary expenses incurred by the Adjutant
28 General in the administration of this compensation program, the
29 sums, or as much thereof as may be necessary, are specifically
30 appropriated to the Adjutant General out of any moneys which

1 have been deposited in the fund.

2 (b) Continuing appropriation.--The appropriation under
3 subsection (a) shall be a continuing appropriation and shall not
4 lapse.

5 Section 15. Effective date.

6 This act shall take effect as follows:

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

9 (2) The remainder of this act shall take effect upon the
10 certification of the approval by the electorate to incur the
11 indebtedness necessary to carry out the provisions of this
12 act.