Senate Engrossed

army scholarship special plates

State of Arizona Senate Fifty-fifth Legislature Second Regular Session 2022

SENATE BILL 1061

AN ACT

AMENDING SECTIONS 28-2351 AND 28-2403, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 7, ARTICLE 12, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-2470.10; AMENDING SECTIONS 28-6501, 28-6991, 28-6993 AND 41-608, ARIZONA REVISED STATUTES; RELATING TO SPECIAL PLATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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1 Be it enacted by the Legislature of the State of Arizona: 2 Section 1. Section 28-2351, Arizona Revised Statutes, is amended to 3 read: 4 28-2351. License plate provided; design 5 A. Notwithstanding any other law, the department shall provide to 6 every owner one license plate for each vehicle registered. At the request 7 of the owner and on payment of a fee in an amount prescribed by the 8 director by rule, the department shall provide one additional license 9 plate for a vehicle for which a special plate is requested pursuant to 10 this chapter. 11 B. The license plate shall display the number assigned to the 12 vehicle and to the owner of the vehicle and the name of this state, which 13 may be abbreviated. The director shall coat the license plate with a reflective material that is consistent with the determination of the 14 department regarding the color and design of license plates and special 15 16 plates. The director shall design the license plate and the letters and 17 numerals on the license plate to be of sufficient size to be plainly 18 readable during daylight from a distance of one hundred feet. In addition to the standard license plate issued for a trailer before August 12, 2005, 19 20 the director shall issue a license plate for trailers that has a design 21 that is similar to the standard size license plate for trailers but that 22 is the same size as the license plate for motorcycles. The trailer owner 23 shall notify the department which size license plate the owner wants for 24 the trailer. 25 C. Notwithstanding any other law, the department shall not contract 26 with a nongovernmental entity to purchase or secure reflective material for the plates issued by the department unless the department has made a 27

29 individual responsible respondents as possible. 30 D. The department shall determine the color and design of the license plate. All other plates issued by the department, except the 31 plates issued pursuant to sections 28-2404, 28-2412, 28-2413, 28-2414, 32 33 28-2416, 28-2416.01, 28-2417 through 28-2470.09 28-2470.10, 28-2472, 28-2473, 28-2474, 28-2475, 28-2476 and 28-4533 and article 14 of this 34 chapter, shall be the same color as and similar in design to the license 35 36 plate as determined by the department.

reasonable effort to secure qualified bids or proposals from as many

E. A passenger motor vehicle that is rented without a driver shall receive the same type of license plate as is issued for a private passenger motor vehicle.

40 Sec. 2. Section 28-2403, Arizona Revised Statutes, is amended to 41 read:

28-2403. Special plates; transfers; violation; classification

A. Except as otherwise provided in this article, the department shall issue or renew special plates in lieu of the regular license plates pursuant to the following conditions and procedures and only if the 1 requirements prescribed by this article for the requested special plates 2 are met:

1. Except as provided in sections 28-2416 and 28-2416.01, a person who is the registered owner of a vehicle registered with the department or who applies for an original or renewal registration of a vehicle may submit to the department a completed application form as prescribed by the department with the fee prescribed by section 28-2402 for special plates in addition to the registration fee prescribed by section 28-2003.

9 2. Except for plates issued pursuant to sections 28-2404, 28-2412, 10 28-2414. 28-2416. 28-2416.01, 28-2417 through 28-2413. 28-2470.09 11 28-2470.10, 28-2472, 28-2473, 28-2474, 28-2475 and 28-2476 and article 14 of this chapter, the special plates shall be the same color as and similar 12 13 to the design of the regular license plates that is determined by the 14 department.

3. Except as provided in section 28-2416, the department shall issue special plates only to the owner or lessee of a vehicle that is currently registered, including any vehicle that has a declared gross weight, as defined in section 28-5431, of twenty-six thousand pounds or less.

4. Except as provided in sections 28-2416 and 28-2416.01, the department shall charge the fee prescribed by section 28-2402 for each annual renewal of special plates in addition to the registration fee prescribed by section 28-2003.

24 B. Except as provided in sections 28-2416 and 28-2416.01, on 25 notification to the department and on payment of the transfer fee 26 prescribed by section 28-2402, a person who is issued special plates may transfer the special plates to another vehicle the person owns or leases. 27 Persons who are issued special plates for hearing impaired persons 28 29 pursuant to section 28-2408 and international symbol of access special plates pursuant to section 28-2409 are exempt from the transfer fee. If a 30 31 person who is issued special plates sells, trades or otherwise releases 32 ownership of the vehicle on which the plates have been displayed, the 33 person shall immediately report the transfer of the plates to the department or the person shall surrender the plates to the department as 34 35 prescribed by the director. It is unlawful for a person to whom the 36 plates have been issued to knowingly allow them to be displayed on a 37 vehicle except the vehicle authorized by the department.

38 C. The special plates shall be affixed to the vehicle for which 39 registration is sought in lieu of the regular license plates.

40 41 D. A person is guilty of a class 3 misdemeanor who:1. Violates subsection B of this section.

42 2. Fraudulently gives false or fictitious information in the 43 application for or renewal of special plates or placards issued pursuant 44 to this article. 1 3. Conceals a material fact or otherwise commits fraud in the 2 application for or renewal of special plates or placards issued pursuant 3 to this article.

4 Sec. 3. Title 28, chapter 7, article 12, Arizona Revised Statutes, 5 is amended by adding section 28-2470.10, to read:

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28-2470.10. Army scholarship special plates; fund

7 A. IF, BY DECEMBER 31, 2022, A PERSON PAYS \$32,000 TO THE DEPARTMENT FOR THE IMPLEMENTATION OF THIS SECTION, THE DEPARTMENT SHALL 8 9 ISSUE ARMY SCHOLARSHIP SPECIAL PLATES. THE PERSON THAT PROVIDES THE \$32,000 SHALL DESIGN THE ARMY SCHOLARSHIP SPECIAL PLATES. THE DESIGN AND 10 11 COLOR OF THE ARMY SCHOLARSHIP SPECIAL PLATES ARE SUBJECT TO THE APPROVAL 12 OF THE DEPARTMENT. THE DIRECTOR MAY ALLOW A REQUEST FOR ARMY SCHOLARSHIP 13 SPECIAL PLATES TO BE COMBINED WITH A REQUEST FOR PERSONALIZED SPECIAL PLATES. IF THE DIRECTOR ALLOWS SUCH A COMBINATION, THE REQUEST SHALL BE 14 IN A FORM PRESCRIBED BY THE DIRECTOR AND IS SUBJECT TO THE FEES FOR THE 15 16 PERSONALIZED SPECIAL PLATES IN ADDITION TO THE FEES REQUIRED FOR THE ARMY 17 SCHOLARSHIP SPECIAL PLATES.

18 B. OF THE \$25 FEE REQUIRED BY SECTION 28-2402 FOR THE ORIGINAL
19 SPECIAL PLATES AND FOR RENEWAL OF SPECIAL PLATES, \$8 IS A SPECIAL PLATE
20 ADMINISTRATION FEE AND \$17 IS AN ANNUAL DONATION.

C. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND
35-147, ALL SPECIAL PLATE ADMINISTRATION FEES IN THE STATE HIGHWAY FUND
ESTABLISHED BY SECTION 28-6991 AND ALL DONATIONS COLLECTED PURSUANT TO
THIS SECTION IN THE VETERANS' DONATIONS FUND ESTABLISHED BY SECTION
41-608.

26 Sec. 4. Section 28-6501, Arizona Revised Statutes, is amended to 27 read:

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28-6501. Definition of highway user revenues

In this article, unless the context otherwise requires or except as otherwise provided by statute, "highway user revenues" means all monies received in this state from licenses, taxes, penalties, interest and fees authorized by the following:

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1. Chapters 2, 7, 8 and 15 of this title, except for:

34(a) The special plate administration fees prescribed in sections3528-2404, 28-2407, 28-2412 through 28-2470.09 28-2470.10 and 28-2514.

36 (b) The donations prescribed in sections 28-2404, 28-2407, 28-2412
37 through 28-2415, 28-2417 through 28-2470.09 28-2470.10, 28-2473, 28-2474,
38 28-2475 and 28-2476.

39 2. Section 28-1177.

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3. Chapters 10 and 11 of this title.

41 4. Chapter 16, articles 1, 2 and 4 of this title, except as 42 provided in sections 28-5926 and 28-5927. 1 Sec. 5. Section 28-6991, Arizona Revised Statutes, is amended to 2 read:

3 4 28-6991. <u>State highway fund; sources</u>

The state highway fund is established that consists of:

5 1. Monies distributed from the Arizona highway user revenue fund 6 pursuant to chapter 18 of this title.

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2. Monies appropriated by the legislature.

8 3. Monies received from donations for the construction, improvement 9 or maintenance of state highways or bridges. These monies shall be 10 credited to a special account and shall be spent only for the purpose 11 indicated by the donor.

4. Monies received from counties or cities under cooperative agreements, including proceeds from bond issues. The state treasurer shall deposit these monies to the credit of the fund in a special account on delivery to the treasurer of a concise written agreement between the department and the county or city stating the purposes for which the monies are surrendered by the county or city, and these monies shall be spent only as stated in the agreement.

19 5. Monies received from the United States under an act of Congress 20 to provide aid for the construction of rural post roads, but monies 21 received on projects for which the monies necessary to be provided by this 22 state are wholly derived from sources mentioned in paragraphs 2 and 3 of this section shall be allotted by the department and deposited by the 23 24 state treasurer in the special account within the fund established for 25 each project. On completion of the project, on the satisfaction and 26 discharge in full of all obligations of any kind created and on request of 27 the department, the treasurer shall transfer the unexpended balance in the special account for the project into the state highway fund, and the 28 29 unexpended balance and any further federal aid thereafter received on 30 account of the project may be spent under the general provisions of this 31 title.

32 6. Monies in the custody of an officer or agent of this state from
 33 any source that is to be used for the construction, improvement or
 34 maintenance of state highways or bridges.

35 7. Monies deposited in the state general fund and arising from the
 36 disposal of state personal property belonging to the department.

8. Receipts from the sale or disposal of any or all other property
held by the department and purchased with state highway monies.

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9. Monies generated pursuant to section 28-410.

40 10. Monies distributed pursuant to section 28-5808, subsection B, 41 paragraph 2, subdivision (d).

42 11. Monies deposited pursuant to sections 28-1143, 28-2353 and 43 28-3003.

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1 12. Except as provided in section 28-5101, the following monies: 2 (a) Monies deposited pursuant to section 28-2206 and section 3 28-5808, subsection B, paragraph 2, subdivision (e). 4 (b) \$1 of each registration fee and \$1 of each title fee collected 5 pursuant to section 28-2003. 6 (c) \$2 of each late registration penalty collected by the director 7 pursuant to section 28-2162. 8 (d) The air quality compliance fee collected pursuant to section 9 49-542. 10 (e) The special plate administration fees collected pursuant to 11 sections 28-2404, 28-2407, 28-2412 through 28-2416, 28-2416.01, 28-2417 12 through 28-2470.09 28-2470.10 and 28-2514. 13 (f) Monies collected pursuant to sections 28-372, 28-2155 and 14 28-2156 if the director is the registering officer. 13. Monies deposited pursuant to chapter 5, article 5 of this 15 16 title. 17 Donations received pursuant to section 28-2269. 14. 18 15. Dealer and registration monies collected pursuant to section 19 28-4304. 20 16. Abandoned vehicle administration monies deposited pursuant to section 28-4804. 21 22 17. Monies deposited pursuant to section 28-710, subsection D, 23 paragraph 2. 24 18. Monies deposited pursuant to section 28-2065. 19. Monies deposited pursuant to section 28-7311. 25 26 20. Monies deposited pursuant to section 28-7059. 27 21. Monies deposited pursuant to section 28-1105. 22. Monies deposited pursuant to section 28-2448, subsection D. 28 29 23. Monies deposited pursuant to section 28-3415. 24. Monies deposited pursuant to section 28-3002, subsection A, 30 31 paragraph 14. 25. Monies deposited pursuant to section 28-7316. 32 26. Monies deposited pursuant to section 28-4302. 33 27. Monies deposited pursuant to section 28-3416. 34 35 28. Monies deposited pursuant to section 28-4504. 36 29. Monies deposited pursuant to section 28-2098. 37 30. Monies deposited pursuant to sections 28-2321, 28-2324. 28-2325, 28-5474, 28-5739, 28-5863 and 28-5864. 38 Sec. 6. Section 28-6993, Arizona Revised Statutes, is amended to 39 40 read: 41 28-6993. State highway fund: authorized uses A. Except as provided in subsection B of this section and section 42 43 28-6538, the state highway fund shall be used for any of the following purposes in strict conformity with and subject to the budget as provided 44

by this section and by sections 28-6997 through 28-7003:

1 1. To pay salaries, wages, necessary travel expenses and other expenses of officers and employees of the department and the incidental 2 3 office expenses, including telegraph, telephone, postal and express 4 charges and printing, stationery and advertising expenses.

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2. To pay for both:

(a) Equipment, supplies, machines, tools, department offices and 7 laboratories established by the department.

8 (b) The construction and repair of buildings or yards of the 9 department.

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3. To pay the cost of both:

11 (a) Engineering, construction, improvement and maintenance of state 12 highways and parts of highways forming state routes.

(b) Highways under cooperative agreements with the United States 13 14 that are entered into pursuant to this chapter and an act of Congress providing for the construction of rural post roads. 15

16 4. To pay land damages incurred by reason of establishing, opening, 17 altering, relocating, widening or abandoning portions of a state route or 18 state highway.

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5. To reimburse the department revolving account.

20 6. To pay premiums on authorized indemnity bonds and on 21 compensation insurance under the workers' compensation act.

22 7. To defray lawful expenses and costs required to administer and carry out the intent, purposes and provisions of this title, including 23 24 repayment of obligations entered into pursuant to this title, payment of 25 interest on obligations entered into pursuant to this title, repayment of 26 loans and other financial assistance, including repayment of advances and 27 interest on advances made to the department pursuant to section 28-7677, and payment of all other obligations and expenses of the board and 28 29 department pursuant to chapter 21 of this title.

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8. To pay lawful bills and charges incurred by the state engineer.

31 9. To acquire, construct or improve entry roads to state parks or 32 roads within state parks.

10. To acquire, construct or improve entry roads to state prisons.

34 11. To pay the cost of relocating a utility facility pursuant to 35 section 28-7156.

12. For the purposes provided in subsections C, D and E of this 36 37 section and sections 28-1143, 28-2353 and 28-3003.

38 13. To pay the cost of issuing an Arizona centennial special plate 39 pursuant to section 28-2448.

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14. To pay for all of the following:

41 (a) The enforcement by the department of public safety and the department of transportation of vehicle safety requirements within 42 43 twenty-five miles of the border between this state and Mexico.

(b) Costs related to procuring electronic equipment, automated 44 45 systems or improvements to existing electronic equipment or automated systems for relieving vehicle congestion at ports of entry on the border between this state and Mexico.

3 (c) Constructing, maintaining and upgrading transportation 4 facilities, including roads, streets and highways, approved by the board 5 within twenty-five miles of the border between this state and Mexico.

6 (d) As approved by the board, constructing and maintaining 7 transportation facilities in the CANAMEX high priority corridor as defined 8 in section 332 of the national highway system designation act of 1995 9 (P.L. 104-59; 109 Stat. 568).

10 (e) Activities department of the that include collecting 11 transportation and trade data in the United States and Mexico for the purposes of constructing transportation facilities, improving public 12 13 safety, improving truck processing time and relieving congestion at ports of entry on the border between this state and Mexico. The department may 14 enter into an agreement with the Arizona-Mexico commission and provide 15 16 funding to the commission for the purposes of this subdivision.

17 (f) A commitment or investment necessary for the department or 18 another agency of this state to obtain federal monies that are designated 19 for expenditure pursuant to this section.

B. For each fiscal year, the department of transportation shall allocate and transfer monies in the state highway fund to the department of public safety for funding a portion of highway patrol costs in eight installments in each of the first eight months of a fiscal year that do not exceed \$10,000,000.

25 C. Subject to legislative appropriation, the department may use the 26 monies in the state highway fund as prescribed in section 28-6991, paragraph 12 to carry out the duties imposed by this title for 27 registration or titling of vehicles, to operate joint title, registration 28 29 and driver licensing offices, to cover the administrative costs of issuing the air quality compliance sticker, modifying the year validating tab and 30 31 issuing the windshield sticker and to cover expenses and costs in issuing 32 special plates pursuant to sections 28-2404, 28-2407, 28-2412 through 33 28-2470.09 28-2470.10 and 28-2514.

D. The department shall use monies deposited in the state highway fund pursuant to chapter 5, article 5 of this title only as prescribed by that article.

E. Monies deposited in the state highway fund pursuant to section 88 28-2269 shall be used only as prescribed by that section.

39 F. Monies deposited in the state highway fund pursuant to section 40 28-710, subsection D, paragraph 2 shall only be used for state highway 41 work zone traffic control devices.

G. The department may exchange monies distributed to the state highway fund pursuant to section 28–6538, subsection A, paragraph 1 for local government surface transportation program federal monies suballocated to councils of government and metropolitan planning organizations if the local government scheduled to receive the federal monies concurs. An exchange of state highway fund monies pursuant to this subsection shall be in an amount that is at least equal to ninety percent of the federal obligation authority that exists in the project for which the exchange is proposed.

6 H. The department shall use monies deposited in the state highway 7 fund pursuant to section 28-1105, subsection A, paragraph 2, subdivision 8 (a) only for a transportation facility that is located within twenty 9 drivable miles of the international port of entry and shall spend the monies proportionally based on the amount of total monies collected 10 11 pursuant to section 28-1105, subsection A, paragraph 2, subdivision (a). 12 For the purposes of this subsection, "transportation facility" means a 13 highway or a state route or a county, city or town road that is used by a 14 commercial vehicle or a commercial vehicle combination for which an axle fee is paid pursuant to section 28-5474. 15

16 Sec. 7. Section 41–608, Arizona Revised Statutes, is amended to 17 read:

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41-608. <u>Veterans' donations fund: grants</u>

19 A. The veterans' donations fund is established consisting of monies, gifts and contributions donated to the department and monies 20 21 deposited pursuant to sections 28-2414, 28-2428, 28-2431, 28-2447, 22 28-2454, 28-2470.10, 28-2473, 28-2474, 28-2475, 28-2476 and 43-620. The department shall administer the fund. Monies in the fund are continuously 23 24 appropriated. The monies in the fund are exempt from the provisions of 25 section 35-190 relating to lapsing of appropriations. The department 26 shall adopt rules or policies for grants of less than \$5,000 that 27 encourage as much competition as practicable.

B. The director or the director's designee may solicit and receive 28 29 donations, including in-kind donations, from the public for veterans. The director shall deposit, pursuant to sections 35-146 and 35-147, the 30 31 monetary donations in the veterans' donations fund. Monies in the fund 32 are subject to state auditing procedures. Except for monies deposited pursuant to sections 28-2431 and 28-2447, the donations may be used for 33 34 the benefit of the veterans within this state as grants, subject to 35 chapter 24 of this title, if applicable.

C. The director shall establish a separate subaccount in the veterans' donations fund for the deposit of monies received pursuant to section 28-2431, subsection C. The monies in the subaccount shall be used for the construction and maintenance of the enduring freedom memorial authorized pursuant to section 41-1363 for placement in Wesley Bolin Plaza.

D. The director shall establish a separate subaccount in the veterans' donations fund for the deposit of monies received pursuant to section 28-2447, subsection F. The monies in the subaccount shall be used for the benefit of women veterans in this state, including providing 1 shelter to homeless women veterans as grants, subject to chapter 24 of 2 this title, if applicable.

3 E. The director shall establish a separate subaccount in the 4 veterans' donations fund for the deposit of monies received pursuant to 5 section 28-2454, subsection C. The first \$32,000 in the subaccount shall 6 be reimbursed to the person that provides the \$32,000 pursuant to section 7 28-2454, subsection A. The director shall annually allocate monies from 8 the subaccount to a foundation that is qualified under section 501(c)(3)9 of the United States internal revenue code for federal income tax purposes and that is the nation's oldest and largest provider of need-based 10 11 scholarships to children of United States military members. The 12 foundation must:

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1. Have been in existence for at least fifty-two years.

14 2. Have provided more than thirty-three thousand scholarships that are valued at almost \$90,000,000. 15

16 3. Have a mission that includes honoring marines and educating 17 their children.

18 4. Award scholarship monies to children of marines and navy corpsmen who were killed or wounded in combat or who have demonstrated 19 20 financial need.

21 F. THE DIRECTOR SHALL ESTABLISH A SEPARATE SUBACCOUNT IN THE 22 VETERANS' DONATIONS FUND FOR THE DEPOSIT OF MONIES RECEIVED PURSUANT TO SECTION 28-2470.10, SUBSECTION C. THE FIRST \$32,000 IN THE SUBACCOUNT 23 24 SHALL BE REIMBURSED TO THE PERSON THAT PROVIDES THE \$32,000 PURSUANT TO SECTION 28-2470.10, SUBSECTION A. THE DIRECTOR SHALL ANNUALLY ALLOCATE 25 26 MONIES FROM THE SUBACCOUNT TO A FOUNDATION THAT IS QUALIFIED UNDER SECTION 501(c)(3) OF THE UNITED STATES INTERNAL REVENUE CODE FOR FEDERAL INCOME 27 TAX PURPOSES. THE FOUNDATION MUST: 28

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1. HAVE BEEN IN EXISTENCE FOR AT LEAST TWENTY YEARS.

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2. HAVE A MISSION THAT INCLUDES PROVIDING COLLEGE SCHOLARSHIPS TO:

31 (a) THE SONS AND DAUGHTERS OF THOSE WHO HAVE SERVED THE UNITED STATES HONORABLY AS SOLDIERS IN THE UNITED STATES ARMY. 32

33 (b) THE SPOUSES OF ENLISTED SOLDIERS ON ACTIVE DUTY IN THE UNITED STATES ARMY. 34

3. ENVISION INCREASING ITS FUNDRAISING AND VISIBILITY TO ENCOURAGE 35 36 APPLICANTS TO APPLY FOR SCHOLARSHIPS AND TO PROVIDE MORE LARGER SCHOLARSHIPS TO AN INCREASING NUMBER OF DESERVING APPLICANTS TO BOTH: 37

38 (a) REWARD ARMY FAMILIES FOR THE SACRIFICES THAT ARMY SOLDIERS MAKE 39 EVERY DAY TO SERVE THEIR NATION.

40 (b) HELP THE SPOUSES AND CHILDREN OF ARMY SOLDIERS BECOME LEADERS 41 IN SOCIETY.

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4. AWARD SCHOLARSHIP MONIES TO:

43 (a) CHILDREN OF FORMER UNITED STATES ARMY MEMBERS WHO WERE KILLED WHILE SERVING IN THE UNITED STATES ARMY OR WHO RECEIVED AN HONORABLE 44 45 DISCHARGE OR MEDICAL DISCHARGE.

1 (b) CHILDREN OF REGULAR ACTIVE DUTY, ACTIVE DUTY RESERVE OR ACTIVE 2 DUTY NATIONAL GUARD UNITED STATES ARMY MEMBERS IN GOOD STANDING.

3 (c) SPOUSES OF ENLISTED REGULAR ACTIVE DUTY, ACTIVE DUTY RESERVE OR
 4 ACTIVE DUTY NATIONAL GUARD UNITED STATES ARMY MEMBERS IN GOOD STANDING.

5 **F.** G. The director shall inventory and account for the use of any 6 tangible personal property donated to the fund.

7 G. H. On notice from the director, the state treasurer shall 8 invest and divest monies in the fund as provided by section 35-313, and 9 monies earned from investment shall be credited to the fund.