

Opinion No. 72

Adjusted Compensation—Bonus Payment—Chapter 44, Laws of 1957—
Initiative 54, Laws of 1951—Korean War Veterans—Veterans
Honorarium—War Veterans Adjusted Compensation
Fund—Veterans

Held: Payment of the honorarium for veterans of World War II pro-
vided for by Initiative 54 of the Laws of 1951 having been

completed, money remaining in the War Veterans Adjusted Compensation Administration Fund (State Controller Fund No. 118.1) may be applied immediately to payment of administrative expenses arising from payment of the Korean War Honorarium authorized by Chapter 44 of the Laws of 1957.

August 18, 1958

Mr. Louis Boedecker
Korean War Veterans Honorarium
Adjusted Compensation Division
Veterans and Pioneers Memorial Building
State Capitol
Helena, Montana

Dear Mr. Boedecker:

You have asked whether money remaining in the World War II Veterans Adjusted Compensation Administrative Fund (state controller's fund No. 118.1) may be used to pay administrative expenses of the Korean War Veterans Honorarium authorized by Chapter 44 of the Laws of 1957 (hereinafter referred to as "Chap. 44").

The money in this fund derives from the sale of bonds authorized by Sect. 12 of Initiative 54 of the Laws of 1951 (hereinafter referred to as "Initiative 54"). The money was originally dedicated by Sect. 13 of Initiative 54 to the payment of claims made by veterans of World War II under the provisions of Initiative 54, and to the payment of administrative expenses arising from the payment of such claims. It was appropriated to a "War Veterans Compensation Fund" for the purposes set out in Sect. 13, supra, by Sect. 14 of Initiative 54. For administrative convenience this money was divided into two funds by the office of the controller: the "War Veterans Adjusted Compensation Fund" (No. 118) from which claims were paid, and the "War Veterans Adjusted Compensation Administrative Fund" (No. 118.1), from which expenses of administration were paid. Some \$35,000.00 remains in the latter fund. You state you wish to apply this money to the payment of administrative expense to be incurred in connection with payment of the Korean honorarium.

Initiative 54 was amended by Chap. 44. Sect. 6 of Chap. 44 added Sect. 14-A to Initiative 54, which section provides:

"The money arising from the sale of such said additional bonds in the amount of six million dollars (\$6,000,000.00) in this amendatory act above-provided for as may be sold as herein provided shall be deposited in the state treasury to the credit of the special fund created by said Initiative No. 54 and known as the 'War Veterans' Compensation Fund,' and the moneys now in said fund, after payment of all claims heretofore filed with and heretofore or hereafter allowed by the board of examiners under the original provisions of said Initiative No. 54, shall, together

with such additional funds as may be derived from the sale of bonds under the said issue of six million (\$6,000,000.00) authorized by this amendatory act, be used to pay said honorarium granted by sub-divisions (b), (c), and (d) of Section 2 hereof, and by Section 3 of said Initiative No. 54 as hereby amended, and the expense of administration of this amendatory act. For the purpose of carrying out the provisions of this amendatory act there is hereby appropriated from the War Veterans' Compensation Fund, in addition to the appropriation made by Section 14 of said Initiative No. 54 as originally enacted, the moneys now remaining in said fund and not needed for the payment of the honorarium to persons who served in World War II, and the sum of six million dollars (\$6,000,000.00), or so much thereof as may be necessary to pay said honorarium to the persons who served in the military forces in said Korean War."

It will be noted that this amendatory section provides that money remaining in the War Veterans Compensation Fund after payment of all World War II adjusted compensation claims may be applied to payment of the Korean honorarium and the administrative expense connected therewith.

As fund No. 118.1 is part and parcel of the War Veterans Compensation Fund established by Initiative 54, it may, under the above amendment, be applied to payment of administrative expenses incurred in payment of the Korean honorarium, providing payment of claims under the World War II honorarium is complete. As you have informed me such payment has been completed, I conclude the money remaining in fund No. 118.1 may be applied immediately to the administrative expense incurred in connection with payment of the Korean honorarium.

Very truly yours,
FORREST H. ANDERSON
Attorney General