

CR 93-16

CERTIFICATE

STATE OF WISCONSIN)
)
DEPARTMENT OF VETERANS AFFAIRS)

I, Raymond G. Boland, Secretary of the Department of Veterans Affairs and custodian of the official records of said department do hereby certify that the annexed rules, relating to various benefits available from the Department of Veterans Affairs were duly approved and adopted by the Board of Veterans Affairs of the Department of Veterans Affairs.

I further certify that said copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department of Veterans Affairs at 30 W. Mifflin Street, in the city of Madison, Wisconsin this 6th day of July, 1993.

BY: Raymond G. Boland
RAYMOND G. BOLAND, SECRETARY

RECEIVED

JUL 6 1993

2:35 pm
Revisor of Statutes
Bureau

9-1-93

RECEIVED

JUL 6 1993

Revisor of Statutes
Bureau

ORDER OF THE
DEPARTMENT OF VETERANS AFFAIRS
REPEALING, AMENDING AND CREATING RULES

The Wisconsin Department of Veterans Affairs proposes an order to repeal VA 2.03(1)(f), to amend VA 1.10(4), (5), (6)(b) and (13), 1.11(7), 1.13, 2.02(5), 2.03(2)(b) and (3)(a), 3.03(7), 5.03(intro), (3) and (17), 7.01(2), and 8.01, and to create VA 2.03(2)(f) and (4), 3.03(18) and (19) and 4.08(11) of the Wisconsin Administrative Code relating to various benefits available from the Department of Veterans Affairs.

Analysis Prepared by the Department of Veterans Affairs

Statutory Authority: ss. 45.35(3) and 45.73(1), Stats.

Statutes interpreted: ss. 45.01, 45.02, 45.351, 45.36, 45.396(5), 45.397, 45.43 and 45.72, Stats.

Various rules have been amended to make them gender neutral, protect applicants from all bases of discrimination recognized under state employment law and to update obsolete references to the direct mortgage program and the veterans administration. The terms primary mortgage program and the United States department of veterans affairs, respectively, have been substituted for the obsolete terms. Additionally, the rules relating to the duties of the museum director have been updated and an error relating to the class of a county for the county veterans service officer grant program has been corrected.

The rules relating to the retraining grant program have been amended in several significant respects. All earned income will be considered for eligibility purposes. For the need determination, unusual expenses may be deducted from income. A qualifying prior employment requirement has been added. The one year period within which an unemployed veteran must initially apply has been clarified to mean the period immediately preceding the department's receipt of the application. Additionally, the department must receive an application for a second grant within 13 months of the applicant's receipt of an initial grant. Finally, a provision has been added detailing the department's efforts to coordinate the program with other training programs.

The rules relating to the economic assistance loan program have been amended in several significant respects. Restrictions on additional debt consolidation loans have been eased so that they apply only if an initial consolidation loan was made within the 10 years preceding the application for the additional loan. Also, the loans will no longer require supervisory approval. The department's authority to satisfy an economic assistance loan upon the death of the veteran has been clarified. Finally, the criteria which the department will use in determining whether to subordinate its mortgage on an economic assistance loan (and on a home improvement loan) have been delineated in the rules.

Text of Rules

SECTION 1. VA 1.04 is amended to read:

VA 1.04 Benefits to those who qualify. The department shall give assistance to all resident ~~ex-servicemen~~ ex-servicepersons and their dependents in all matters connected with the securing of any aid or benefit which may be due them under federal or state law by reason of service in the armed forces of the United States. Financial aid from the department ~~will~~ shall not be extended to veterans or dependents ~~where~~ when the need for ~~such~~ the aid arises or results from the willful misconduct of the veteran or the beneficiary.

SECTION 2. VA 1.10(4), (5), (6)(b) and (13) are amended to read:

VA 1.10(4) DISCLOSURE OF INFORMATION TO AN APPLICANT OR DULY AUTHORIZED REPRESENTATIVE. An applicant may not have access to department records concerning himself or herself pertaining to an application for benefits from the department, but information from official records may be disclosed to an applicant or his or her duly authorized representative as to matters concerning the applicant.

VA 1.10(5) PERSONS AUTHORIZED TO REPRESENT APPLICANTS. "Duly authorized representative" shall be defined as any person authorized in writing by the applicant to act for him or her, or his or her legally constituted representative if the applicant is incompetent or deceased. Where for proper reason no ~~such~~ representative has been or will be appointed, his or her spouse, an adult child or if the applicant is unmarried, either of his or her parents shall be recognized as the duly authorized representative of the applicant.

VA 1.10(6)(b) *To physicians and hospitals.* Information contained in medical records of veterans and beneficiaries pertaining to medical history, diagnosis, findings, or treatment contained in applications for benefits from the department may be disclosed directly to physicians and hospitals upon written request and the submission of a written authorization from the veteran or beneficiary, or, in the event he or she is incompetent, from his or her duly authorized representative. This information will be released only with the consent of the patient and on the condition

that it is to be treated as a privileged communication. However, such the information may be released without the consent of the veteran or his or her representative when a written request for such the information is received from the ~~veterans-administration~~ United States department of veterans affairs, the United States public health service, the superintendent of a state hospital, a commissioner or head of a state department of mental hygiene, or head of a state, county or city health department.

VA 1.10(13) RELEASE OF INFORMATION TO AUTHORIZED LENDERS. All information and exhibits in the possession of the department pertaining to ~~direct-housing~~ primary mortgage loan applications or ~~direct-housing~~ primary mortgage loans may be released to authorized lenders servicing, closing or processing the applications or loans involved.

SECTION 3. VA 1.11(7) is amended to read:

VA 1.11(7) Compile a record of the burial places within the state of persons who served in the armed forces of the United States in time of war, who were called into service in the 1961 Berlin crisis call-up, whose service entitled them to receive either the armed forces expeditionary medal, the navy expeditionary medal, the marine corps expeditionary medal or the Vietnam service medal, or who served in Lebanon ~~or~~, Grenada, Panama or a Middle East Crisis under s. 45.34, Stats.

SECTION 4. VA 1.13 is amended to read:

VA 1.13 Discrimination prohibited. Discrimination against properly qualified persons in the provision of veterans assistance under ch. 45, Stats., on the basis of age, race, creed, color, handicap disability, sex, national origin or ancestry, sexual orientation, political affiliation or beliefs or arrest or conviction records, is prohibited, and except that all persons employed by the department shall if possible be veterans as defined in s. 45.35(5), Stats., and that preference shall be given to disabled veterans, discrimination against qualified persons in the employment of staff on the basis of age, race, creed, color, handicap disability, sex, national origin or ancestry, sexual orientation, political affiliation or beliefs or arrest or conviction records is prohibited.

SECTION 5. VA 2.02(5) is amended to read:

VA 2.02(5) DEGREE LIMITATION. For the purposes of s.45.396(5), Stats., ~~an-B-B-B-~~ any postgraduate degree shall be deemed to be the equivalent of a master's degree.

SECTION 6. VA 2.03(1)(f) is repealed.

SECTION 7. VA 2.03(2)(b) is amended to read:

VA 2.03(2)(b) *Amount of grant.* Applicants who qualify for a retraining grant under the provisions of this section and s. 45.397, Stats., are entitled to a grant equal to their need during the grant period or the statutory statutory maximum grant, whichever is less. Need ~~will~~ shall be determined by deducting 75% of earned income and all unearned income to be received by the applicant during the grant period, available liquid assets in excess of the retained asset limit stated in s. VA 3.02(2)(a) held by the applicant at the time of application and all other financial aid which will be received by the applicant during the grant period from the amount needed during the grant period. The amount needed will be the sum of the amount shown on the standard student budget described in s. VA 9.03 for the appropriate time period and for the appropriate number of family members plus the cost of tuition, fees, supplies and books as reported by the school for the courses to be taken during the grant period plus any unusual expenses reported by the applicant.

SECTION 8. VA 2.03(2)(f) is created to read:

VA 2.03(2)(f) *Qualifying prior employment.* The veteran shall demonstrate a work history of at least 6 consecutive months of employment with one employer or in the same or similar occupations. Loss of that employment may not be caused by the voluntary actions of the veteran.

SECTION 9. VA 2.03(3)(a) is amended to read:

VA 2.03(3) GRANT APPLICATION. (a) *Required information.* A grant application, including required exhibits and supplements, shall contain ~~such information as~~ that is necessary to satisfy the department that the applicant has a qualifying need for the grant, is or will be enrolled in a qualifying course of instruction which will lead to gainful employment and has become unemployed or received a notice of termination of employment within the year prior to the date ~~of the application is received by the department~~ or has received a retraining grant within 13 months prior to applying the date the department receives an application for a second grant. Required exhibits and supplements shall include a statement written by the applicant explaining the circumstances leading to the need for retraining and an explanation as to why the applicant feels that the desired retraining will lead to gainful employment. The exhibits and supplements shall also include verification that the applicant has received counseling from an assessment counselor and the counselor approves of the retraining to be undertaken.

SECTION 10. VA 2.03(4) is created to read:

VA 2.03(4) COORDINATION WITH OTHER OCCUPATIONAL TRAINING PROGRAMS. The department shall stay in regular contact with and shall promote cooperation with the United States department of labor, the United States department of veterans affairs, the department of industry, labor and human relations, the department of health

and social services and any other occupational training program administrator as appropriate. The department may exchange program literature with the agencies and encourage county veterans service officers to provide information about other programs to veterans who participate in or inquire about the retraining grant program.

SECTION 11. VA 3.03(7) is amended to read:

VA 3.03(7) CONSOLIDATION OF DEBTS. Loans may be made to finance existing debts when if the department is satisfied that the veteran's debt commitments are beyond the veteran's capacity to repay in an orderly manner. Such Debt consolidation loans will ~~may~~ be made only where if they will substantially consolidate all the veteran's debts, other than the home mortgage, or result in significantly reduced total debt payments. Applications for such debt consolidation loans shall include a listing of the applicant's total debts giving the dates such the debts were incurred, the original amounts where possible, the purposes for which incurred and the amounts which the applicant's creditors will accept to satisfy such the debts. ~~After one such loan has been made to an applicant, If an applicant has received a debt consolidation loan within the 10 years immediately preceding an application for another debt consolidation loan, a further loans loan~~ may be made for the payment of debts only when the need for such the further loans loan arises from unusual and unforeseeable circumstances ~~and where such loans are approved by the chief of the economic assistance loan section.~~

SECTION 12. VA 3.03(18) and (19) are created to read:

VA 3.03(18) SATISFACTION OF LOAN UPON VETERAN'S DEATH. If a veteran who has obtained a loan dies before completing repayment, the department shall satisfy the loan. A veteran shall not have obtained a loan until all loan documents have been signed and the check representing the loan proceeds has been placed in the U.S. mail or actually received by the county veterans service officer, whichever applies. If there is a co-applicant on an approved application which is cancelled because of the veteran's death before the checks are mailed or actually received by the county veterans service officer, the co-applicant may still receive a loan, but only if the co-applicant is eligible to apply and only if the co-applicant qualifies in his or her own right.

VA 3.03(19) SUBORDINATION AGREEMENT. (a) The department may execute a subordination agreement to permit an increase in a mortgagor's present mortgage which is superior to the department mortgage securing an economic assistance loan or to replace the present superior mortgage with another in an amount equal to or in excess of the balance owing on the present superior mortgage when it is satisfied that the property will provide adequate security for its mortgage after the proposed increase in the superior mortgage.

(b) The mortgagor shall submit evidence of the mortgagor's present income and of the shelter cost payments under the repayment terms of the proposed new note and mortgage to establish that the new shelter cost payments will not be excessive in view of present income.

(c) The department may execute a subordination agreement to give priority to a proposed superior mortgage if the department's mortgage has been prematurely recorded or in exceptional cases without requiring the evidence set forth in par. (a).

(d) The following criteria shall be met for approval of all subordination agreements:

1. Minimum of 10% equity remaining after subordination.
2. A satisfactory repayment record on department loans.
3. The economic assistance loan is not currently delinquent.
4. Shelter cost ratio is not excessive based upon the criteria established by the department for the approval of economic assistance loans.

(e) In those cases where the proceeds of the mortgage to which the department is requested to subordinate will be used for any purpose except refinancing an existing first mortgage, including the cost of refinancing, the request will be denied if all of the following apply:

1. The veteran's and spouse's total income is greater than the amount specified in s. 45.351(2)(b) 2., Stats.
2. The veteran's equity in the home after the subordination is greater than 20% as derived from the current appraised value and the outstanding mortgage principal balance.
3. One-twelfth of the veteran's calculated anticipated annual shelter payment after the subordination would be less than 20% of the veteran's and spouse's combined gross monthly income.

SECTION 13. VA 4.08(11) is created to read:

VA 4.08(11) SUBORDINATION AGREEMENT. (a) The department may execute a subordination agreement to permit an increase in a mortgagor's present mortgage which is superior to the department mortgage securing a loan under s. 45.76(1)(c), Stats. or to replace the present superior mortgage with another in an amount equal to or in excess of the balance owing on the present superior mortgage when it is satisfied that the property will provide adequate security for its mortgage after the proposed increase in the superior mortgage.

(b) The mortgagor shall submit evidence of the mortgagor's present income and of the shelter cost payments under the repayment terms of the proposed new note and mortgage to establish that the new shelter cost payments will not be excessive in view of present income.

(c) The department may execute a subordination agreement to give priority to a proposed superior mortgage if the department's mortgage has been prematurely recorded or in exceptional cases without requiring the evidence set forth in par. (a).

(d) The following criteria shall be met for approval of all subordination agreements:

1. Minimum of 10% equity remaining after subordination.
2. A satisfactory repayment record on department loans.
3. The loan under s. 45.76(1)(c), Stats. is not currently delinquent.
4. Shelter cost ratio is not excessive based upon the criteria established by the department for the approval of loans under s. 45.76(1)(c), Stats.

(e) In those cases where the proceeds of the mortgage to which the department is requested to subordinate will be used for any purpose except refinancing an existing first mortgage, including the cost of refinancing, the request will be denied if all of the following apply:

1. The veteran's and spouse's total income is greater than the amount specified in s. 45.74(1) Stats.
2. The veteran's equity in the home after the subordination is greater than 20% as derived from the current appraised value and the outstanding mortgage principal balance.
3. One-twelfth of the veteran's calculated anticipated annual shelter payment after the subordination would be less than 20% of the veteran's and spouse's combined gross monthly income.

SECTION 14. VA 5.03(intro), (3) and (7) are amended to read:

VA 5.03 ~~Curator~~, Director, duties and responsibilities: The ~~curator~~ director under the direction of the secretary shall operate and conduct the Wisconsin Veterans Museum pursuant to Wisconsin Statutes and in accordance with the policies established by the board. The ~~curator~~ director shall:

VA 5.03(3) Restore, preserve and safeguard all articles in the memorial collection. The ~~curator~~ director may not sell, mortgage, transfer or dispose of in any manner or remove from the museum, except for temporary purposes, any articles which are a part of the memorial ~~collection~~ collection, except that, upon the

recommendation of the secretary and the approval of the board, any duplicate articles or articles outside the field of the memorial collection may be sold or exchanged for the purpose of procuring additional materials for display.

VA 5.03(7) ~~Weleome-and-register~~ Permit visitors to the museum, ~~conducting-them-through-the-museum-and-explaining~~ to view the exhibits and displays of the memorial collection and provide information regarding the historical significance of the military service and the events they depict.

SECTION 15. VA 7.01(2) is amended to read:

VA 7.01(2) "Regional office" means the ~~veterans-administration~~ United States department of veterans affairs regional office in Milwaukee, Wisconsin.

SECTION 16. VA 8.01 is amended to read:


VA 8.01 **Classes of counties.** Counties shall be divided into 8 county veterans' service officer pay range classes, based upon state pay schedule no. 1 for general non-represented administrative and management positions. These classes shall be determined by the general population of the county as based upon the latest census compiled by the bureau of census, as follows:

	Population Range	Pay Range
Class I	under 5,000	1-06
Class II	5,000 to 12,499	1-07
Class III	12,500 to 19,999	1-08
Class IV	20,000 to 44,999	1-10
Class V	45,000 to 74,999	1-12
Class VI	75,000 to 149,999	1-13
Class VII	150,000 to 499,999	1-14
Class VIII	<u>ever 500,000 and over</u>	1-15

The rule shall take effect on the first day of the month following publication in the Wisconsin Administrative register as provided in s.227.22(2)(intro.), Stats.

Date: July 6, 1993

STATE OF WISCONSIN
DEPARTMENT OF VETERANS AFFAIRS

BY: 
RAYMOND G. BOLAND, SECRETARY

RECEIVED

JUL 6 1993

Revisor of Statutes
Bureau