

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

1997-98

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on  
Veterans and  
Military Affairs  
(AC-VMA)

Sample:

Record of Comm. Proceedings ... RCP

- 05hr\_AC-Ed\_RCP\_pt01a
- 05hr\_AC-Ed\_RCP\_pt01b
- 05hr\_AC-Ed\_RCP\_pt02

➤ Appointments ... Appt

➤ \*\*

➤ Clearinghouse Rules ... CRule

➤ \*\*

➤ Committee Hearings ... CH

➤ \*\*

➤ Committee Reports ... CR

➤ \*\*

➤ Executive Sessions ... ES

➤ \*\*

➤ Hearing Records ... HR

➤ **97hr\_ab0139\_AC-VMA\_pt01**

➤ Miscellaneous ... Misc

➤ \*\*

➤ Record of Comm. Proceedings ... RCP

➤ \*\*



## WISCONSIN LEGISLATIVE COUNCIL STAFF MEMORANDUM

One East Main Street, Suite 401; P.O. Box 2536; Madison, WI 53701-2536  
Telephone (608) 266-1304  
Fax (608) 266-3830

DATE: December 9, 1997  
TO: REPRESENTATIVE TERRY MUSSER  
FROM: Pam Shannon, Senior Staff Attorney  
SUBJECT: Description of 1997 Assembly Bill 139, Relating to Veterans Benefits for Veterans Who Are Delinquent in Child or Spousal Support, and Assembly Substitute Amendment 1 to the Bill

This memorandum, prepared at your request, describes 1997 Assembly Bill 139 (hereinafter, "the Bill"), relating to veterans benefits for veterans who are delinquent in child or spousal support, maintenance, medical expenses or birth expenses. The memorandum also describes Assembly Substitute Amendment 1 to the Bill (hereinafter, "the Substitute Amendment") and Assembly Amendment 1 to the Substitute Amendment.

The Bill was introduced by yourself and others; cosponsored by Senator Wirch and others, on February 24, 1997. The Bill was referred to the Assembly Committee on Veterans and Military Affairs which held a public hearing on the Bill on March 5, 1997. You offered Assembly Substitute Amendment 1 to the Bill on April 30, 1997. The Committee took executive action on the Bill on April 30, 1997 and offered Assembly Amendment 1 to the Substitute Amendment. The Committee adopted the Amendment and the Substitute Amendment and recommended passage of the Bill, as amended, on unanimous votes.

The Bill was referred to the Assembly Committee on Children and Families on May 15, 1997. The Committee held a public hearing on the Bill on October 2, 1997. Executive action may be taken on the Bill at the Committee's December 11, 1997 public hearing and executive session.

### A. CURRENT LAW

Under current law, a person is not eligible for the following veterans benefits if he or she is delinquent in child support or maintenance payments or owes past support, medical expenses or birth expenses: (1) the veterans' tuition and fee reimbursement program; (2) veterans personal loans; (3) reimbursement for correspondence courses and part-time classroom study; and (4) the mortgage loan program.

Subsequent to introduction of the Bill and Substitute Amendment and action by the Assembly Committee on Veterans and Military Affairs, statutory provisions relating to three of these veterans benefits were modified in 1997 Wisconsin Act 27, the 1997-99 Biennial Budget Act (hereinafter, "the Budget Act"). The Budget Act provisions took effect on October 14, 1997. The following discussion of current law governing the various veterans benefits to which the Bill pertains takes into account the Budget Act changes.

It should be noted that the Bill and Substitute Amendment, as currently drafted, also pertain to the economic assistance loan program in s. 45.351 (2), 1995 Stats. The statute governing that program was repealed in the Budget Act; therefore, it is not summarized below.

### 1. Veterans' Tuition and Fee Reimbursement Program

Under current law, as affected by the Budget Act, the Department of Veterans Affairs (DVA) provides tuition and fee reimbursement for eligible veterans enrolling as undergraduates in any institution or center within the University of Wisconsin (UW) System, enrolling in any technical college in the state or receiving a waiver of nonresident tuition under the Minnesota-Wisconsin student reciprocity agreement.

Under the program, upon successful completion of a semester, the veteran may be reimbursed for up to 50% of his or her tuition and fees charged by the institution, center or school (with reimbursement limited to a maximum of 50% of the standard cost for a state resident for an equivalent undergraduate course at the UW-Madison per course) or the difference between the veteran's tuition and fees and any grants or scholarships that the veteran receives specifically for the payment of tuition or fees, whichever is less.

### 2. Veterans Personal Loans

Prior to enactment of the Budget Act, these loans were referred to as the Veterans Trust Fund Stabilization Loans. The Budget Act changed the name and certain features of the loans.

Under current law, as affected by the Budget Act, the DVA may lend a veteran, a veteran's unmarried spouse or a deceased veteran's child who meets certain requirements not more than \$15,000, or a lesser amount established by the DVA by rule, for: (a) the purchase of a mobile home, business or business property; (b) the education of the veteran or his or her spouse or children; (c) the payment of medical or funeral expenses; or (d) the consolidation of debt.

In addition, the DVA may lend not more than \$15,000, or a lesser amount established by rule, to a veteran's remarried surviving spouse or to the parent of a deceased veteran's child for the education of a child who meets certain requirements.

### 3. Reimbursement for Correspondence Courses and Part-Time Classroom Study

Under current law, as affected by the Budget Act, any veteran, upon the completion of any correspondence or part-time classroom study from an institution of higher education located in Wisconsin or from any public or private high school, may be reimbursed in part for the cost

of the course. In specified circumstances, reimbursement for courses taken from an out-of-state higher education institution also may be obtained. With certain exceptions, reimbursement may not exceed 50% of the cost of tuition and fees and may not be provided to a person more than four times in a 12-month period.

#### **4. Mortgage Loan Program**

Under current law, an authorized lender or a county veterans' service officer may, as agent for and with the approval of the DVA, make mortgage loans to eligible veterans. The loans may be made for the following purposes:

- a. Purchase of the following:
  - (1) A mobile home or real property on which a mobile home is to be situated.
  - (2) A home and eligible rehabilitation of a home.
- b. Construction of a home, including housing accommodation and garage, and the acquisition of land therefor.
- c. Improvement of a home, including construction of a garage.
- d. Refinancing the following:
  - (1) The balance due on an indebtedness which was incurred for a use described in items a. through c., above.
  - (2) The balance due on a construction period loan, bridge loan or other financing if the financing was used for a purpose described in item b., above.

#### **B. THE BILL**

Under the Bill, veterans may receive the above benefits even if they are delinquent in child support or maintenance payments or owe past support, medical expenses or birth expenses, if they provide the DVA with a repayment agreement that has been accepted by the county child support agency.

#### **C. THE SUBSTITUTE AMENDMENT, AS AMENDED BY ASSEMBLY AMENDMENT 1**

Assembly Amendment 1 changed references in the Substitute Amendment of "7 days" to "7 working days."

Under the Substitute Amendment, as amended, a veteran may receive the above benefits even if he or she is delinquent in child support or maintenance payments or owes past support, medical expenses or birth expenses, if the veteran provides the DVA with one of the following:

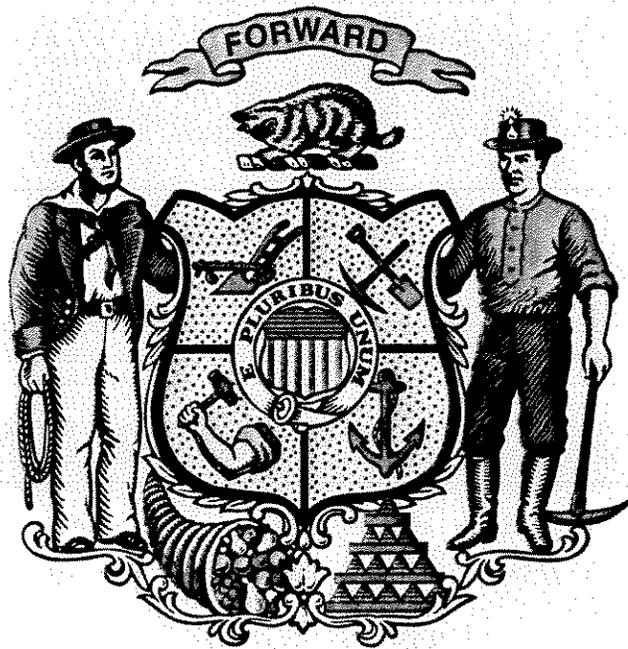
1. A repayment agreement that the individual has entered into, that has been accepted by the county child support agency and that has been kept current for the six-month period immediately preceding the date of application.

2. A statement that the individual is not delinquent in child support or maintenance payments and does not owe past support, medical expenses or birth expenses, signed by the clerk of the circuit court within seven working days before the date of the application.

In addition, for the veterans personal loans, a veteran who is delinquent in child support or maintenance payments or owes past support, medical expenses or birth expenses may receive a loan if the veteran agrees to use the loan proceeds to pay any delinquent child support or maintenance payments and to pay any past support, medical expenses or birth expenses if the applicant fails to meet the requirements under items 1. and 2., above.

If you have any questions or would like further information on this subject, please feel free to contact me at the Legislative Council Staff offices.

PS:jt:lah;ksm



12-10-97

AB 139

# Deadbeat parents, beware

## State agency plans to get tough in collection efforts

By Mike Flaherty  
Legislative reporter

The state plans to hit "deadbeat dads" where they live:

Those who don't pay child support could have their fishing boats, snowmobiles, hunting rifles, trucks and other personal property impounded and sold.

The agency in charge of collecting support also wants broader access to personal financial records in its search for parents who owe child support.

State officials want access to cable television bills, bank records, and utility bills to find parents.

And to warn scofflaws, the state plans to air television commercials starring former Green Bay Packer

Sean Jones encouraging dads to pay their child support.

**The state plans to air television commercials starring former Green Bay Packer Sean Jones encouraging dads to pay their child support.**

The commercials will be shown on programs young men are likely to watch, such as "Baywatch," "Men Behaving Badly," "The Simpsons," professional football and basketball

games and All-Star Wrestling.

Linda Stewart, secretary of the Wisconsin Department of Workforce Development, said that despite current collection efforts, only about a third of the money owed in support payments has been paid.

Statewide, parents owe \$933 million in unpaid child support to 185,000 families with 400,000 children. About 85 percent of the deadbeats are fathers, she said.

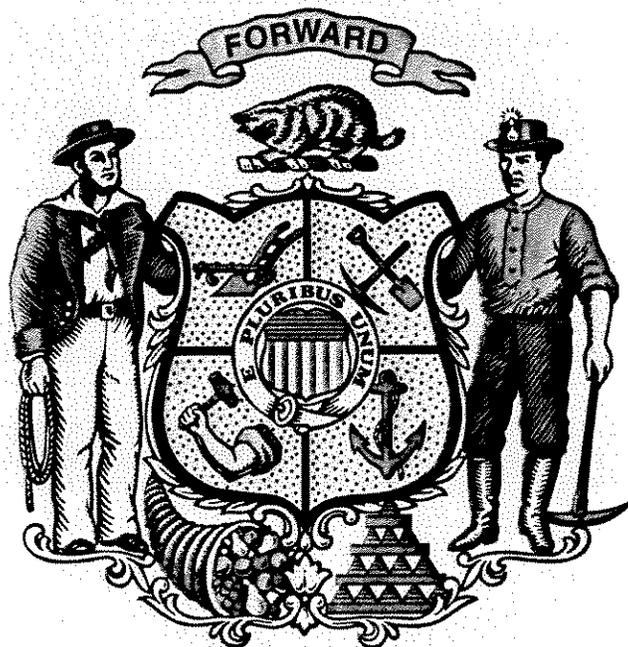
The enforcement measures are part of a national effort to step up child support payments. Recently passed federal welfare legislation requires states to get tougher — and makes it much easier for states to track parents who move from state to state to avoid paying child support.

In Wisconsin, the "get tough" measures will still have to pass the Legislature. But measures already have Democratic and Republican sponsors in the Assembly and Senate — and sponsors expect the measures to be approved when the Legislature meets again beginning in January.

W-2, the state's new welfare law, also will help improve child support collections, said Sen. Carol Roessler, R-Oshkosh, the Senate author of W-2.

Under the old welfare laws, child support payments were made to the state to help offset the cost of welfare if the parent caring for the children was poor.

W-2 allows a parent to pay directly to the family. Combined with welfare support, those families will see their incomes rise about \$60 million a year, Stewart said.





**ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1997 ASSEMBLY BILL 139**

12/10/97

Young

Becky Young's  
amendment

She'd like you to  
call her about it

substitute amendment as follows:  
or "application" insert "and a statement  
individual has paid at least 50% of the

(Exec tomorrow)

Rebecca Young

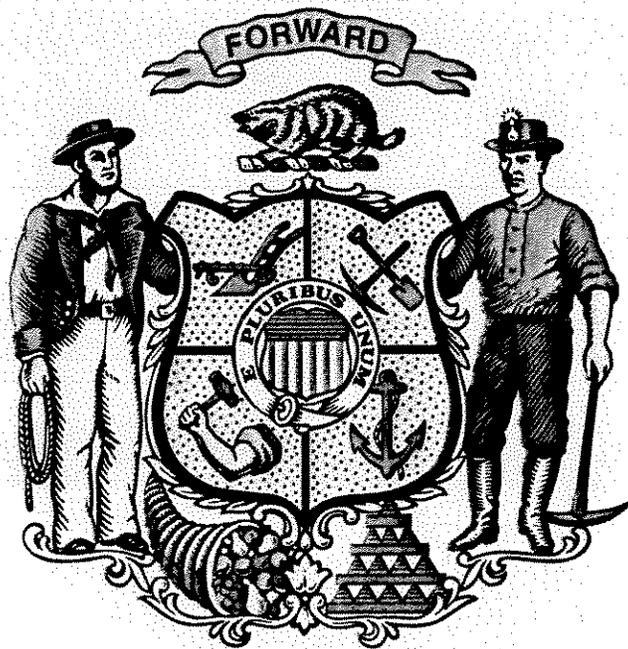


STATE REPRESENTATIVE

- for your information
- in response to your request
- please comment after you have reviewed these materials

Please call me after  
you have had a chance  
to review this.

1000 328NW





ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1997 ASSEMBLY BILL 139

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 2, line 12: delete the material beginning with that line and ending with  
3 page 3, line 13, and substitute:

4 “SECTION 5m. 45.356 (2) of the statutes, as affected by 1997 Wisconsin Act 27,  
5 is amended to read:

6 45.356 (2) The department may lend a veteran, a veteran’s unremarried spouse  
7 or a deceased veteran’s child who meets the requirements of s. 45.35 (5m) (a) 2. not  
8 more than \$15,000 or a lesser amount established by the department by rule for the  
9 purchase of a mobile home, business or business property, the education of the  
10 veteran or his or her spouse or children, the payment of medical or funeral expenses,

1 the payment under sub. (6) (c) or the consolidation of debt. The department may  
2 prescribe loan conditions, but the term of the loan may not exceed 10 years.

3 The department shall ~~(END)~~ ensure that the proceeds  
of any loan under this section shall  
first be applied to pay any delinquent  
child support or maintenance payments  
and to pay any past support, medical  
expenses or birth expenses."

(END)