

SUBCHAPTER III

VETERANS HOUSING LOAN PROGRAM

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3 **45.30 Purpose.** (1) LEGISLATIVE FINDINGS. It is determined that veterans, who
4 have sacrificed in the service of their country valuable years of their lives and
5 considerable earning potential, constitute a readily identifiable and particularly
6 deserving segment of this state's population. It is further determined that by making
7 additional housing funds available to eligible veterans, limited private home loan
8 funds will be more readily available to all. It is further determined that the loan
9 programs established under this subchapter are special purpose credit programs for
10 an economically disadvantaged class of persons for the purposes of 15 USC
11 1691-1691f.

12 (2) LEGISLATIVE INTENT. This subchapter is created principally to enable the
13 state and the authority to exercise their borrowing power to increase those funds
14 available for loans providing for the purchase or construction of private housing,
15 without requiring down payments beyond the reach of families of modest means. It
16 is the intent of the legislature that the department in its administration of this
17 subchapter avoid the duplication of those administrative services available through
18 private lending institutions, utilizing the administrative services of such
19 institutions to the maximum extent consistent with the purposes of this subchapter.

20 **45.31 Definitions.** In this subchapter:

21 (1) "Anticipated annual shelter payment" means the total annual payments
22 anticipated for the following, as determined by the department or authorized lender
23 on the basis of the loan applied for under s. 45.37:

24 (a) Real estate taxes on the premises to be mortgaged.

25 (b) Insurance premiums for coverage required under s. 45.37 (3) (b).

ASSEMBLY BILL 210

1 (c) Required payments on principal and interest on all mortgages placed or to
2 be placed against the home of an eligible person.

3 (2) “Authority” means the Wisconsin Housing and Economic Development
4 Authority.

5 (3) “Authorized lender” means any lender or servicer authorized under s. 45.37
6 (5) (a) 5. to make or service loans under s. 45.37.

7 (4) “Closing costs” include:

8 (a) Any origination fee authorized under s. 45.37 (5) (b).

9 (b) Attorney fees.

10 (c) Recording fees.

11 (d) Other costs authorized by the department.

12 (5) “Eligible person” means any person eligible under s. 45.33 (1) and not
13 disqualified under s. 45.33 (2) to receive a loan under this subchapter.

14 (6) “Federal Home Loan Mortgage Corporation” means the corporation created
15 under 12 USC 1451 to 1459.

16 (7) “Funds” include cash on hand and liquid investments owned by the veteran
17 and his or her spouse, individually or jointly, unless the veteran and spouse are
18 legally separated under s. 767.07.

19 (8) “Guaranteed loan” means a loan guaranteed by the U.S. department of
20 veterans affairs under 38 USC 1801 to 1827.

21 (9) “Home” means a building or portion of a building used as the veteran’s
22 principal place of residence, and includes condominiums and income-producing
23 property, a portion of which is used as a principal place of residence by the veteran,
24 and the land, including existing improvements, appertaining to the building.

ASSEMBLY BILL 210**SECTION 92**

1 (10) “Income” means the sum of the federal adjusted gross income plus any
2 income received that may reasonably be expected to be regular and dependable.

3 (11) “Insurer” means any insurer authorized to do business in this state.

4 (12) “Manufactured home” means a structure, as defined by the Federal Home
5 Loan Mortgage Corporation, which meets or exceeds the statutory size under s.
6 348.07 (2).

7 (13) “Monthly payment” means all of the following:

8 (a) Required payments on principal and interest.

9 (b) Insurance premiums for coverage required under s. 45.37 (3) (b).

10 (c) One-twelfth of annual real estate taxes on the mortgaged property.

11 (14) “Qualified purpose” means any purpose authorized under s. 45.34 (1).

12 **45.32 Powers of the department.** With respect to loans made by and
13 mortgages and mortgage notes executed or properties mortgaged to the department
14 or to authorized lenders under this subchapter, the department may do any of the
15 following:

16 (1) Execute necessary instruments.

17 (2) Collect interest and principal.

18 (3) Compromise indebtedness due on mortgage notes.

19 (4) Sue and be sued.

20 (5) Exercise the rights of a mortgagee, generally including the right to do any
21 of the following:

22 (a) Acquire or take possession of the mortgaged property and in so doing the
23 department may accept voluntary surrender and conveyance of title to the property
24 in full satisfaction of a mortgage debt or may bid for and purchase the property at
25 a sheriff’s sale or replevin the property.

ASSEMBLY BILL 210

1 (b) Commit itself to execute and execute subordination agreements, partial
2 releases, and other necessary instruments.

3 (c) Set up and follow procedures to assure proper disbursement of the proceeds
4 of insurance checks, share drafts, or other drafts covering damages sustained on
5 mortgaged properties.

6 (d) Pay the principal and interest on any obligations incurred in connection
7 with the mortgages on the property including real estate taxes, insurance premiums,
8 attorney fees, and obligations created as a result of its exercise of powers vested in
9 it under this subchapter.

10 (e) Exercise any other powers as may be necessary for the efficient
11 administration of this subchapter.

12 (6) In contracts entered into under s. 45.37 (5) (a) 1., empower authorized
13 lenders to exercise any of the powers vested in the department under this subchapter.

14 (7) Manage, operate, lease, exchange, sell, and otherwise convey real property.

15 (8) Grant easements in any real property the department acquires.

16 (9) Upon application by the mortgagor and agreement in writing executed by
17 the parties:

18 (a) Extend the time in which the obligation under a mortgage note or any part
19 of the obligation must be paid.

20 (b) Reduce the amounts of monthly installments and provide other terms and
21 conditions relative to time and manner of repaying the obligation as it deems
22 necessary or reasonable.

23 **45.33 Eligibility and disqualifying factors.** (1) ELIGIBLE PERSONS. Subject
24 to sub. (2) (a) or (b), the following persons may receive a loan under this subchapter:

25 (a) A veteran.

ASSEMBLY BILL 210**SECTION 92**

1 (b) A person who served on active duty for more than 6 months during the
2 period between February 1, 1955, and August 4, 1964, and was honorably
3 discharged.

4 (c) The unremarried surviving spouse or dependent child, as defined in s. 45.01
5 (6) (b), of a deceased veteran or of a deceased person described in par. (b).

6 **(2) DISQUALIFYING FACTORS.** (a) A person listed in sub. (1) may not receive a loan
7 under this subchapter if the department or authorized lender determines that any
8 of the following applies:

9 1. The person will be incurring an excessive indebtedness in view of the person's
10 income.

11 2. The person has a previous loan outstanding under this subchapter, unless
12 any of the following apply:

13 a. The previous loan has been assumed by an eligible person with the
14 department's approval upon the sale of the residence securing the previous loan.

15 b. The person is applying for a loan under s. 45.37 for a purpose under s. 45.34
16 (1) (c) and the previous loan was made under s. 45.37.

17 (b) A person listed in sub. (1) who is not a permanently and totally disabled
18 veteran may not receive a loan under this subchapter if the department or authorized
19 lender determines that any of the following applies:

20 1. The person is delinquent in child support or maintenance payments or owes
21 past support, medical expenses, or birth expenses, as evidenced by the appearance
22 of the person's name on the statewide support lien docket under s. 49.854 (2) (b),
23 unless the person provides the department or authorized lender with one of the
24 following:

ASSEMBLY BILL 210

1 a. A repayment agreement that the person has entered into, that has been
2 accepted by the county child support agency under s. 59.53 (5) and that has been kept
3 current for the 6-month period immediately preceding the date of the application.

4 b. A statement that the person is not delinquent in child support or
5 maintenance payments and does not owe past support, medical expenses, or birth
6 expenses, signed by the department of workforce development or its designee within
7 7 working days before the date of the application.

8 2. The amount of the loan exceeds 2.5 times the median price of a home in this
9 state. The department shall establish the median price of a home in this state for
10 each fiscal year by using the most recent housing price index generated by the
11 Wisconsin Realtors Association before July 1.

12 **45.34 Uses for loan proceeds. (1) MORTGAGE LOAN PROGRAM.** An authorized
13 lender may, with the approval of the department, make loans under s. 45.37 for any
14 of the following purposes:

15 (a) The purchase of one of the following:

16 1. A manufactured home or real property on which a manufactured home is to
17 be situated, but only if the eligible person has available and applies on the total cost
18 of the property, an amount equivalent to at least 15 percent of the total cost. This
19 15 percent requirement does not apply to a disabled veteran.

20 2. A home and eligible rehabilitation of a home, as defined in s. 234.49 (1) (d).

21 (b) The construction of a home, including housing accommodation and garage,
22 and the acquisition of land therefor.

23 (c) A loan of not more than \$25,000 to improve a home, including the
24 construction of a garage or the removal or other alteration of existing improvements

ASSEMBLY BILL 210**SECTION 92**

1 that were made to improve the accessibility of a home for a permanently and totally
2 disabled individual.

3 (d) 1. Refinancing the balance due on an indebtedness that was incurred for a
4 use designated in pars. (a) to (c) if the balance owing on the indebtedness does not
5 exceed the amount requested in a prior loan application from that eligible person and
6 if the indebtedness was incurred by that person after a prior loan application from
7 that person was denied by the department. Refinancing loans may be made under
8 this paragraph only if the board reverses the department's denial after determining
9 that the prior application met requirements in effect on the date of the denial and
10 that the loan application should have been approved.

11 2. Refinancing the balance due on a construction period loan, bridge loan, or
12 other financing if the financing was used for a purpose designated in par. (b) and has
13 a term of 24 months or less.

14 (2) CONDITIONS. (a) No loan may be made under this subchapter if the
15 department or authorized lender determines that the total cost of the property
16 exceeds its market value unless the amount by which the cost of the property exceeds
17 its market value is paid by the borrower in addition to the contribution required by
18 s. 45.35. This paragraph does not apply to a permanently and totally disabled
19 veteran.

20 (b) The department or authorized lender may require any person applying for
21 a loan under this subchapter to certify that:

22 1. The residence to be purchased, constructed, improved, or refinanced with
23 financial assistance under this subchapter will be used as the person's principal
24 residence.

ASSEMBLY BILL 210

1 2. Unless other acceleration provisions are permitted under s. 45.36 (2), the
2 loan made under this subchapter will be repaid in full upon sale of the residence or
3 any of the person's interest in it. A divorce judgment divesting the person's interest
4 in the residence or a quit claim deed executed under the judgment does not constitute
5 a sale.

6 **45.35 Contribution.** No loan may be made under this subchapter unless, in
7 addition to the closing costs that the person may be required to pay, the person has
8 available, and applies on the total cost of the property for which the loan is made, an
9 amount equivalent to at least 5% of the total cost. The amount may consist of money
10 or other assets, including equity in real property. This section does not apply to a
11 permanently and totally disabled veteran.

12 **45.36 Manner of repayment. (1) MONTHLY PAYMENTS; RIGHT TO PREPAY.** Each
13 loan made under this subchapter shall be repaid in monthly installments with the
14 option to pay additional sums. Any additional payments must be paid on the regular
15 installment payment date.

16 **(2) ACCELERATION PROVISIONS.** All loans made under this subchapter shall be
17 repaid in full upon sale of the residence securing the loan or any interest in such
18 residence, unless one of the following applies:

19 (a) The sale is to another eligible person.

20 (b) The department or authorized lender servicing the loan determines that
21 acceleration will jeopardize collection of the loan balance.

22 (c) The loan is a guaranteed loan which is assumed or paid in regular monthly
23 installments under s. 45.37 (11) (a).

24 **45.37 Mortgage loan program. (1) LOANS AUTHORIZED.** An authorized lender
25 or a county veterans service officer may, as agent for and with the approval of the

ASSEMBLY BILL 210**SECTION 92**

1 department, make loans to eligible persons for qualified purposes in the manner
2 provided under this section.

3 (2) LOAN APPLICATIONS. (a) Applications for loans under this section for a
4 purpose specified in s. 45.34 (1) (a), (b), or (d) shall be made to an authorized lender
5 and applications for loans under this section for a purpose specified under s. 45.34
6 (1) (c) may be made to the department or to a county veterans service officer on forms
7 approved by the department and signed by the applicant. If the applicant is married
8 and not legally separated under s. 767.02 (1) (d) or in the process of obtaining a
9 divorce, the applicant's spouse also shall sign the application.

10 (b) The applicant may apply directly to the department or through a county
11 veterans service officer for certification of eligibility.

12 (3) LOANS TO BE SECURED. (a) Each loan made under this section, except a loan
13 of \$3,000 or less for a purpose specified under s. 45.34 (1) (c), shall be evidenced by
14 a promissory installment note and secured by a mortgage on the real estate in respect
15 to which the loan is granted. A loan of \$3,000 or less made for a purpose specified
16 under s. 45.34 (1) (c) shall be evidenced by a promissory installment note and shall
17 be secured by a guarantor or by a mortgage on the real estate in respect to which the
18 loan is granted. Any loan having as its source funds provided under sub. (6) (a) and
19 secured by a mortgage shall have the mortgage name the department as mortgagee
20 and payee. Any loan having as its source funds provided under sub. (6) (b) and
21 secured by a mortgage shall have the mortgage name the authorized lender involved
22 as mortgagee and payee, and such mortgage and note shall be assigned by the
23 authorized lender to the authority immediately upon execution. A mortgage
24 securing a loan made for a purpose specified in s. 45.34 (1) (a), (b), or (d) shall have
25 priority over all liens against the mortgaged premises and the buildings and

ASSEMBLY BILL 210

1 improvements to the buildings, except tax and special assessment liens filed after
2 the recording of the mortgage. A mortgage securing a loan made for a purpose
3 specified under s. 45.34 (1) (c) is acceptable if the applicant can establish a minimum
4 equity in the property, as established by the department by rule.

5 (b) Mortgages given to secure loans under this section shall provide for
6 adequate fire and extended coverage insurance. Policies providing such insurance
7 coverage shall name the authorized lender or the department as an insured.

8 (4) INTEREST RATE DETERMINED. (a) The board shall determine the interest rate
9 on loans made under this section. Except as provided in sub. (11), the interest rate
10 determined may not be increased during the term of the loan. Except as provided
11 in sub. (11), the interest rate shall be as low as possible but shall be sufficient to fully
12 pay all expenses and to provide reserves that are reasonably expected to be required
13 in the judgment of the board in accordance with par. (b) and sub. (7) (a) 3.

14 (b) 1. The board shall select and implement the methods of insuring against
15 losses arising from delinquency and default in the repayment of loans funded under
16 sub. (6) (a) and shall select and implement the methods of managing and selling any
17 property securing loans funded under sub. (6) (a).

18 2. The board shall charge or cause to be charged to borrowers all costs necessary
19 to insure against losses under subd. 1.

20 3. Moneys collected under subd. 2. and that are held by the state shall be
21 deposited, reserved, and expended as provided in sub. (7) (a) 3.

22 (c) Loans made pursuant to this section shall not be subject to s. 138.05,
23 138.051, or 138.052, except that a loan originated under this section after May 3,
24 1996, is subject to s. 138.052 (5).

ASSEMBLY BILL 210**SECTION 92**

1 **(5) ADMINISTRATIVE PROVISIONS.** (a) The department may do any of the
2 following:

3 1. Enter into contracts with authorized lenders throughout this state
4 authorizing such lenders to process applications and close and service loans made
5 under this section. The contracts shall include the responsibilities of the authorized
6 lender with respect to credit evaluations, financial eligibility determinations,
7 valuation of the home for which the loan is to be made, collection procedures in the
8 event of delinquent loan repayments, and other functions that the department may
9 require. The contracts shall authorize the lender to retain an amount from the
10 monthly payments for servicing loans made under this section. The rate of the
11 service fee shall not exceed a maximum rate established by the department with the
12 lender in accordance with current practices under similar programs, and shall be
13 stated in the contracts. The department shall specify in the contracts a maximum
14 length of time between receipt of monthly mortgage payments by the lender and
15 transmittal of such payments to the state or the authority.

16 2. Commit to advance and advance funds in the full amount of any mortgage
17 securing a purchase loan to be made by an authorized lender in accordance with the
18 terms under this section.

19 3. Commit to advance and advance in installments up to the full amount of any
20 mortgage securing a construction loan made by an authorized lender, to provide for
21 the purchase and improvement of a lot and the completion of the construction for
22 which the loan is to be made, under the terms of this section.

23 4. Mail checks, share drafts, or other drafts, or otherwise transfer or arrange
24 for transfer of funds to authorized lenders not sooner than 7 days prior to proposed
25 closing or disbursement dates.

ASSEMBLY BILL 210

1 5. Designate and maintain a current list of lenders authorized to make or
2 service loans under this section. The department shall promulgate rules
3 establishing standards for and governing the performance of authorized lenders in
4 making and servicing loans under this section and shall periodically monitor such
5 performance. The department shall promulgate rules to provide for the removal
6 from its list of authorized lenders of any lender that makes an excessive number of
7 errors on loan applications processed under subd. 1. The department may
8 summarily remove from its list of authorized lenders any lender that indicates it does
9 not wish to participate in the program and after hearing on notice remove from its
10 list of authorized lenders any lender that fails to conform with the rules of the
11 department governing that performance, and may refuse to permit a lender so
12 removed to make or service any loan under this section until the department is
13 satisfied that the lender will conform with its rules.

14 6. Require borrowers to make monthly escrow payments to be held by the
15 authorized lender or the department for real estate taxes and casualty insurance
16 premiums. The authorized lender or the department shall pay all of the amounts due
17 for real estate taxes and casualty insurance premiums, even if the amount held in
18 escrow is insufficient to cover the amounts due. If the amount held in escrow is
19 insufficient to cover the amounts due, the authorized lender or the department shall
20 recover from the borrower, after paying the amounts due under this subdivision, an
21 amount equal to the difference between the amounts paid and the amount held in
22 escrow. If the amount held in escrow is more than the amounts due, the authorized
23 lender or the department shall refund to the borrower, after paying the amounts due
24 under this subdivision, an amount equal to the difference between the amount held
25 in escrow and the amounts paid by the authorized lender or the department.

ASSEMBLY BILL 210**SECTION 92**

1 7. Obtain guarantees for loans under 38 USC 1801 to 1827.

2 8. Exercise all of the powers vested in it under this subchapter with respect to
3 any applications for loans and loans approved under this section and with respect to
4 any mortgages and mortgage notes executed to authorized lenders and assigned to
5 and purchased by the authority under this section and the properties securing those
6 mortgages. The department may exercise or authorize those powers to be exercised
7 in its own name.

8 9. With prior approval of the building commission, retire all 1981 veterans
9 home loan revenue bonds and transfer any assets remaining in the bond fund after
10 retirement into the veterans trust fund. The department may sell the assets
11 transferred to the veterans trust fund under this subdivision and deposit the
12 proceeds of any sale into the veterans trust fund.

13 10. Service loans made under this section and purchase from authorized
14 lenders the servicing rights for loans made by authorized lenders under this section.

15 11. Enter into contracts with persons other than authorized lenders for the
16 servicing of loans made under this section.

17 12. Loan money from the veterans trust fund to the veterans mortgage loan
18 repayment fund to fund loans under this section.

19 (b) At the time of closing, persons receiving loans under this section shall pay
20 an origination fee to the authorized lender participating in the loan, except that the
21 department shall pay, on behalf of a veteran who receives a loan under this section
22 and who has at least a 30 percent service-connected disability rating for purposes
23 of 38 USC 1114 or 1134, the origination fee to the authorized lender. The origination
24 fee charged under this paragraph shall be negotiated between the department and
25 the authorized lender but may not exceed that which the authorized lender would

ASSEMBLY BILL 210

1 charge other borrowers in the ordinary course of business under the same or similar
2 circumstances.

3 (6) SOURCES OF LOAN FUNDS. Funding for loans authorized under this section
4 may, at the discretion of the building commission, be provided by one or a
5 combination of the following:

6 (a) The secretary, with the approval of the governor and subject to the limits
7 of s. 20.866 (2) (zn), may request that state debt be contracted in accordance with ch.
8 18. Debt requested shall meet all of the following additional requirements:

9 1. State debt may be contracted when it reasonably appears to the building
10 commission that all state obligations so incurred under this paragraph and s. 20.866
11 (2) (zo) can be fully paid from moneys received from veterans repayments of loans on
12 mortgages and mortgage notes funded under this paragraph and other available
13 revenues of the veterans mortgage loan repayment fund. In making this
14 determination, the building commission may take into account the effect of its
15 planned future actions to refinance existing state debt, to create reserve funds, and
16 to modify the structure of the total debt outstanding so as to ensure that projected
17 repayments of loans on mortgages and mortgage notes, together with other available
18 moneys, will be sufficient as received to fund debt service payments as due. It is the
19 intent of the legislature that the program authorized under this section be fully
20 self-supporting and that it be administered so that all debt service and all related
21 costs of the program under this section will require no supplemental support from
22 the general fund.

23 2. The chairperson of the board shall certify that the chairperson does not
24 expect proceeds of state debt issued under this paragraph to be used in a manner that

ASSEMBLY BILL 210**SECTION 92**

1 would cause the debt to be arbitrage bonds as defined in the Internal Revenue Code,
2 if that debt is a bond that is exempt from federal taxation.

3 (b) Loans made under this section may be purchased by the authority from the
4 veterans housing loan fund under s. 234.41. All receipts of interest, except amounts
5 retained as servicing fees by the authorized lenders servicing the loans purchased
6 by the authority, and principal on the loans, payments of losses by insurers not used
7 for restoration of the property securing the loans, and any other collections, shall be
8 deposited by the authority into the veterans housing bond redemption fund under
9 s. 234.43 and shall be disbursed from the fund as provided in s. 234.43 (2).

10 (c) The secretary, with the approval of the governor and subject to the limits
11 of sub. (10), may request that revenue obligations be contracted in accordance with
12 subch. II of ch. 18. Revenue obligations requested shall meet all of the following
13 additional requirements:

14 1. Revenue obligations may be contracted when it reasonably appears to the
15 building commission that all obligations incurred under this paragraph can be fully
16 paid from moneys received from veterans repayments of loans on mortgages and
17 mortgage notes funded under this paragraph.

18 2. The chairperson of the board shall certify that the board and the department
19 do not expect and shall not use proceeds of revenue obligations issued under this
20 paragraph in a manner that would cause the revenue obligations to be arbitrage
21 bonds as defined in the Internal Revenue Code, where that debt is a bond that is
22 exempt from federal taxation.

23 **(7) REPAYMENT OF MORTGAGE LOANS.** (a) There is created the veterans mortgage
24 loan repayment fund. All moneys received by the department for the repayment of
25 loans funded under sub. (6) (a) except for servicing fees required to be paid to

ASSEMBLY BILL 210

1 authorized lenders, net proceeds from the sale of mortgaged properties, any
2 repayment to the department of moneys paid to authorized lenders, gifts, grants,
3 other appropriations, and interest earnings accruing, any repayment of moneys
4 borrowed under s. 45.42 (8) (a), all moneys received under sub. (5) (a) 6., and any
5 moneys deposited or transferred under s. 18.04 (6) (b) or (d) shall be promptly
6 deposited into the veterans mortgage loan repayment fund. The board shall
7 establish by resolution a system of accounts providing for the maintenance and
8 disbursement of moneys of the veterans mortgage loan repayment fund to fund loans
9 under sub. (6) (a) or to fund, refund, or acquire public debt as provided in s. 18.04 (5).
10 The system of accounts shall record and provide moneys for all of the following
11 purposes:

- 12 1. Transfer to the bond security and redemption fund.
- 13 2. Acquisition or redemption of public debt in accordance with resolutions of
14 the building commission.
- 15 3. Payment of losses arising from delinquency or default in the repayment of
16 loans funded under sub. (6) (a), including loss of principal and interest accrued to the
17 point of final disposition of the defaulted loan and the expenses of management and
18 sale of the property taken upon default of loan repayment.
- 19 4. Payment of all costs incurred by the department in processing and servicing
20 loans, purchasing servicing rights for loans under this section, and accounting for
21 and administering the program under this section, including a portion of grants
22 made to county veterans service officers under s. 45.82.
- 23 5. Payment of all costs incurred in contracting public debt for the purposes
24 under s. 18.04 (5) and under s. 18.04 (2) for the purpose of funding veterans housing
25 loans.

ASSEMBLY BILL 210**SECTION 92**

1 6. Payment of costs of issuance of obligations to fund loans under sub. (6) (c)
2 if not paid from the proceeds of the obligations.

3 7. Payment of obligations arising from loans funded under sub. (6) (b).

4 8. Payment of any other costs of program operation and management
5 authorized under this section.

6 9. Loan money to the veterans trust fund, upon prior approval of the building
7 commission for each loan, for the purposes under s. 45.42.

8 10. Payment of origination fees, on behalf of veterans who have at least a 30
9 percent service-connected disability rating for purposes of 38 USC 1114 or 1134, to
10 authorized lenders under sub. (5) (b).

11 11. Payment required of the department under sub. (5) (a) 6.

12 12. Payment of obligations arising from the acquisition of a headquarters and
13 museum building for the department under s. 45.03 (5) (b).

14 (b) The board may amend the system of accounts established under par. (a) only
15 by resolution of the board that is approved by the building commission.

16 (c) If revenues of the veterans mortgage loan repayment fund are insufficient
17 to meet all current expenses, the secretary of administration shall establish a
18 repayment schedule whereby the general fund will be reimbursed in an orderly
19 manner for moneys advanced. Interest rates to be charged on loans subsequently
20 issued shall be adjusted to provide sufficient revenues to meet all of this repayment
21 schedule.

22 (d) After meeting all expenses and providing for reserves under par. (a) 3.,
23 assets in the veterans mortgage loan repayment fund, upon prior approval of the
24 building commission, may be transferred to the veterans trust fund and used to fund
25 loans under s. 45.42.

ASSEMBLY BILL 210

1 **(8) USE OF SURPLUSES.** Surpluses may be used under sub. (11) (c) only if there
2 are no unrestricted fund balances available for that purpose in the funds created
3 under sub. (10). Section 20.001 (3) (e) shall not be construed to prohibit this action.

4 **(9) LIMITATION ON REMODELING OR ALTERATION FOR A DISABLED VETERAN.** Not more
5 than 50 percent of the proceeds of a loan granted under this section for a purpose
6 under s. 45.34 (1) (a) may be used for remodeling or alteration of the housing
7 accommodation after purchase to meet the special needs of a permanently and totally
8 disabled veteran. That portion of the proceeds used for this purpose shall be reserved
9 and distributed by the authorized lender.

10 **(10) REPAYMENT OF REVENUE OBLIGATIONS.** (a) All moneys received from any
11 source for repayment of loans, mortgages, or mortgage loan notes funded with
12 proceeds of revenue obligations issued under sub. (6) (c) shall be deposited into one
13 or more separate nonlapsible trust funds in the state treasury or with a trustee
14 appointed for that purpose by the authorizing resolution for the revenue obligations.
15 The board may pledge revenues received by the funds to secure revenue obligations
16 issued under sub. (6) (c) and shall have all other powers necessary and convenient
17 to distribute the proceeds of the revenue obligations and loan repayments in
18 accordance with subch. II of ch. 18. Unrestricted balances in the funds may be used
19 to fund additional loans issued under sub. (6) (c) and pay the balances owing on loans
20 after the assumptions of the loans or the closings of the sales of residences under sub.
21 (11) (c).

22 (b) Revenue obligations issued under sub. (6) (c) may not exceed \$280,000,000
23 in principal amount, excluding obligations issued to fund or refund outstanding
24 revenue obligation notes or to refund outstanding revenue obligation bonds.

ASSEMBLY BILL 210

1 (c) Except as may otherwise be expressly provided in resolutions authorizing
2 the issuance of revenue obligations or in other agreements with the holders of
3 revenue obligations, each issue of revenue obligations shall be on a parity with every
4 other revenue obligation issued under sub. (6) (c) and payable in accordance with
5 subch. II of ch. 18.

6 (11) GUARANTEED LOANS. (a) Upon any sale of the residence which secures a
7 guaranteed loan made under this section after April 3, 1980, except for the purchase
8 of the residence at the time the loan is initially made, the guaranteed loan may be
9 assumed or continue to be paid in regular monthly installments if the person who
10 assumes the mortgage loan payments or who will make the regular monthly
11 installments agrees to all of the following:

12 1. To pay interest on the loan from the date of the assumption of the loan, if the
13 loan is assumed, or from the date of the closing of the sale of the residence at the
14 maximum rates of interest being charged on guaranteed loans on the date the loan
15 was initially made.

16 2. To increase the amortization payments on the loan by an amount sufficient
17 to amortize the loan by the date the balance on the loan is payable in full according
18 to the original terms of the loan.

19 (b) The department and authorized lenders shall increase the interest rates
20 and amortization payments on loans assumed under par. (a).

21 (c) After the assumption of a guaranteed loan funded under sub. (6) (c), if the
22 loan is assumed, or the closing of the sale of a residence on which a balance is owing
23 on a guaranteed loan funded under sub. (6) (c), the balance owing on the loan on the
24 date of the assumption of the loan, if the loan is assumed, or the closing of the sale
25 may be paid to the funds created under sub. (10) from available surpluses, if any, in

ASSEMBLY BILL 210

1 the veterans mortgage loan repayment fund under sub. (7) (d). The loan and the
2 mortgage and mortgage note pertaining to the loan may be purchased by the
3 veterans mortgage loan repayment fund under sub. (7).

4 (12) PRIOR PROGRAM LOANS. Subject to this section and ss. 45.33 to 45.35, neither
5 the department nor an authorized lender may deny a person a loan under this section
6 because of the reason the person sold any property previously mortgaged by the
7 person to the department or an authorized lender, if the person completely paid the
8 balance of any previous loan under this subchapter in accordance with the terms and
9 conditions of the promissory note and the mortgage or other agreement executed in
10 connection with the previous loan.

11 (13) REPAYMENT OF LOAN. Any money appropriated or transferred by law from
12 the veterans mortgage loan repayment fund for purposes other than those listed in
13 sub. (7), other than moneys made temporarily available to other funds under s.
14 20.002 (11), shall be repaid from the general fund with interest at a rate of 5 percent
15 per year from the date of the appropriation or transfer to the date of repayment.

SUBCHAPTER IV**ASSISTANCE PROGRAMS**

16
17
18 **45.40 Economic assistance. (1) SUBSISTENCE AID.** (a) The department may
19 provide subsistence aid to an incapacitated veteran or a dependent of a veteran in
20 an amount that the department determines advisable to prevent undue hardship.
21 The department may provide subsistence aid under this subsection to a person
22 whose incapacitation is the result of alcohol or other drug abuse, if the person is
23 participating in an alcohol or other drug abuse treatment program approved by the
24 department. The department may provide subsistence aid on a month-to-month
25 basis or for a 3-month period. The department may provide the aid for a 3-month

ASSEMBLY BILL 210**SECTION 92**

1 period if the veteran or dependent whose incapacity is the basis for the aid will be
2 incapacitated for more than 3 months, as determined by a health care provider as
3 defined in s. 146.81 (1), and if earned or unearned income or aid from other sources
4 will not be available in the 3-month period. Subsistence aid shall be limited to a
5 maximum of 3 months in a 12-month period unless the department determines that
6 the need for subsistence aid in excess of this maximum time period is caused by the
7 person's relapse.

8 (b) The department may submit a request to the joint committee on finance for
9 supplemental funds from the veterans trust fund to be credited to the appropriation
10 account under s. 20.485 (2) (vm) to provide payments under this subsection. The joint
11 committee on finance may, from the appropriation under s. 20.865 (4) (u),
12 supplement the appropriation under s. 20.485 (2) (vm) in an amount equal to the
13 amount that the department expects to expend under this subsection.
14 Notwithstanding s. 13.101 (3) (a), the committee is not required to find that an
15 emergency exists. If the cochairpersons of the committee do not notify the secretary
16 within 14 working days after the date of the department's submittal that the
17 committee intends to schedule a meeting to review the request, the appropriation
18 account shall be supplemented as provided in the request. If, within 14 working days
19 after the date of the department's submittal, the cochairpersons of the committee
20 notify the secretary that the committee intends to schedule a meeting to review the
21 request, the appropriation account shall be supplemented only as approved by the
22 committee.

23 (2) HEALTH CARE AID. The department may provide temporary health care aid
24 for a veteran or the dependent of a veteran if the department considers it advisable
25 to prevent undue hardship. Health care aid to pay medical or hospital bills under

ASSEMBLY BILL 210

1 this subsection is limited to a payment of up to \$5,000 per veteran or dependent for
2 a 12-month period beginning on the first day of care for which the person seeks
3 reimbursement under this subsection. The department may issue a certificate of
4 entitlement stating that a veteran or dependent is eligible for health care aid under
5 this subsection if the treatment is received within a time period that the department
6 promulgates by rule. The department may not provide health care aid to pay for care
7 provided to the veteran or dependent before the time period identified in the
8 certificate of entitlement, except for emergency care, as determined by the
9 department, if the application for the health care aid is submitted within 90 days
10 after the emergency care ends. Health care aid may be used to provide payment for
11 the treatment of alcoholism or other drug addiction or to provide payment for health
12 care required because of alcoholism or other drug addiction or alcohol or other drug
13 abuse. The department may not provide health care aid under this subsection unless
14 the person's health care provider agrees to accept, as full payment for the medical
15 treatment for which the aid is to be granted, the amount of the aid, the amount of the
16 person's health insurance or other 3rd-party payments, if any, and the amount that
17 the department determines the person is capable of paying. The department may not
18 provide health care aid under this subsection if the combined liquid assets of the
19 veteran and veteran's dependents who are living in the same household are in excess
20 of \$1,000.

21 **(3) APPROPRIATIONS.** The department may provide aid under this section from
22 the appropriation in s. 20.485 (2) (vm). Nothing in this section empowers the
23 department to incur any state debt.

24 **45.41 Payments to veterans organizations.** (1) In this section:

ASSEMBLY BILL 210**SECTION 92**

1 (a) “Regional office” means the U.S. department of veterans affairs regional
2 office in Wisconsin.

3 (b) “State veterans organization” means the state organization or department
4 of a national veterans organization incorporated by an act of congress.

5 (2) Upon application the department shall make a payment to any state
6 veterans organization that establishes that it, or its national organization, or both,
7 has maintained a full-time service office at the regional office for 5 consecutive years
8 out of the 10-year period immediately preceding the application. The payment shall
9 be calculated based on the total amount of all salaries and travel expenses under sub.
10 (3) paid during the previous fiscal year by the state veterans organization to
11 employees engaged in veterans claims service and stationed at the regional office.
12 The payment shall be as follows:

13 (a) If the total amount paid under sub. (3) is from \$1 to \$2,499, the organization
14 shall receive the amount paid.

15 (b) If the total amount paid under sub. (3) is from \$2,500 to \$9,999, the
16 organization shall receive \$2,500.

17 (c) If the total amount paid under sub. (3) is from \$10,000 to \$119,999, the
18 organization shall receive 25 percent of the amount paid.

19 (d) If the total amount paid under sub. (3) is \$120,000 or more, the organization
20 shall receive \$30,000.

21 (3) A state veterans organization shall file an application annually with the
22 department for the previous 12-month period ending on March 31 of the year in
23 which it is filed. The application shall contain a statement of salaries and travel
24 expenses paid to employees of the organization engaged in veterans claims service
25 activities at the regional office by the state veterans organization covering the period

ASSEMBLY BILL 210

1 for which application for a payment is made. The statement shall be certified as
2 correct by a certified public accountant licensed or certified under ch. 442 and sworn
3 to as correct by the adjutant or principal officer of the state veterans organization.
4 The application shall include the state organization's financial statement for its
5 previous fiscal year and evidence of claims service activity that the department
6 requires. The state veterans organization shall submit with its initial application
7 sufficient evidence to establish that it or its national organization, or both, has
8 maintained a full-time service office at the regional office for 5 consecutive years out
9 of the 10-year period immediately preceding the application. Subsequent
10 applications shall be accompanied by an affidavit by the adjutant or principal officer
11 of the state veterans organization stating that the organization, on its own or with
12 its national organization, maintained a full-time service office at the regional office
13 for the entire 12-month period for which application for a payment is made.

14 (4) From the appropriation under s. 20.485 (2) (s), the department shall
15 annually provide a payment of \$100,000 to the Wisconsin department of the Disabled
16 American Veterans for the provision of transportation services to veterans.

17 **45.42 Veterans personal loans.** (1) It is determined that the loan program
18 established under this section is a special purpose credit program for an economically
19 disadvantaged class of persons for purposes of 15 USC 1691-1691f.

20 (2) The department may lend a veteran, a veteran's unremarried surviving
21 spouse, or a deceased veteran's child not more than \$25,000, or a lesser amount
22 established by the department under sub. (9). The department may prescribe loan
23 conditions, but the term of the loan may not exceed 10 years. The department shall
24 ensure that the proceeds of any loan made under this section shall first be applied
25 to pay any delinquent child support or maintenance payments owed by the person

ASSEMBLY BILL 210**SECTION 92**

1 receiving the loan and then to pay any past support, medical expenses, or birth
2 expenses owed by the person receiving the loan.

3 (3) The department may lend to the remarried surviving spouse of a deceased
4 veteran or to the parent of a deceased veteran's child not more than \$25,000, or a
5 lesser amount established by the department under sub. (9), for the education of the
6 deceased veteran's child.

7 (4) The department may execute necessary instruments, collect interest and
8 principal, compromise indebtedness, sue and be sued, post bonds, and write off
9 indebtedness that it considers uncollectible. If a loan under this section is secured
10 by a real estate mortgage, the department may exercise the rights of owners and
11 mortgagees generally and the rights and powers set forth in s. 45.32. The
12 department shall pay all interest and principal repaid on the loan into the veterans
13 trust fund.

14 (5) The department may charge loan expenses incurred under this section to
15 the loan applicant. The department shall pay all expenses received under this
16 subsection into the veterans trust fund.

17 (6) The department may provide a loan under this section to an applicant
18 whose name appears on the statewide support lien docket under s. 49.854 (2) (b) only
19 if the applicant does one of the following:

20 (a) Provides to the department a repayment agreement that the applicant has
21 entered into, that has been accepted by the county child support agency under s.
22 59.53 (5), and that has been kept current for the 6-month period immediately
23 preceding the date of the application.

24 (b) Provides to the department a statement that the applicant is not delinquent
25 in child support or maintenance payments and does not owe past support, medical

ASSEMBLY BILL 210

1 expenses, or birth expenses, signed by the department of workforce development or
2 its designee within 7 working days before the date of the application.

3 (c) Agrees to use the loan proceeds to pay any delinquent child support or
4 maintenance payments and to pay any past support, medical expenses, or birth
5 expenses if the applicant fails to meet the requirements under par. (a) or (b).

6 (7) No person may receive a loan under this section in an amount that, when
7 added to the balance outstanding on the person's existing loans under s. 45.351 (2),
8 1995 stats., and s. 45.356, 1995 stats., would result in a total indebtedness to the
9 department of more than \$25,000.

10 (8) (a) The department may borrow from the veterans mortgage loan
11 repayment fund under s. 45.37 (7) (a) to obtain money to make loans under this
12 section.

13 (b) The department may enter into transactions with the state investment
14 board to obtain money to make loans under this section. Transactions authorized
15 under this paragraph may include the sale of loans.

16 (9) Subject to the limits established in subs. (2) and (3), the department may
17 periodically adjust the maximum loan amount based upon financial market
18 conditions, funds available, needs of the veterans trust funds, or other factors that
19 the department considers relevant.

20 (10) The department may periodically adjust the interest rates for loans made
21 under this section, which may vary based upon the term of the loan, the type of
22 security offered, the method of payment, or other factors that the department
23 considers relevant.

24 (11) If an applicant's total indebtedness for loans made under this section is
25 more than \$5,000, the loan shall be evidenced by a promissory note and secured by

ASSEMBLY BILL 210**SECTION 92**

1 a mortgage on real estate located in this state. A loan of \$5,000 or less made to an
2 applicant whose total indebtedness for loans made under this section is \$5,000 or less
3 shall be evidenced by a promissory note and secured by a guarantor or by a mortgage
4 on real estate located in this state. A mortgage securing a loan made under this
5 section is acceptable if the applicant has equity in the property subject to the
6 mortgage equal to or exceeding a minimum amount that the department establishes
7 by rule.

8 **45.43 Veterans assistance program.** (1) The department shall administer
9 a program to provide assistance to persons who served in the U.S. armed forces or
10 in forces incorporated as part of the U.S. armed forces and who were discharged
11 under conditions other than dishonorable. The department shall provide assistance
12 to persons whose need for services is based upon homelessness, incarceration, or
13 other circumstances designated by the department by rule. The department shall
14 designate the assistance available under this section, which may include assistance
15 in receiving medical care, dental care, education, employment, and transitional
16 housing. The department may provide payments to facilitate the provision of
17 services under this section.

18 (2) The department may charge fees for transitional housing and for other
19 assistance provided under this section that the department designates. The
20 department shall promulgate rules establishing the fee schedule and the manner of
21 implementation of that schedule.

SUBCHAPTER V**VETERANS HOMES**

22
23
24 **45.50 Veterans homes; management.** (1) (a) The department shall operate
25 the Wisconsin Veterans Home at King and employ a commandant for the home. The

ASSEMBLY BILL 210

1 department shall employ a commandant for the Wisconsin Veterans Home at Union
2 Grove and may employ a commandant for the Wisconsin Veterans Home at
3 Chippewa Falls. The department may employ any personnel that are necessary for
4 the proper management and operation of veterans homes. In compliance with the
5 compensation plan established pursuant to s. 230.12 (3), a commandant may
6 recommend to the director of personnel charges for meals, living quarters, laundry,
7 and other services furnished to employees and members of the employees' family
8 maintained at veterans homes. The department shall provide complete personal
9 maintenance and medical care, including programs and facilities that promote
10 comfort, recreation, well-being, or rehabilitation, to all members of veterans homes.

11 (b) All moneys received as reimbursement for services to veterans homes
12 employees or as payment for meals served to guests at veterans homes shall be
13 accumulated in an account named "employee maintenance credits" and shall be paid
14 into the general fund within one week after receipt and credited to the appropriation
15 under s. 20.485 (1) (gk).

16 (c) Veterans homes with a skilled nursing facility shall include a geriatric
17 evaluation, research, and education program. The program staff shall be funded
18 from the appropriations under s. 20.485 (1) (hm), (j), and (mj).

19 (2) (a) Subject to authorization under ss. 13.48 (10) and 20.924 (1), the
20 department may construct or renovate and operate residential, treatment, and
21 nursing care facilities, including a community-based residential facility, to be known
22 as the Wisconsin Veterans Home at Union Grove.

23 (b) Subject to authorization under ss. 13.48 (10) and 20.924 (1), the department
24 may develop, construct or renovate, and operate residential, treatment, and nursing
25 care facilities and programs for veterans in northwestern Wisconsin, on the property

ASSEMBLY BILL 210**SECTION 92**

1 of the Northern Wisconsin Center for the Developmentally Disabled in Chippewa
2 Falls to be known as the Wisconsin Veterans Home at Chippewa Falls. The programs
3 and facilities may include an assisted living facility, a skilled nursing facility, a
4 medical clinic, an adult day health care center, an activities center, and a veterans
5 assistance program.

6 (3) The department may acquire, by gift, purchase, or condemnation, lands
7 necessary for the purposes of the veterans homes. Title to the lands shall be taken
8 in the name of this state and shall be held by and for the uses and purposes of the
9 veterans homes. No payment may be made out of the state treasury or otherwise for
10 the land until the title has been examined and approved by the attorney general.
11 Every such deed of conveyance shall be immediately recorded in the office of the
12 proper register of deeds and filed with the secretary of state.

13 (4) The department may use moneys appropriated under s. 20.485 (1) (h) to
14 purchase, erect, construct, or remodel buildings, to provide additions and
15 improvements, to provide equipment, materials, supplies, and services necessary for
16 the purposes of veterans homes, and for expenses that are necessary and incidental
17 to acquisition of property under s. 45.51 (10) and (11).

18 (5) The department may accept gifts, bequests, grants, or donations of money
19 or of property from private sources to be administered by the department for the
20 purposes of veterans homes. All moneys received shall be paid into the general fund
21 and appropriated as provided in s. 20.485 (1) (h), except that gifts or grants received
22 specifically for the purposes of the geriatric program at veterans homes are
23 appropriated as provided in s. 20.485 (1) (hm). The department may not apply to the
24 gifts and bequests fund interest on certificate of savings deposits for those members
25 who do not receive maximum monthly retained income. The department shall

ASSEMBLY BILL 210

1 establish for those persons upon their request individual accounts with savings and
2 interest applied as the member requests.

3 (6) (a) The department may enter into agreements for furnishing and charging
4 for water and sewer service from facilities constructed at and for veterans homes to
5 public and private properties lying in the immediate vicinity of veterans homes.

6 (b) Agreements under this section shall be drafted to hold harmless the
7 department, to require all expense to be paid by the applicant, and to be terminable
8 by the department when other water and sewer services become available to the
9 applicant.

10 (7) A commandant and employees designated by the commandant may
11 summarily arrest all persons within or upon the grounds of veterans homes who are
12 guilty of any offense against the laws of this state or the rules governing veterans
13 homes. For this purpose, a commandant and deputies have the power of constables.

14 (8) A fire department at a veterans home in response to emergency fire calls
15 may make runs and render fire fighting service beyond the confines of a veterans
16 home.

17 (9) The department may develop a program to provide stipends to individuals
18 to attend school and receive the necessary credentials to become employed at
19 veterans homes. If the department develops a stipend program under this
20 subsection, the department shall promulgate rules related to the program, including
21 the application process, eligibility criteria, stipend amount, repayment provisions,
22 and other provisions that the department determines are necessary to administer
23 the program.

24 (10) The department may establish a hospital at the veterans homes. All
25 hospitals established under this subsection may not have a total approved bed

ASSEMBLY BILL 210**SECTION 92**

1 capacity, as defined in s. 150.01 (4m), greater than 16 beds. The approved bed
2 capacity of a skilled nursing facility operated at a veterans home is reduced by one
3 bed for each approved bed at the hospital established under this subsection at that
4 home.

5 **45.51 Eligibility for membership. (1) GENERAL STATEMENT.** Within the
6 limitations of veterans homes, the department may admit to membership in veterans
7 homes persons who meet the qualifications set forth in this section.

8 **(2) ELIGIBILITY.** (a) The following persons are eligible for benefits under this
9 subchapter if they meet the applicable requirements of this subchapter:

10 1. A veteran.

11 2. A person who has served on active duty under honorable conditions in the
12 U.S. armed forces or in forces incorporated as part of the U.S. armed forces for 90
13 days or more and at least one day during a war period or under section 1 of executive
14 order 10957, dated August 10, 1961.

15 3. A spouse, surviving spouse, or parent of a person under subd. 1. or 2.

16 (b) A person under par. (a) 1. or 2. may be admitted to a veterans home if the
17 person meets all of the following conditions:

18 1. Is a resident of this state on the date of admission to a veterans home.

19 2. Is permanently incapacitated due to physical disability or age from any
20 substantially gainful occupation.

21 3. Has not been convicted of a felony or of a crime involving moral turpitude
22 or, if so, has produced sufficient evidence of subsequent good conduct and
23 reformation of character as to be satisfactory to the department.

24 4. Provides a complete financial statement containing information that the
25 department determines is necessary to evaluate the financial circumstances of the

ASSEMBLY BILL 210

1 person. The department may require a member of a veterans home to provide the
2 department with information necessary for the department to determine the
3 financial circumstances of the person. If a person fails to provide the additional
4 information, the department may discharge the person from the veterans home.

5 5. Has care needs that the veterans home is able to provide within the resources
6 allocated for the care of members of the veterans home, including chronic alcoholism,
7 drug addition, psychosis, or active tuberculosis.

8 (3) ADMISSION PRIORITIES. (a) Except in cases where there is an immediate need
9 for physical care or economic assistance, the department shall act on applications
10 based upon the date of receipt of the application by the veterans home. The
11 department may defer establishment of the priority date of the application to the
12 date that the veterans home is able to verify its ability to provide appropriate care
13 to the applicant or to assure that the appropriate care setting is available within the
14 home.

15 (b) Spouses, surviving spouses, and parents derive their eligibility from the
16 eligibility of the person under sub. (2) (a) 1. or 2. Surviving spouses and parents of
17 eligible persons under sub. (2) (a) 1. or 2. are eligible for admission only to a skilled
18 nursing facility at a veterans home.

19 (c) 1. The order of priority for admission to a veterans home shall be as follows:
20 a. Eligible persons under sub. (2) (a) 1. or 2. have 1st priority.
21 b. Spouses of eligible persons under sub. (2) (a) 1. or 2. have 2nd priority.
22 c. Surviving spouses of eligible persons under sub. (2) (a) 1. or 2. have 3rd
23 priority for admission.

24 d. Parents of eligible persons under sub. (2) (a) 1. or 2. have 4th priority for
25 admission.

ASSEMBLY BILL 210**SECTION 92**

1 2. The department may deviate from this sequence upon order of the board to
2 prevent the separation of a husband and wife.

3 **(4) ADDITIONAL ELIGIBILITY REQUIREMENTS OF A SPOUSE OF A VETERAN.** A spouse
4 of an eligible person under sub. (2) (a) 1. or 2. is eligible only if the spouse meets the
5 requirements of sub. (2) (b) 3. to 5. and if all of the following apply:

6 (a) The person under sub. (2) (a) 1. or 2. is a member, or if not a member is
7 institutionalized elsewhere because of physical or mental disability, and the spouse
8 had lived with the person for not less than 6 months immediately before making
9 application for membership.

10 (b) Separation from the spouse necessitated by reason of employment,
11 hospitalization, or because of a physical or mental disability of either spouse shall
12 not be taken to constitute an interruption of the 6-month period.

13 (c) A spouse of an eligible person under sub. (2) (a) 1. or 2. by virtue of a marriage
14 that was void when entered into but validated under s. 765.21 before applying for
15 admission shall, for the purpose of this subsection and sub. (6), be considered
16 married to the eligible person under sub. (2) (a) 1. or 2. from the date the marriage
17 was entered into.

18 **(5) ADDITIONAL ELIGIBILITY REQUIREMENTS OF A SURVIVING SPOUSE.** The surviving
19 spouse of a person under sub. (2) (a) 1. or 2. who was a resident of this state at the
20 time of the veteran's death is eligible if the surviving spouse meets the requirements
21 of sub. (2) (b) 3. to 5. and if the surviving spouse satisfies all of the following
22 conditions:

23 (a) 1. The surviving spouse satisfies any of the following conditions:

24 a. Was married to and living with the deceased person under sub. (2) (a) 1. or
25 2. not less than 6 months immediately prior to the death of the person.

ASSEMBLY BILL 210

1 b. Was married to the person under sub. (2) (a) 1. or 2. at the time the person
2 entered the service and who became a widow or widower by the death of the person
3 while in the service or as a result of physical disability of the person incurred during
4 the service.

5 c. The period during which the surviving spouse was married to and lived with
6 the deceased person under sub. (2) (a) 1. or 2. plus the period of widowhood or
7 widowerhood is 6 months or more.

8 d. Was married to and living with the person under sub. (2) (a) 1. or 2. less than
9 6 months and a child was born of the marriage.

10 (b) Has not remarried.

11 (c) Is 45 years of age or over on the date of application.

12 (d) Is physically disabled.

13 (e) Is unable adequately to care for himself or herself and lacks adequate means
14 of support.

15 (f) Has been a resident of this state for the 12 months immediately preceding
16 the date of application for membership.

17 **(6) ADDITIONAL ELIGIBILITY REQUIREMENTS OF PARENTS.** The parent of a person
18 under sub. (2) (a) 1. or 2. who was a resident of this state at the time of the person's
19 death or, the parent of a living person under sub. (2) (a) 1. or 2. who is eligible for
20 membership, is eligible if the parent meets the requirements of sub. (2) (b) 3. to 5.
21 and if the parent satisfies all of the following conditions:

22 (a) Has reached 60 years of age.

23 (b) Has been a resident of this state for the 12-months preceding the date of
24 application for membership.

ASSEMBLY BILL 210**SECTION 92**

1 (c) Is physically disabled, unable adequately to care for himself or herself, and
2 lacks adequate means of support.

3 (7) MEMBER INCOME RETENTION AND PAYMENT. (a) The board shall establish a pay
4 plan for compensation of members for services rendered to a veterans home under
5 its work therapy program.

6 (b) Members shall pay the amount due the state for care and maintenance of
7 the member within 30 days after the receipt of the veterans home's billing statement
8 by the member or by the member's personal representative. The department may
9 subject any bill not paid within 30 days after receipt of the billing statement to an
10 interest assessment of 1 percent per month or fraction of a month. If payment is not
11 made within 60 days after the receipt of the billing statement, the department may
12 discharge the member from the veterans home.

13 (c) Payment of amounts due the state for care and maintenance of a member
14 shall be made to the fullest extent possible from sources of income other than pension
15 or compensation paid by the U.S. department of veterans affairs.

16 (d) A member is not required to use income received from services rendered to
17 the veterans home under its work therapy program or from the sale of products or
18 services through the hobby shop as payment for the care or maintenance of the
19 member at the veterans home.

20 (e) The department shall supervise the operation of a veterans home exchange,
21 including the operation of the hobby shop for the sale of products made by all
22 members.

23 (8) PERSONAL FUNDS OF MEMBER. A member may, in writing, authorize a
24 veterans home to receive, hold, and account for his or her personal funds. Section
25 49.498 (8) applies to the funds of a member held by the veterans home under this

ASSEMBLY BILL 210

1 subsection. The department may transfer the personal funds of a member received
2 under this subsection to the Wisconsin veterans facilities members fund under s.
3 25.37. Upon request of the member, the department shall pay the member the
4 amount the member requests from his or her personal account.

5 (9) MEDICAL ASSISTANCE PAYMENTS. All moneys received under medical
6 assistance, as defined in s. 49.43 (8), for the care of members shall be transferred to
7 the appropriation under s. 20.485 (1) (gk).

8 (10) CONVEYANCE OF PROPERTY; DESCENT. (a) Except as otherwise provided in
9 this subsection, the application and admission of any applicant admitted under this
10 section shall constitute a valid and binding contract between a member and the
11 department. If a member dies leaving a relative that is entitled to an interest in the
12 property of the member under the rules of intestate succession or a will the existence
13 of which is made known to the commandant of the veterans home within 60 days of
14 the member's death, the member's property shall constitute a part of the member's
15 estate, except the commandant may distribute personal effects of nominal monetary
16 value of a deceased member who is not survived by a member spouse to surviving
17 relatives of the member who request the personal effects within a reasonable time
18 after the member's death.

19 (b) The department may manage, sell, lease, or transfer property passing to the
20 state pursuant to this section or conveyed to it by members, defend and prosecute all
21 actions concerning it, pay all just claims against it, and do all other things necessary
22 for the protection, preservation, and management of the property. All expenditures
23 necessary for the execution of functions under this paragraph or sub. (14) shall be
24 made from the appropriation in s. 20.485 (1) (h).

ASSEMBLY BILL 210**SECTION 92**

1 (c) A person who at the time of death is a member of a veterans home is a
2 resident of the county in which the veterans home is located for the probate of the
3 person's will, issuance of letters testamentary or other letters authorizing the
4 administration of the decedent's estate, and the administration of the estate.

5 (11) DISPOSITION OF PROPERTY PASSING TO STATE. If a member dies without a
6 relative who is entitled to an interest in the property of the member under the rules
7 of intestate succession and without leaving a will the existence of which is made
8 known to the commandant of the home within 60 days of the member's death, the
9 member's property shall be converted to cash, without administration. The
10 commandant of a veterans home shall submit that converted sum to the secretary
11 of administration to be paid into the appropriation under s. 20.485 (1) (h). The
12 amount paid to the secretary of administration is subject to refund within 6 years to
13 the estate of a member if it is subsequently discovered that the member left a will
14 or a relative that is entitled to an interest in the property of the member under the
15 rules of intestate succession or to any creditor of the member who establishes right
16 to the funds or property or any portion of the funds or property. The department of
17 administration, upon being satisfied that a claim out of the funds or property is legal
18 and valid, shall pay the claim out of the funds or property, except that payment of
19 claims for a member's funeral and burial expenses may not exceed a total of \$1,500
20 including any amount allowed by the United States for the member's funeral and
21 burial and the right for burial and interment provided in s. 45.61 (2).

22 (12) POWERS OF COMMANDANT OVER PERSONAL FUNDS OF MEMBERS. A commandant
23 may receive, disburse, and account for funds of members.

24 (13) ADDITIONAL ELIGIBILITY REQUIREMENTS FOR SKILLED NURSING FACILITIES. Any
25 person admitted to a skilled nursing facility at a veterans home shall meet the

ASSEMBLY BILL 210

1 eligibility requirements under ss. 49.45 and 49.46 and rules promulgated under
2 those sections during residence at the skilled nursing facility except if any of the
3 following apply:

4 (a) Persons with sufficient income and resources to meet the expenses of care
5 for one or more months may be admitted to the skilled nursing facility but shall apply
6 income and resources to costs to the extent required under ss. 49.45 and 49.46 and
7 rules promulgated under those sections.

8 (b) Persons who meet all the requirements of this section but whose degree of
9 physical disability does not meet the minimum requirements under ss. 49.45 and
10 49.46 and rules promulgated under those sections may be admitted to the skilled
11 nursing facility but shall apply income and resources to costs to the extent required
12 by ss. 49.45 and 49.46 and rules promulgated under those sections.

13 (14) **ADDITIONAL ELIGIBILITY REQUIREMENT FOR OTHER CARE FACILITIES AT VETERANS**
14 **HOMES.** An otherwise eligible person may be admitted to or remain in residency at
15 a community-based residential facility, as defined in s. 50.01 (1g) or a residential
16 care apartment complex, as defined in s. 50.01 (1d) at a veterans home only if the
17 person has sufficient income and resources, and applies the income and resources to
18 fully reimburse the department for the cost of providing care to the person.

SUBCHAPTER VI**FUNERALS, BURIALS, AND CEMETERIES**

21 **45.60 Military funeral honors. (1) PROGRAM.** (a) The department shall
22 administer a program to coordinate the provision of military funeral honors in this
23 state to deceased veterans and to deceased persons who have served under honorable
24 conditions in any national guard or in a reserve component of the U.S. armed forces.

ASSEMBLY BILL 210**SECTION 92**

1 (b) Military funeral honors may be provided by local units of member
2 organizations of the council on veterans programs, by local units of veterans
3 organizations certified by the department to provide military funeral honors, by
4 members of the Wisconsin national guard activated under s. 21.11 (3), or by staff of
5 the department.

6 (2) STIPENDS. From the appropriation under s. 20.485 (2) (q), the department
7 shall reimburse a local unit of a member organization of the council on veterans
8 programs or a local unit of a veterans organization certified by the department to
9 provide military funeral honors for the costs of providing military funeral honors in
10 this state to a person described in sub. (1). The reimbursement may not exceed \$50
11 for each funeral for which military honors are provided.

12 (3) TUITION VOUCHER. (a) The department shall create a tuition voucher form
13 to be used by funeral directors under par. (b). The department shall distribute copies
14 of the tuition voucher form, plus an explanation of the form's use, to every operator
15 of a funeral establishment. The department may not charge a fee for the tuition
16 voucher form or for the distribution of the form.

17 (b) A funeral director may issue a tuition voucher in the amount of \$25 to an
18 individual who sounds "Taps" on a bugle, trumpet, or cornet during each funeral for
19 which military honors are held in this state for a person described in sub. (1) and who
20 is a student in grades 6 to 12 or at an institution of higher education, as defined under
21 s. 895.515 (1) (b). The tuition voucher may be used at any time for the payment of
22 tuition and required program activity fees at a University of Wisconsin System
23 institution as provided under s. 36.27 (3r) or a technical college as provided under
24 s. 38.24 (6). The department shall encourage private institutions of higher education
25 to accept the vouchers. The vouchers are not transferable.