

CR 85-156

CERTIFICATE CERTIFYING RULES

STATE OF WISCONSIN )  
 )  
DEPARTMENT OF VETERANS AFFAIRS)

I, John J. Maurer, Secretary of the Department of Veterans Affairs and custodian of the official records 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 on February 21, 1986.

I further certify that this 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 the office of the Department at 77 North Dickinson Street, in the city of Madison, this 21st day of February, 1986.

*John J. Maurer*  
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JOHN J. MAURER, Secretary

SEAL

RECEIVED

MAR 6 1986  
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Revisor of Statutes  
Bureau

5-1-86

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

An Order to repeal VA 3.03(2), 6.03(3) and 6.04(16) and (17); to amend VA 1.06, 1.11(1), (2) and (7), 3.02(2)(a), 3.03(3), (4), (6), and (11)(a) and (b), 3.04(1) and (2), 4.02(3), 4.03(3)(d), 4.05(2), (3) (d), (5)(j) and (7), 4.06(2), 4.08(1)(c), (5), (7) and (9), 4.09(8)(a) and (c), (12) and (13), 4.10(1), 5.01, 6.01(3), (9), (10), (11), (13) and (16), 6.03(1),(2), (4), (8), (9), (10) and (11), 6.04(3), (5), (13) and (14), 6.05(1), (2), (3), (4), (5), (6) and (9), 7.05, 9.01(13) and (16), 9.02(3) and 9.03; to repeal and recreate Chapter VA 2, VA 5.02, 5.03, 6.02 and 9.02(2); and to create VA 1.14, 1.15, 4.13 and 6.01(17) of the Wisconsin Administrative Code, relating to various benefits available from the Department of Veterans Affairs.

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Analysis Prepared by the Department of Veterans Affairs:

The department's rules have been extensively amended to conform them to the prescribed drafting format and style set forth in the Administrative Rules Procedures Manual and to the statutes as amended since the rules were last amended.

Language rendered meaningless or inoperational by statutory changes has been deleted from the rules and language has been added to the rules solely to conform their wording to current statutory provisions. The rules have also been amended to eliminate repetition of statutory language, most of which would have had to have been amended if it were not eliminated; and to substitute

correct statutory citations for inapplicable or superseded statutory and code citations and for eliminated statutory language.

The date of the withdrawal of US Armed Forces from Lebanon, which the department is required by 1983 Wisconsin Act 430 to establish by rule, is established as August 1, 1984, for the purposes of s.45.34, Stats.

Chapter VA 2, the Emergency and Part Time Study Grant chapter of the rules, is repealed and recreated primarily to accomplish a number of general objectives including the reorganization of this code into subsections, paragraphs, and subdivisions under a very limited number of descriptive headings and the establishment and application of uniform definitions throughout the emergency grant section of the rules.

The health care aid provisions of the emergency grant rules are expanded to permit grants for dental care to include denture repairs and dentures where the cost of new dentures is less than the cost of denture repair, to permit health care aid grants to be made for nonemergency health care received in states bordering Wisconsin and in cases where the department secretary determines that appropriate medical care is not available in Wisconsin.

The health care aid rules are also restricted to limit the department to leasing rather than permitting the department to purchase major medical equipment and appliances, to make it clear that if veterans are not transferred to Veterans Administration (VA) Hospitals when transfer is medically feasible, only that portion of health care expenses incurred prior to the date on which transfer could have been made will be eligible for payment, and to prohibit the department from making health care aid grants required because of alcohol or other drug abuse.

A requirement that health care aid grant applications for emergency health care must be received by the department within 120 days of the date of emergency medical treatment is substituted for a requirement that the department receive notice within 10 days of the date of emergency medical treatment and time limits are imposed on this program. The first time limit prohibits the department from paying for the cost of health care if a year has passed since any contact with the applicant or the applicant's representatives and the second time limit prohibits the department from providing health care aid if an application for such aid is received by the department more than 2 years from the date that notice of emergency medical treatment was received by the department.

The subsistence aid provisions of the rules are expanded to permit the department to consider payments which veterans are obligated to make on the principal and interest on primary (direct) veterans housing loans in determining the amount of grants for which they qualify and to permit subsistence grants to be made, regardless of loss of income, during periods while veterans are being treated for post traumatic stress disorder on a regular outpatient basis at a VA Hospital or clinic or counseling center and in cases where the need for subsistence aid results from a disaster.

Rules which relate to educational grants for correspondence courses and part-time classroom study provide that the fiscal year limit of \$1,000 on part time study reimbursement created by 1985 Wisconsin Act 29 in s.45.396(3), Stats., shall apply to courses to which this act applies which are completed by veterans during a fiscal year. These rules have been changed to reduce part-time study grants to veterans who have received full-time Vietnam era veterans educational grants under s.45.28, Stats. for courses taken during the same

school terms for which they received full-time grants by the amount of the full-time grant.

The economic assistance loan rules are amended to substitute a \$2,500 liquid asset retention limit for the present \$500 checking account balance plus an additional \$1,000 in other liquid assets retention limit for loan applicants.

The economic assistance loan rules are also amended to: delete reference to the national poverty income guidelines and to the right of the department to extend credit to an applicant whose creditworthiness is not established by a credit report on more generous terms than credit could be extended to an applicant whose creditworthiness is so established; establish an 8 year maximum term for all economic assistance loans; prohibit an economic assistance loan from being made for the completion of the construction of a veteran's home where such loan will complement a department housing loan; place all provisions relating to guarantors in one section of the rules; permit economic assistance loans to be secured solely by mortgages on properties in which veterans have land contract purchasers' interests; and to permit the department to accept hazard insurance binders as acceptable evidence of insurance coverage.

The mobile home housing loan rules are amended to permit furniture and appliances which are not fixtures to be purchased separately in connection with all direct veterans mortgage loans.

Verification of all deposits in excess of \$100, and not merely deposits which will constitute a part of a veteran's downpayment, is required of all housing loan applicants.

The housing loan code paragraph dealing with alimony and support payments is amended to require that if an applicant for a housing loan does not elect to have income reduced by the amount of alimony, support or separate maintenance payments, such payments will be added to the applicant's monthly required repayments for the purpose of computing debt servicing payments and total debt payments.

The rule relating to maximum land value is amended so that appraised value is equated with appraised value instead of with cost.

The housing loan rules relating to personal property are amended to prohibit the inclusion of any personal property in connection with applications for direct mortgage loans.

The direct mortgage loan rules are amended to establish an 8 month expiration for department commitments for purchase loans for homes to be constructed, to delete reference to the transmittal of closing documents to the Wisconsin Housing Finance Authority, and to permit either a part or all of the funds received from the sale of a parcel released from the department's mortgage to be used to improve a veteran's home.

Secondary mortgage loan rules are amended to eliminate the requirement that the department charge mortgagors for charges made by risk management for insuring the department's second mortgage interests in the mortgagors' properties, to permit mortgagors to retain the proceeds realized from the sale of parcels released from department mortgages only where they have had satisfactory payment records and where the properties remaining mortgaged to the department will very adequately secure the department's loan balances, and to permit the

department to release its satisfaction of mortgage immediately upon receipt of a check from a mortgage banker or finance company or upon receipt of a real estate broker's or attorney's trust account check.

The rule permitting acceleration of housing loans obtained through fraud, misrepresentation, etc., is extended to permit the acceleration of economic assistance loans so obtained.

A new section of the rules is created to specify the terms and conditions under which forbearance may be granted to direct housing loan mortgagors.

Various provisions, prohibitions, and requirements of the Wisconsin Veterans Home rules are deleted or repealed including: a provision which refers to conditions under which nonmember dependents of members employed by the Home may live on the Home grounds; a requirement that assignment of quarters to members be based upon the Home medical director's recommendations; a requirement that the Home furnish stationery to members; a requirement that all clothing issued by the Home remain the property of the State; a requirement that all motor vehicles operated on the Home grounds must have Wisconsin license plates and be operated by persons holding Wisconsin drivers' licenses; a prohibition against the operation of trucks or motor vehicles towing trailers on the Home grounds unless approved by the commandant; a requirement that all members make their quarters available for inspection between 8 a.m. and 8 p.m. and remain in their quarters unless excused during periods for which formal inspection or fire drills are scheduled; a requirement that members must obtain the consent of the commandant before they enter into funeral trust agreements; and a requirement that they must obtain the consent of the commandant before they marry or be subject to being undesirably discharged from the Home.

Miscellaneous changes to the Wisconsin Veterans Home Chapter of the rules include the addition of a requirement that applicants for admission to the Home furnish certified copies of their birth certificates, a change from January to March and from July to September in the months when computations of the cost of care and maintenance at the Home shall be made for the preceding semi-annual periods of July through December and January through June, respectively, and a modification of the provision which requires the Home to keep track of all offenses committed by members so that the Home will only be required to maintain records on offenses for which members could be dishonorably discharged.

The reference to permission to consider payments being made on casualty losses in computing the unmet need of students applying for full time Vietnam era educational grants has been deleted. A requirement that medical expenses of students applying for these grants must be based upon expenses reported on the students' income tax returns has also been deleted and the standard student budgets for these grants have been increased.

The rule changes will have no effect on small businesses.

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Pursuant to authority vested in the Department of Veterans Affairs by sections 45.28(1)(e), 45.35(3) and 45.73(1), Stats., the Department of Veterans Affairs repeals, amends, repeals and recreates and creates rules interpreting sections 45.28(1)(b) and (e) and (2)(b), 45.34, (intro) 45.35(5), 45.351(1) (intro) and (a) and (b) and (2)(a), 45.353(3), 45.365(1)(a) and (3), 45.37



(1a), (2)(f), (9)(g), (10)(a), (14) and (16), 45.396, 45.71(16)(a), 45.72(5), (6) and (9), 45.74(4) and (5), 45.76(1)(a) 1., 45.77, 45.79(2)(c), (3)(a) and (5)(a) and 45.80(4)(b), Stats., as follows:

SECTION 1. VA 1.06 is amended to read:

VA 1.06 Definition--"veteran". (s.45.35 (5), Stats.) For the purposes of this chapter and chs. VA 2 and 3, "veteran" shall mean either a veteran as defined in s.45.35(5), Stats., or a deceased veteran's unremarried widow, or widower or minor or dependent child who is a resident of and living in this state at the time of making application for benefits.

SECTION 2. VA 1.11(1), (2) and (7) are amended to read:

(1) Employ a commandant for the ~~Grand-Army~~ Wisconsin Veterans Home, designate an employe of the department as deputy secretary, and appoint such persons as may be necessary to carry out the functions of the department.

(2) Administer and supervise all programs of the department, and he shall serve as an ex-officio member of all advisory, standing, and special committees appointed by the board, unless specifically exempted.

(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, ~~or~~ whose service entitled them to receive either the armed forces expeditionary medal or the Vietnam service medal, or who served in Lebanon or Grenada under s.45.34, Stats.

SECTION 3. VA 1.14 and VA 1.15 are created to read:

VA 1.14 LEBANON WITHDRAWAL. The date of withdrawal of U.S. armed forces from Lebanon is established as August 1, 1984 for the purposes of s.45.34, Stats.

VA 1.15 DEFINITIONS. For the purposes of this chapter and chs. VA 2 to VA 9:

- (1) "Department" means the Department of Veterans Affairs.
- (2) "Board" means the Board of Veterans Affairs.

SECTION 4. Chapter VA 2 is repealed and recreated to read:

CHAPTER VA 2 EMERGENCY AND CORRESPONDENCE AND PART TIME STUDY GRANTS

VA 2.01 EMERGENCY GRANTS (1) DEFINITIONS. (a) "Available liquid assets" means cash on hand, including cash in checking or savings accounts, liquid investments, including stocks and bonds and amounts deposited in IRA or Keogh plans, owned by the applicant's dependents either individually or jointly with the applicant, or owned individually and jointly by the applicant and the applicant's spouse, unless the applicant and spouse are separated or are in the process of obtaining a divorce as established by the criteria set forth in sec. VA 1.12(4), but does not include the cash surrender value of life insurance policies.

(b) "Emergency aid" means temporary emergency aid in the form of health care aid or subsistence aid.

(c) "Emergency health care" means health care provided where the need for essential medical services was sudden and urgent enough to be considered an emergency by a physician and any health care provided a student veteran or a student veteran's dependents.

(d) "Health care" means essential medical services including but not limited to physician services, hospital charges, eye glasses, prostheses, leasing or purchase of medical appliances and equipment and dental care.

(e) "Health care aid" means payment by the department for health care.

(f) "Nonemergency health care" means health care other than emergency health care.

(g) "Subsistence" means essential living expenses including rent or mortgage payments on the veteran's or veteran's dependent's residential living quarters, food, clothing, medical insurance premiums, prescribed medications, essential travel, moving expenses, household utilities expenses including heat, electricity, gas and telephone, and, in exceptional cases, such other items relating to emergency aid as the department may deem necessary.

(h) "Subsistence aid" means payment by the department for subsistence.

(i) "VA" means the federal veterans administration.

(j) "Want and distress" means the condition which exists when an applicant for emergency aid has insufficient available liquid assets and resources to cover the cost of health care or subsistence, is ineligible for sufficient aid under federal, state or other assistance programs (except for direct general relief), and has insufficient income to repay a loan from the department or a conventional lender which could be used to provide necessary health care or subsistence.

(2) LIMITATIONS. (a) All emergency aid. 1. "Available liquid assets." Applicants and their dependents shall apply all medical insurance benefits and all available liquid assets toward the cost of their health care or subsistence before the department may approve emergency aid.

2. "Evidence required." Emergency aid may be granted only if the department has sufficient evidence in its files upon which to base a determination that the applicant qualifies for such aid and, when deemed necessary, the department may conduct a direct investigation prior to acting upon an application for emergency aid.

3. "Duplication of assistance." If assistance is available from other agencies, emergency aid may be approved only as a supplement to this assistance and may never be used to duplicate this assistance. Assistance from other agencies (excepting only general relief) must be applied for if it is available.

4. "Delinquent loans." Emergency aid may not be used to repay a department loan from the veterans trust fund in whole or in part but a delinquent department loan shall not bar emergency aid from the department.

(b) "Health Care Aid." 1. "Maternity care." Except for applications involving recently separated veterans not covered by civilian health and medical program - uniformed services or civilian health and medical program - veterans administration who were unable to qualify for maternity insurance coverage and students who might be forced to drop out of school unless health care aid is provided, health care aid for expenses of maternity care may be granted only for that portion of the expenses of maternity due to a medical emergency.

2. "Dental care." Health care aid for dental care shall be limited to extractions, fillings, and denture repairs, unless related to health care provided as a result of accidental injury. In cases where the cost of a new denture is less than the cost of denture repair, payment for the new denture may be authorized.

3. "Alcohol and other drugs." Health care aid may not be authorized to provide payment for the treatment of alcoholism or other drug addiction or to provide payment for health care required because of alcoholism or other drug addiction or alcohol or other drug abuse.

4. "Out-of-state health care." Emergency health care received outside the boundaries of the State of Wisconsin and nonemergency health care received in a state bordering Wisconsin shall be treated the same as health care received in this state. Health Care Aid for other nonemergency out-of-state health care may be approved only if the secretary determines that appropriate health care is not available in this state.

5. "Loans." Health care aid may not be granted to pay loans incurred by applicants to pay for health care.

6. "Available agencies." Health care and payment for health care shall be obtained from federal, state, county or local agencies if possible for the veteran or the veteran's dependent for whom health care aid is requested.

7. "Transfer to VA hospital." Veterans shall be transferred to a VA hospital when transfer is medically feasible. If this transfer is not made, only that portion of health care expenses incurred prior to the date on which transfer could have been made will be eligible for payment.

8. "Available aid." Aid available from other agencies and programs shall be applied for and used for payment of health care expenses. Health care aid may not exceed the difference between the cost of health care and the amount of the available aid.

9. "Prior authorization." Health care aid may only be granted for non-emergency health care in cases where the department has given prior authorization.

10. "Emergency health care application deadline." Subject to the provisions of subd. 13, health care aid may be granted for health care received during the period beginning 120 days prior to actual receipt by the department of an application for health care aid for health care that has been or is being received for an emergency condition.

11. "Medical equipment." Major medical equipment and appliances required for rehabilitation, to continue employment, or to maintain life may be provided

for use as long as medically necessary provided that health care aid expenses for the rental of the equipment and appliances and for other health care for the condition or conditions requiring the rental of the equipment and appliances does not exceed the maximum in s.45.351(1)(a), Stats.

12. "Major surgery." Health care aid for major surgery to a veteran, such as open heart surgery or kidney transplant, may not be authorized when the attending physician determines that surgery does not constitute a medical emergency and when the veteran fails to seek such surgery at a VA hospital.

13. "Time limits." When one year has passed without contact with the applicant, the applicant's dependents, the county veterans service officer, or other representative, the temporary emergency period shall be deemed to have expired and health care aid may not be provided to pay for the cost of the health care for which application was made. The department may provide health care aid only if an application for health care aid is received by the department within 2 years of the date notice of emergency health care was received by the department, provided that notice is received by the department prior to the effective date of this subd.

14. "Itemized bills." Final payment for health care bills may be made only when the department has received itemized statements showing adjustments for payments received from insurance, medicaid, medicare, and all other available sources.

(c) Subsistence Aid. 1. "Loss of income." Subsistence aid may be provided only when illness or disability, including alcoholism or drug addiction, causing loss of income, results in want or distress or, even though there is no loss of income, during periods while veterans are being treated in

a VA hospital for post-traumatic stress disorder, or are being treated for this disorder on a regular outpatient basis at a VA hospital or at a clinic or counseling center under contract with the VA. Subsistence aid may also be provided even though there is no loss of income as a solution to the temporary problems of students where necessary to enable them to pursue their courses of education or training without interruption and to veterans who require subsistence aid as a result of a disaster, such as severe damage to or destruction of their homes by fire or tornado.

2. "Anticipated duration of disability." When there is evidence that the disability which causes want or distress may continue beyond 90 days, applicants will be directed to apply for other governmental assistance including direct general relief.

3. "Non-qualifying items." Subsistence aid may not be granted for the purchase of or payment for luxury or convenience items or for the payment of loans or credit purchases or existing debts except for debts which were incurred to pay essential living expenses during the period of incapacitation for which the applicant seeks subsistence aid, or for the purchase of or payment for luxury or convenience items.

4. "Motor vehicle expenses." Subsistence aid for the payment of motor vehicle expenses, including fuel, repairs, and monthly motor vehicle payments, if necessary to prevent repossession, may be provided only when use of the motor vehicle is required for medical care, spouse's employment, transportation of children to school or day care, or in other situations where the department determines that the use of the motor vehicle is required during the period of incapacitation.



VA 2.02 EDUCATIONAL GRANTS FOR CORRESPONDENCE COURSES AND PART-TIME

CLASSROOM STUDY. Veterans who establish eligibility for reimbursement for the cost of enrollment in part-time classroom study courses or direct correspondence courses under the provisions of this section and s.45.396, Stats., may be reimbursed in whole or in part for the cost of such courses to the extent authorized under this section and s.45.396, Stats., subject to the following terms, conditions and limitations:

(1) LIMITATIONS ON REIMBURSEMENT FOR TUITION FEES AND TEXTBOOKS.

Reimbursement for fees shall be limited to those fees which are mandatory and uniform for the courses in which the veteran is enrolled and which are paid to schools set forth in s.45.396(1), Stats. Reimbursement shall not include the cost or value of meals and lodging which may be included in such fees.

Reimbursement for tuition shall be limited to tuition paid to schools eligible under the provisions of s.45.396(1), Stats. Reimbursement for any course shall not exceed either the cost of tuition, fees, and required textbooks or the per course limit set forth in s.45.396(3), Stats., whichever is less.

(2) FISCAL YEAR LIMIT. The fiscal year limit in s.45.396(3), Stats., shall apply to courses to which the provisions of 1985 Wisconsin Act 29 apply, completed by veterans during fiscal years commencing with the 1985-86 fiscal year from July 1, 1985 to June 30, 1986.

(3) SUBSTITUTE COURSES. Reimbursement may be made only if a veteran satisfactorily completes either the course listed on the application, or a substitute course offered by the same school during the same semester or other school term, which substitute course otherwise meets the conditions of s.45.396, Stats.

(4) DUPLICATION. A veteran who starts a school term as a full-time student and completes the school term as a part-time student may receive reimbursement under s.45.396, Stats., for enrolled part-time classroom study courses completed during that school term even though the veteran received a grant under s.45.28, Stats., for the school term. The amount of reimbursement the veteran is entitled to receive shall be the maximum part-time study reimbursement payable to the veteran for the specific courses completed less the amount of the full-time grant received and retained by the veteran. A veteran who receives reimbursement for part-time classroom study courses completed during the same school term for which the veteran received a full-time grant shall be considered to have received reimbursement for part-time classroom study for all purposes and the full-time grant shall be considered null and void.

(5) DEGREE LIMITATION. For the purposes of s.45.396(5), Stats., an L.L.B. degree shall be deemed to be the equivalent of a master's degree.

(6) NOTICE OF COMPLETION. The veteran may be reimbursed for the cost of tuition, fees, and required textbooks to the extent authorized, only upon receipt by the department of a certificate of satisfactory completion signed by the approved school's veterans coordinator listing the official satisfactory completion date and costs of tuition, fees, and required textbooks, and only if an application for reimbursement is received by the department no later than 60 days after the termination of a course.

(7) REIMBURSEMENT FROM OTHER SOURCES. Subject to the other provisions of this section, a veteran may be reimbursed to the extent that payment or reimbursement specifically for tuition, fees, and required textbooks is not

available from any other source, or in cases where reimbursement or payment from another source is not specifically for tuition, fees, and required textbooks, reimbursement from the department may be made to the extent that reimbursement or payment from another source is insufficient to cover all other costs incurred in connection with the veteran's educational program including, but not limited to, the costs of food, housing, utilities, transportation, and medical or dental treatment.

SECTION 5. VA 3.02(2)(a) of the Wisconsin Administrative Code is amended to read:

VA 3.02(2) RESOURCES. (a) A veteran's resources shall include, but not be limited to, all cash on hand and liquid assets, and non-liquid assets the conversion of which to cash would not result in a substantial loss, including all resources owned by the veteran and the veteran's spouse, individually or jointly, unless the veteran and spouse are separated or in the process of obtaining a divorce, but shall not include assets excluded as funds by s. VA 4.05(1)(b) and (c), ~~or the first \$500 of the applicant's checking account balance which may be retained for current monthly expenses.~~ The applicant may ~~also~~ be permitted to retain from the cash and liquid assets portion of such resources an amount up to \$1,000 \$2,500 ~~for the purpose of protecting against unanticipated emergency expenses.~~

SECTION 6. VA 3.03(2) of the Wisconsin Administrative Code is repealed.

SECTION 7. VA 3.03(3), (4), (6), (11)(a) and (b) of the Wisconsin Administrative Code are amended to read:

VA 3.03(3) AVAILABILITY OF CREDIT UPON MANAGEABLE TERMS. An applicant ~~whose credit worthiness is established by a factual data credit report will~~ shall be considered to have available credit upon manageable terms when the department determines that the applicant's total debt payments will not exceed 25% of current monthly income if the applicant were to retain present financing for debts or obtains financing from a conventional lending institution to provide funds for the purposes set forth in the loan application, unless the ~~veteran~~ applicant is a full-time student, was separated from active military service within the 12 months prior to application, evidences lack of employment and income stability, is 60 or more years of age, ~~or~~ is totally and permanently disabled, ~~or unless such applicant's income is below the poverty level as established by the "Nationwide Poverty Income Guidelines" published from time to time by the federal office of management and budget,~~ or where continuing financial problems resulting from size of family, health of family, low level of income or other unique circumstances indicate that the applicant would be unlikely to find credit available upon manageable terms.

(4) LOAN APPLICATION. A loan application, including required exhibits and supplements, shall contain such information as is necessary to satisfy the department that the proceeds of the loan will contribute substantially to the solution of the veteran's economic problems, that orderly repayment of the loan applied for will probably be made, and, in the case of a business loan, that the veterans's business enterprise is likely to succeed. ~~Statements from conventional lending institutions required by s. 45.351-(2)-(a), Stats., as affected by chapter 34, Laws of 1979, shall be submitted to the department as a part of the loan application.~~ Applications for loans by veterans who are married and not separated or in the process of obtaining a divorce, ~~must~~ shall be completed and signed by the veterans' spouses. Applications shall

be prepared with the assistance of and submitted through the office of a county veterans service officer.

(6) TERM OF LOANS. All loans ~~will~~ shall be amortized on a monthly basis and the initial term of all loans, ~~except loans secured by real estate mortgages and loans for a veteran's education,~~ shall not exceed a maximum of 8 years. ~~The initial term of loans secured by real estate mortgages and loans for a veteran's education shall not exceed 10 years.~~ The department may require shorter repayment terms.

(11) (a) A loan for the completion of the construction of a veteran's home ~~will~~ may not be made to complement a department housing loan, ~~except as provided in par. (b),~~ and such a loan may only be made where the proceeds thereof will enable the veteran to fully complete the construction of the veteran's home.

(b) In cases where a direct veterans' housing loan was approved within 18 months of the date of processing of an economic assistance loan application for the purposes set forth in this subsection, except for necessary repairs and improvements or for the drilling of a well or installation of a septic system including payment of cost overruns on wells and septic systems, a loan may only be made if ~~the total cost of the property including the cost of the property upon which the direct housing loan was based and the cost of the proposed improvements or remodeling or the construction of a garage does not exceed the statutory maximum in s. 45.74(5), Stats., and if~~ 2 1/2 times the applicant's income equals or exceeds the cost of the property upon which the direct housing loan was based plus the cost of proposed improvements or remodeling or of the construction of a garage or if 2 times the applicant's

income equals or exceeds the cost of the housing accommodation and garage upon which the direct housing loan application was based plus the cost of proposed remodeling or improvements or the construction of a garage.

SECTION 8. VA 3.04 (1) and (2) of the Wisconsin Administrative Code are amended to read:

VA 3.04 (1) GUARANTORS. Any Wisconsin resident who is determined by the department to be financially responsible and whose joining in the obligation will provide adequate security for the loan may be accepted as a guarantor, except that, unless the applicant is a member of the guarantor's immediate family, no employe of the department, no county veterans service officer and no other person in any way connected with the administrative duties of the department or serving in an advisory capacity thereto shall be accepted as endorser or guarantor on any loan. The department may accept as adequate security the guarantee of loan promissory notes by creditworthy and financially acceptable guarantors.

(2) REAL ESTATE SECURITY. When real estate is offered as security, the applicant ~~must~~ shall carry fire and extended coverage insurance on the real estate improvements in an amount acceptable to the department, the loan applied for ~~must~~ shall be \$1,000 or more, and the applicant ~~must~~ shall submit evidence of sufficient equity therein to provide adequate security for the loan, ~~a memorandum of~~ an insurance coverage binder showing the departments security interest, and, except as hereinafter provided, of the possession of merchantable title to ~~such~~ the real estate. In exceptional cases, with the approval of the chief of the economic assistance loan section, the department

may accept real estate mortgages and or security assignments of purchasers' interests in land contracts on properties in which the applicants have land contract purchasers' interests as security for department loans.

SECTION 9. VA 4.02(3) is amended to read:

4.02(3) ITEMS INCLUDED IN COST. Furniture and appliances, moving and utility hookup expenses and taxes included as a part of the purchase price of the mobile home and skirting and tiedowns ~~will~~ shall be considered a part of the total cost of the mobile home for the purposes of ss. 45.74 and 45.77, Stats. Such furniture and appliances shall be included in the chattel security agreement. Furniture and appliances which are not fixtures shall be separately appraised in connection with all applications for direct loans, shall be paid for from a portion of the applicant's down payment, and shall be conveyed by separate bills of sale at the time of the closing of these loans.

SECTION 10. VA 4.03(3)(d) is amended to read:

4.03(3)(d) Construction contracts must be written on a firm price basis and no cost adjustment clause will be permitted. Change orders in construction contracts may be permitted only upon the approval of the authorized lenders in the case of direct loans or upon the approval of the department in the case of secondary loans. Such change orders may be approved only if the cost of such change orders when added to the previously determined total cost does not exceed ~~the maximum cost of housing established in s. 45.74(5), Stats., and does not exceed~~ the maximum allowable cost based upon the applicant's income at time of application and, further, only where the applicant deposits the full cost of the change order with the lender.

SECTION 11. VA 4.05(2), (3)(d), (5)(j) and (7) are amended to read:

4.05(2) VETERAN'S CONTRIBUTION. If the applicant's contribution required under ss.45.74(5) and 45.77, Stats., or such closing costs and moving expenses as the applicant may be required to pay have been or are to be acquired by borrowing, the application ~~will~~ may not be approved. The applicant must be financially able with the aid of the housing loan applied for to complete the contemplated purchase, construction, improvement or refinance and to pay all required closing and moving expenses. Work credits, rent credits or other reductions of the price of the property being acquired by an applicant may be allowed but only after the applicant evidences that a 5% down payment has been made from such applicant's own funds. Mortgage funds shall not be utilized to pay closing costs. Applicants shall submit verifications of all deposits in excess of \$100 ~~which will constitute a portion of their contribution.~~

(3)(d) When an applicant has sold real estate on a land contract, the department shall consider as income the payment being received by the applicant less the payment made on any underlying debt on the real estate and shall require the applicant to assign the applicant's vendor's interest in the land contract to the department if such interest is funds for the purpose of obtaining payment to the department or escrow for improvements to the ~~principle~~ principal residence of the net proceeds to be realized by the applicant at the time of the payment of the land contract balance.

(5)(j) The income of an applicant who is required by court order to make alimony or child support payments may, upon the applicant's request, be reduced by the amount of such required payments for the purposes of computing the



~~applicant's income for the purposes of s.45.74(5), Stats., and the~~  
applicant's shelter cost, debt servicing payments and total debt payments.  
Only the remaining income shall be considered in making such computations, but  
not for the purpose of qualifying an applicant whose income exceeds the maximum  
annual income limitation or disqualifying an applicant under s.45.74(5),  
Stats. If an applicant who is required to make these payments does not elect  
to have his or her income reduced by the amount of these required payments,  
the amount of the payments shall be added to the applicant's monthly  
required repayments for the purpose of computing the applicant's debt  
servicing payments and total debt payments.

(7) PERSONAL PROPERTY. Any personal property ~~included~~ of value included  
in the offer to purchase a property to be financed with a housing loan ~~must~~  
shall have a value placed upon it by the appraiser and the amount of ~~such~~  
this value shall be deducted from the sale price. The personal property ~~must~~  
shall be paid for by the applicant from funds which must be in excess of the  
minimum downpayment and closing costs. If there is no value to personal  
property included in the offer to purchase, the offer ~~must~~ shall so state.  
The cost of any personal property included in a construction or improvement  
contract shall be paid by the veteran borrower and such payment shall not  
constitute part of the applicant's equity in the property. (Carpeting, built-  
ins, fixtures, ~~drapes~~ or other items permanently affixed to the structure  
shall not be considered personal property.) No personal property, however, may  
be included in properties being financed with direct housing loans being made  
for purposes other than mobile home purchases.

SECTION 12. VA 4.06(2) is amended to read:

4.06(2) EXCESSIVE LAND VALUE. The appraised value of a housing accommodation and garage located on land in a residential area, on land with water frontage, on land in a commercial area or on rural non-farm property must equal or exceed 40% of the ~~total-cost~~ appraised value of the land, housing accommodation and garage and other improvements. In the case of an application for a housing loan for the construction or improvement of a housing accommodation or for the construction of a garage on a farm with farm land and farm buildings, the department or authorized lender shall determine that the value of the land and non-housing improvements thereon is not disproportionate to the value of the dwelling before the application can be approved.

SECTION 13. VA 4.08(1)(c), (5), (7) and (9) are amended to read:

4.08(1)(c) EXPIRATION. If the applicant is a veteran who was a resident of the state of Wisconsin at time of entry into military service, the certificate of eligibility shall be issued for an indefinite period. If the applicant qualifies as a veteran by virtue of being the unremarried spouse of a deceased veteran, the certificate shall become null and void upon the remarriage of the applicant and shall so state upon its face. If the applicant established eligibility for the certificate on the basis of ~~40~~ 5 years continuous residence in the State of Wisconsin, it shall expire 6 months from date of issuance.

(5) SUBMISSION TO THE DEPARTMENT. All applications approved by authorized lenders shall be submitted to the department for review and approval or denial. Immediately upon approval of an application the department shall notify the authorized lender involved and, as soon as possible thereafter,

shall send a commitment letter to the authorized lender, with which the department shall return the application committing the department to transfer funds as provided under s. 45.79(5)(a)4, Stats., subject to such funds being made available to the department. Purchase or refinance loan commitments will expire 6 months from date of issuance, commitments for the purchase of a housing accommodation to be constructed will expire 8 months from the date of issuance, and construction loan commitments will expire 12 months from the date of issuance, but may be extended at the discretion of the department.

(7) WARRANTY. As soon as practicable after the closing of a purchase or refinance loan or after the first disbursement of funds in a construction loan, the authorized lender will transmit the executed mortgage note, summary of closing worksheet and warranty to the department. ~~The authorized lender will also transmit the executed mortgage and assignment of mortgage to the department for transmittal to the authority if the authority is providing the funds for the loan and so requires.~~ The warranty shall be made on a form furnished by the department and shall contain information sufficient to enable the department to determine that a valid first lien which complies with the requirements of all federal and state laws exists in favor of the authority or of the department on the mortgaged premises and that the mortgagor has obtained, or in the case of construction loans will obtain, adequate fire and extended coverage insurance on the mortgaged premises and will contain such other information as the department requires.

(9) PARTIAL RELEASES. An authorized lender may, with the consent of the department, release a portion of the property mortgaged to it or the department or the authority under a direct loan if the release of such property will not

unduly diminish the value of the remainder of the property. The authorized lender will require that any funds received by a mortgagor from the sale of property released be applied to reduction of the mortgage loan balance unless it is proposed that a part or all of such funds will be used to improve the property, in which case the authorized lender may approve such use and supervise the disbursement of funds ~~therefore~~ for improvements.

SECTION 14. VA 4.09(8)(a) and (c), (12) and (13) are amended to read:

4.09(8) TITLE EVIDENCE AND PROPERTY INSURANCE. (a) Where a mortgagor fails to provide evidence that the mortgage to the department is a valid lien subject only to the primary mortgage, if any, described in the primary lender's commitment, ~~or fails to carry and pay for fire and extended coverage insurance or homeowners insurance in an amount at least equal to the appraised value of the improvements at the time of application on property mortgaged to the department,~~ the department shall ~~insure its mortgage interest in the property involved with the state insurance fund or~~ shall procure the necessary title evidence and charge the cost to the mortgagor.

(c) When the department is notified of the cancellation, lapse or non-renewal of a fire and extended coverage, homeowners or fire and windstorm insurance policy insuring a property in which it has a mortgage interest, or when the mortgagor fails to obtain and pay for this insurance in an amount at least equal to appraised value of the improvements at time of application on property mortgaged to the department, the mortgagor involved shall be notified that it is such mortgagor's responsibility to obtain and pay for adequate insurance coverage and shall be instructed to submit a memorandum of such

insurance coverage to the department and, until such memorandum is received, the department shall insure its interest in such property with the state insurance fund ~~and may charge the account of each mortgagor involved not to exceed \$2.00 per month to offset the cost of state insurance and administrative expenses incurred in connection with the administration of this paragraph.~~

(12) PARTIAL RELEASE OF MORTGAGE. (s.45.72(5)(d), Stats.) The department may release a portion of the property providing security for its mortgage if the release of such property will not unduly diminish the value of the remainder of the property. The department may require that any funds received by a mortgagor from the sale of the property so released must be applied pro rata to all mortgages thereon in the ratio existing between such mortgages at the time the department's loan was made. If the primary mortgagee waives claim to ~~such~~ these funds or if the department holds the primary mortgage, ~~then such funds shall~~ the department may require that they be applied as a principal reduction of the department's mortgage loan. If all or part of such funds are to be used to improve the property, the department may approve such use, provided that the expenditure of said funds will be supervised. Notwithstanding the provisions of this section, the department may, in ~~exceptional~~ cases, where the mortgagor has had a satisfactory payment record with the department, release a portion of the property providing security for its mortgage without requiring either that funds received by the mortgagor from the sale of the property be applied to the mortgages thereon or that such funds ~~must~~ be used for the improvement of the mortgagor's property if it is satisfied that the property remaining mortgaged to the department after execution of the partial release will adequately secure its mortgage balance.

(13) RELEASE OF SATISFACTION. The department's satisfaction of mortgage, the mortgage and mortgage note shall not be released for a period of 3 weeks following receipt of final payment, unless final payment is received in the form of cash, bank draft, bank money order, cashier's check, certified check, savings and loan or building and loan association check, credit union check, ~~or~~ insurance check, finance company check, mortgage banker's check, or real estate broker's or attorney's trust account check.

SECTION 15. VA 4.10(1) is amended to read:

4.10(1) FALSE STATEMENT BY APPLICANT. Whenever it is determined that an applicant has obtained a housing loan or an economic assistance loan through fraud, misrepresentation, or through concealment of a material fact, the note may be accelerated and full payment demanded.

SECTION 16. VA 4.13 is created to read:

VA 4.13 DIRECT LOAN FORBEARANCE. (1) DEFINITIONS. In this section the following terms shall have the designated meanings:

(a) "Agreement" means an oral or written agreement to pay the delinquency owing on a direct housing loan over a period of time so that the loan may be brought current in accordance with the provisions of the mortgage and mortgage note.

(b) "Forbearance" means suspension of the acceleration of the balance due on a direct housing loan on the basis of the compliance of the mortgagor with the terms of an agreement.

(2) EXCLUSIVE REMEDIES. The forbearance provisions contained in this section are the exclusive remedies under s.45.72(9), Stats., of direct loan mortgagors.

(3) REQUEST FOR FORBEARANCE. A written request for forbearance shall be submitted to the department by a direct loan mortgagor through the authorized lender servicing the loan. This request shall set forth the anticipated duration of the delinquency, the terms under which the delinquency will be repaid and the reasons for the delinquency. If the mortgagor receives rental income from the property mortgaged to the department, the mortgagor must agree in writing to assign this rental income to the department to be applied toward direct loan payments due until the loan is brought current. Full written financial disclosure may be required of a mortgagor in any case where the authorized lender or the department determines that such disclosure is necessary to enable the department to make a determination on the mortgagor's request for forbearance. Failure of the mortgagor to provide such disclosure in a timely manner shall be grounds for denial of forbearance.

(4) APPROVAL BY DEPARTMENT. (a) Resolution of delinquency. An agreement will be approved by the department only if the information contained in the written request for the agreement establishes to the department's satisfaction that the delinquency will be made up within a temporary period acceptable to the department and that the mortgagor will probably be able to comply with the terms and conditions of the proposed agreement.

(b) Previous defaults. An agreement will not be approved by the department if the mortgagor has been in default prior to the inception of the

delinquency to which the agreement is to relate unless the mortgagor is able to establish to the satisfaction of the department that the previous default resulted from unusual and unforeseeable circumstances or is able to provide additional security for the direct loan either in the form of a guaranty of part or all of the balance due on the loan or in the form of a mortgage on other Wisconsin real property in which the owners have sufficient equity.

(c) Financial mismanagement. An agreement will not be approved where the delinquency to which the agreement is to relate was primarily the result of financial mismanagement by the mortgagor unless it is determined by the chief of the bureau of collections that the agreement will probably result in the loan being brought current in accordance with the terms of the agreement.

(5) FORM OF AGREEMENT. An agreement shall be in writing if the delinquency will not be fully repaid within 6 months from the date the agreement is entered into. The department may, however, enter into an oral agreement if the delinquency will be fully repaid under the terms of the agreement within 6 months from the date of the agreement.

(6) MODIFICATION OF AGREEMENT. Upon the request of the mortgagor or the mortgagor's representative, the department may modify or consent to the modification of the terms of an agreement. Any modification shall be in writing and shall be signed by the mortgagor. Not more than one modification to an agreement may be approved unless the department determines that extenuating circumstances necessitate a subsequent modification and that the current market value of the property mortgaged to the department is sufficient to warrant subsequent modification.



(7) FAILURE TO KEEP AGREEMENT. When the mortgagor fails to make payments required by the agreement and the department determines that modification of the agreement is not warranted, the department may notify the mortgagor that the agreement has been terminated and accelerate the direct loan balance.

A special forbearance/repayment agreement form is required in connection with the creation of s. VA 4.13. A copy of this form is attached to the proposed rules.

SECTION 17. VA 5.01 is amended to read:

VA 5.01 OBJECTIVE. The department shall maintain a memorial hall in the capitol designated as the G.A.R. Memorial Hall and dedicated to the soldiers and sailors who served in Wisconsin commands in the Civil War of 1861 to 1865 ~~or~~ and persons from Wisconsin who served in the U.S. Armed Forces in any subsequent wars. ~~for the following purposes:~~

~~(1)-To provide the headquarters of the Grand Army of the Republic, department of Wisconsin;~~

~~(2)-To provide the headquarters of the United Spanish War Veterans, department of Wisconsin;~~

~~(3)--To~~ The department shall use the hall to provide a suitable place for the collection, care, management and display of the battle flags of Wisconsin units in the Civil War and the Spanish American War and the war relics, books and mementos of the memorial collection of the G.A.R. Memorial Hall.

SECTION 18. VA 5.02 and 5.03 are repealed and recreated to read:

VA 5.02 PRIMARY FIELD. If space for display covering the Civil War and any subsequent wars shall be inadequate, the primary field of the memorial collection shall be the Civil War and the Spanish American War, and all materials in the memorial collection not related to such wars or in duplication of materials in the collection related to such wars may be made available on loan to the museum at the Wisconsin Veterans Home for Veterans at King, or to other public museums.

VA 5.03 CURATOR, DUTIES AND RESPONSIBILITIES: The curator under the direction of the secretary shall operate and conduct the G.A.R. Memorial Hall pursuant to Wisconsin statutes and in accordance with the policies established by the board. The curator shall:

(1) Have charge and custody of the battle flags of Wisconsin Units in the Civil War and the Spanish American War and the war relics, books and mementos of the memorial collection of the G.A.R. Memorial Hall.

(2) Identify and prepare and maintain a current catalog of all articles in the memorial collection and all acquisitions thereto.

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

(4) Procure by loan, gift, exchange or purchase additions to the memorial collection as may be necessary in order to develop a representative museum collection depicting and commemorating the service of Wisconsin men and women in the nation's wars.

(5) Display the memorial collection so as to make it instructive and attractive to visitors to the state capitol.

(6) Permit research to be conducted upon any materials in the memorial collection, whether on display or in storage, which is consistent with the preservation and safeguarding of such materials.

(7) Welcome and register visitors to the hall, conducting them through the hall and explaining the exhibits and displays of the memorial collection and the historical significance of the military service and the events they depict.

(8) Take such steps as may be necessary to protect visitors and the memorial collection from persons who would interfere with the peaceful enjoyment of the memorial hall and the memorial collection including their ejection.

(9) Protect the memorial collection from theft or vandalism and report promptly to the secretary and the capitol police any evidence of theft or vandalism.

(10) Keep records on all matters affecting the memorial hall and the memorial collection, including acquisitions, articles borrowed or loaned for research or display, and visitors to the memorial hall.

(11) Prepare an annual report to the board on the operation of the memorial hall and make such other reports as the secretary may require.

SECTION 19. VA 6.01(3), (9), (10), (11), (13), and (16), are amended to read:

VA 6.01(3) EXHIBITS REQUIRED. Each application ~~must~~ shall be accompanied by a complete financial statement of the applicant, a physician's report of physical examination of the applicant, a certified copy of the applicant's birth certificate or other acceptable evidence relating to the applicant's birth, and original or certified copies of reports of separation or discharges of the applicant or the veteran upon whose eligibility the applicant is relying for all periods of active service in the armed forces of the United States during one wartime period as enumerated in s.45.35(5) (a) through (g), Stats., or which establish that the veteran was entitled to receive either the Armed Forces Expeditionary Medal or the Vietnam Service Medal or served pursuant to section 1 of executive order 10957, or served under s.45.34, Stats., in Lebanon between August 1, 1982 and August 1, 1984 or in Grenada between October 23, 1983 and November 21, 1983 and, except in the case of a Wisconsin resident at the time of entry into active service or the spouse of such a veteran applicant, 2 affidavits attesting to the applicant's Wisconsin residence. All exhibits except certified copies of reports of separation will be required of an applicant who applies for readmission more than 60 days after

discharge, but an affidavit in lieu of exhibits may be accepted from an applicant who applies for readmission within 60 days of discharge.

(9) DEPENDENTS OF MEMBERS. Nonmember dependents of members ~~will~~ may not be quartered or maintained at the Home, except under the policy for guests established by the commandant, ~~unless employed by the Home in a capacity requiring them to live in available housing on the Home grounds.~~

(10) QUARTERS, ASSIGNMENT. Assignment of quarters to members shall be based on the ~~Home medical director's recommendations and the~~ availability of space appropriate to the ~~member's~~ members' needs.

(11) CLOTHING AND COMFORT ITEMS. Clothing, ~~stationery,~~ toiletries, and necessary aids to good grooming, including barber and beautician services, ~~will~~ shall be furnished to members as their needs may require. ~~All clothing issued will remain the property of the state of Wisconsin.~~

(13) ASSETS. Prior to admission, applicants must turn over all assets in excess of the maximum assets which may be retained under the provisions of ss.49.45 and 49.46, Stats., and rules adopted thereunder, to the state in prepayment for care and maintenance actually provided by the Home during their period of residence. ~~Property or any interest therein conveyed or disposed of by the applicant within 5 years immediately prior to application for admission by gift or for less than adequate consideration shall be considered assets upon admission to the extent of the value of the gift or to the extent consideration therefor was inadequate, unless such assets were conveyed to~~

~~the state or unless it is determined by the department that the conveyance or disposal of such assets had no relation to prospective entrance into the Home.~~ An applicant's just and legal debts ~~will~~ shall be taken into consideration for the purpose of determining the amount of excess assets due the state under s.45.37(2)(f), Stats.

(16) CHARGES FOR CARE AND MAINTENANCE. Charges for care and maintenance made pursuant to s.45.37 (16) Stats., shall be computed every ~~January, March and July~~ September for the various categories of care provided by the Home and such computations shall be based upon the average daily costs of care for the preceding ~~months~~ semi-annual periods of July through December and January through June respectively. Charges shall be made for actual care and maintenance provided, and such charges shall be based upon the average daily costs of care as established by such computations for the various categories of care provided members during the month for which such charges are made.

SECTION 20. VA 6.01(17) is created to read:

VA 6.01(17) DEFINITION--"PUBLISHED." For the purposes of this chapter, "published" means printing of regulations, making them available to members, employes and visitors, and posting them on a bulletin board in a public place on the Home grounds.

SECTION 21. VA 6.02 is repealed and recreated to read:

VA 6.02. DUTIES AND RESPONSIBILITIES OF THE COMMANDANT. The commandant, under the direction of the secretary, shall operate the Wisconsin Veterans Home

pursuant to Wisconsin Statutes and in accordance with the policies established by the board. The commandant shall:

(1) Conduct a complete program of medical and nursing care for all members of the Home as their needs may require.

(2) Keep a record of each member of the Home which will include information establishing eligibility for admission, date of admission, personal and financial data, and period of membership.

(3) Have charge and custody of the Home including all property appertaining thereto or within the boundaries thereof, and may take such reasonable steps as may be necessary to safeguard such property including examination of vehicles, baggage, parcels or any property leaving the Home.

(4) Employ such persons as may be necessary and authorized to carry out the functions of the Home.

(5) Designate as deputies such employes as may be necessary to assist in enforcing upon the grounds of the Home the laws of the state of Wisconsin and the rules and regulations governing the Home, and for such purposes, the commandant and the deputies shall have all the powers of constables.

(6) Establish a work therapy program at the Home and permit as many members as possible to participate in this program. Participation in the program shall be voluntary and participating members may work as many hours as they desire up to a maximum of 5 hours per day. Members participating in the

work therapy program may retain additional income or be paid for their services pursuant to the provision of s.45.37(9)(a) and (c), Stats.

(7) Prepare the Home's biennial budget requests so as to permit the Home to meet applicable minimum standards established by state regulatory agencies and present such budget request to the secretary.

(8) Supervise all funds of the Home and see that proper records are kept, maintain internal fiscal control, account for all funds received and disbursed, and take all necessary steps to recover any property or funds transferred, assigned or withheld contrary to law.

(9) Prepare an annual report covering operations of the Home as soon as practicable after the close of each fiscal year.

(10) Provide a surety bond at the expense of the Home in an amount sufficient to cover the commandant's financial responsibility and be adequately bonded for responsibilities as legal guardian of members and administrator of the estates of deceased members.

(11) Safeguard all records of the Home and maintain the confidential nature of medical and personal information regarding employes and members pursuant to s.45.36, Stats., and s. VA 1.10, Wisconsin administrative code.

(12) Attend all meetings of the board and King committee and make monthly reports on the operation of the Home.



(13) Submit other reports and attend other meetings upon the request of the secretary.

(14) Authorize emergency first aid medical service to a person not connected with the Home only when transportation to a local doctor or hospital would, in the opinion of the Home medical director, endanger the life of the person.

(15) Establish and publish rules for the regulation of employe conduct.

SECTION 22. VA 6.03(1) and (2) are amended to read:

VA 6.03(1) DRIVER'S LICENSE REQUIRED. No person ~~shall~~ may operate any motor vehicle on any roadway, driveway or parking lot of the Home unless ~~he~~ the person holds a valid and current operator's license ~~issued under ch. 343, Stats.,~~ or unless exempt ~~under the provisions of s. 343.05(2), Stats.,~~ from the requirement that ~~he held~~ such a license be held in order to operate a motor vehicle on the highways of this state, and no person ~~shall~~ may operate a motor vehicle anywhere on ~~such~~ the Home grounds except on a roadway, driveway or parking lot. Members using power wheelchairs are exempt from the requirements of this ~~section~~ subsection.

(2) VEHICLE LICENSE REQUIRED. No person ~~shall~~ may operate any motor vehicle on any roadway, driveway, or parking lot of the Home unless the ~~same~~ vehicle has been properly registered ~~as provided by ch. 341, Stats.,~~ or unless exempt ~~under an applicable provision of s. 341.05, Stats.,~~ from the requirement that the vehicle be registered in order that it may be operated on

the highways of this state. Members using power wheelchairs are exempt from the requirements of this ~~section~~ subsection.

SECTION 23. VA 6.03(3) is repealed.

SECTION 24. VA 6.03(4), (8), (9), (10) and (11) are amended to read:

(4) DUMPING PROHIBITED. The dumping of any waste, trash, debris, or other rubbish on the Home grounds or along the Home grounds lakeshore is prohibited, except in disposal areas designated by the commandant or elsewhere as may be specifically designated by ~~him~~ the commandant.

(8) DRUNKENNESS PROHIBITED. Any person who is found in an intoxicated condition on the Home grounds ~~shall~~ may be subject to arrest and prosecution.

(9) CANVASSING, PEDDLING OR SOLICITING. ~~Call-Canvassing,~~ Canvassing peddling or soliciting is prohibited on the grounds or in the buildings of the Home, except that the commandant may authorize Home posts and chapters of veterans organizations and their auxiliaries to conduct fund raising activities at designated times and places, and to solicit membership. The commandant may authorize and establish conditions for solicitations at the Home by other charitable organizations.

(10) LAKESHORE USE. Except as specifically authorized by the commandant, use of the Home lakeshore, beaches, piers, boating and swimming facilities by persons other than members and employes or guests of members or employes in their personal company is prohibited. Use of such facilities shall be at ~~their-own~~ the risk of the individuals using them and shall be limited to daylight hours.

(11) CAMPING AND PICNICKING. Camping on the Home grounds is prohibited. Picnicking may be authorized by the commandant on the Home grounds in areas specifically designated by ~~him~~ the commandant as picnic grounds. ~~He~~ The commandant shall establish rules governing permitted picnic hours, the disposal of garbage and other refuse, and such other matters as may be deemed necessary.

SECTION 25. VA 6.04(3), (5), (13) and (14) are amended to read:

6.04(3) DEFINITION OF INCOME. Income for the purpose of this chapter means "Income" as defined in s.45.37(9)(g), Stats. ~~money, property or anything of monetary value received from any source to which a member may become entitled subsequent to admission, to include, without limitation by reason of enumeration, pensions, annuities, compensation, social security, railroad retirement, public or private retirement, insurance benefits, wages, salaries, alimony, rents, interest, dividends, profits, returns on investment, monies received for loss, damage or injury, awards, gifts, devises, bequests, hereditaments, inheritances, discoveries and powers.---Income shall not include wages, salary or payment to a member for services rendered to the home as an employe thereof, income received by a member from the sale of products through the hobby shop, or the personal property of a deceased member which is received by the decedent's member spouse.---Any renunciation or transfer of income by a member shall be void.~~

(5) ADMINISTRATION OF MEMBERS PERSONAL FINANCES. Members ~~will~~ shall be permitted to receive, disburse and manage their personal finances as long as they are capable of doing so. Upon determination by the medical staff that a

member is unable to manage his funds wisely, the commandant ~~will~~ shall automatically assume control over ~~such~~ the member's funds and ~~will~~ prepare a letter setting forth such determination and assumption of control, copies of which ~~will~~ shall be mailed to any relatives concerned and to the secretary of the department. Immediately upon assumption of control over a member's funds by the commandant, they ~~will~~ shall be deposited in a personal account in the Home administrative office and withdrawals from such account ~~must~~ shall be confirmed by the commandant or ~~his~~ the commandant's designee. Relatives and friends of members whose funds are under the control of the commandant ~~will~~ may not be permitted to receive or disburse ~~such~~ these members' funds or exercise control over ~~such~~ their funds unless specifically authorized by appropriate court order.

(13) CLEANLINESS OF QUARTERS. Clothing, beds, quarters, dormitories and cottages shall be kept in a neat and clean condition, and all members' quarters ~~must~~ shall be available for inspection ~~between-the-hours-of-8+00-a.m.-and-8+00-p.m.--All-members-must-remain-in-their-quarters~~ during ~~the-period-for-which~~ periods when formal inspections or fire drills are scheduled, ~~unless excused-by-the-commandant-or-in-the-case-of-sickness-by-a-Home-physician.~~

(14) GIFT OF PROPERTY BY A MEMBER. A gift of property by a member shall be invalid unless physical possession of ~~such~~ the property is transferred to the donee at the time the gift is made and unless ~~such~~ the property is removed from the premises of the Home before the death of the member. A gift of property by a member during ~~his~~ the member's lifetime with the understanding that the member may retain physical possession of such property until ~~his~~ the member's death or a gift of property which is to take effect upon the death of the member donor is invalid.

SECTION 26. VA 6.04(16) and (17) are repealed.

SECTION 27. VA 6.05(1), (2), (3), (4), (5), (6), and (9) are amended to read:

VA 6.05 DISCIPLINE, DISCHARGES AND LEAVES OF ABSENCE. (1) DISCIPLINARY PROCEDURE FOR SERIOUS OFFENSES. The Home shall maintain a complete record of each offense by a member ~~against-the-rules-and-regulations-of-the-home~~ for which the member could be given a dishonorable discharge under sub. (7), showing the name of the offender, date and place of the offense and the nature of the offense. Each member charged with ~~the-violation-of-home-rules-and-regulations~~ such an offense shall be furnished with a copy of the charge or charges placed against ~~him~~ the member. No member ~~shall~~ may be ~~discharged,~~ suspended, given a dishonorable discharge or disciplined in any way for the offense without a hearing before the commandant at a date and place to be fixed by the commandant. Each member charged with an offense shall be furnished with a copy of the charge or charges placed against ~~him~~ the member. No member ~~shall~~ may be ~~discharged,-suspended,~~ given a dishonorable discharge or disciplined in any way for the offense without a hearing before the commandant at a time and place to be fixed by ~~him~~ the commandant. A summary of evidence introduced, the findings and the decision of the commandant ~~must~~ shall be filed in each case.

(2) DISCIPLINARY ORDERS, REVIEW AND APPEAL. A member found guilty by the commandant under sub.(1) of ~~violating-rules-and-regulations-of-the-Home~~ an offense may be dishonorably discharged, given an enforced leave of absence for a period not exceeding 60 days, restricted to the Home grounds or

designated portions thereof, or disciplined in such other manner as the commandant ~~may deem~~ deems just and proper. Upon written application by the member involved within 10 days of issuance of a disciplinary order by the commandant, the secretary shall review any discharge, enforced leave of absence, restriction or other disciplinary action ordered by the commandant, and confirm, modify or reverse ~~such~~ the order. The member involved may, within 10 days of ~~such~~ action by the secretary, appeal from the decision by the department before the appropriate departmental committee. In ~~such~~ these cases, recommendations by the committee shall be submitted promptly to the board for review and final action on the appeal. Upon application for review or appeal, the disciplinary order involved shall be stayed pending determination of the review or appeal.

(3) OFF-LIMITS. The commandant may prohibit any member from entering any tavern or establishment in the vicinity of the Home and ~~he~~ may declare any such establishment off-limits to any or all members if such action is necessary for the maintenance of discipline and control.

(4) GRIEVANCE PROCEDURE. Any member having a grievance or complaint of any kind against the Home or its management, may present such grievance or complaint in writing to the commandant. In the event the member is not satisfied with action by the commandant upon such grievance or complaint ~~he~~ the member may refer the matter to the secretary, and the commandant shall promptly transmit such grievance or complaint together with ~~his~~ a written report of investigation and action thereon to the secretary. In the event the member is not satisfied with action by the commandant and the secretary upon such grievance or complaint he or she may appeal the matter to the board.

(5) HONORABLE DISCHARGE. A member may receive an honorable discharge from membership at the Home upon application, provided that he or she has paid all money due the Home, has accounted for all property issued ~~to him~~ not suitable for reissue, that no disciplinary action has been currently imposed or is pending against ~~him~~ the member, and that he or she is able to exercise sound judgment in planning and providing for his or her own physical welfare. When a member requires special living or travel facilities or is unable to exercise sound judgment in planning for his or her own physical welfare, the commandant may refer the request for discharge to the county veterans service officer in the ~~veteran's~~ member's home county for assistance, and may delay granting an honorable discharge until proper facilities for his or her care and travel are assured.

(6) UNDESIRABLE DISCHARGE. A member may be given an undesirable discharge if an obligation to the Home is not paid within 30 days of the date of receipt of income from which that obligation should be paid, ~~if he marries without the consent of the commandant,~~ or if he the member leaves the Home without satisfying the conditions for an honorable discharge.

(9) LEAVES OF ABSENCE, MEDICAL. Leaves of absence will be granted to veteran members while undergoing treatment in a veterans administration hospital, or in another authorized hospital, and to ~~women~~ non-veteran members while in any hospital or sanatorium away from the Home, and this leave shall not be charged to the 60 day annual allowance.

SECTION 28. VA 7.05 is amended to read:

VA 7.05 Administration. The provisions of this chapter shall be administered by the secretary. He, who shall determine the eligibility of a state veterans organization for a grant and the amount of the grant for which it qualifies, and he shall prescribe uniform forms for reporting the number of claims processed. When an application has been filed, if the secretary determines that the state veterans organization concerned has not adequately established its claim for a grant, ~~he~~ the secretary may require additional information. Any state veterans organization dissatisfied with a determination of the secretary may appeal such determination to the board.

SECTION 29. VA 9.01(13) and (16) are amended to read:

VA 9.01 (13) "School" means an ~~accredited~~ institution of higher education in this state as defined in s. ~~HEA-2.01-(2), Wis. Adm. Code~~ 39.32(1)(a), Stats.

(16) "Unusual expenses" means monthly or academic year payments which a veteran will be required to make on medical and dental expenses ~~or-as-the result-of-casualty-or-theft-losses-which-may-be-listed-on-lines-2-and-6-or under-miscellaneous-deductions-in-Schedule-A,-federal-income-tax-form-1040 (4972),~~ or alimony being paid under a final judgment or decree of divorce.

SECTION 30. VA 9.02(2) is repealed and recreated to read:

9.02(2) The applicant must be a veteran as defined in s. 45.28(1)(b), Stats. The applicant's county veterans service officer should be contacted for



assistance in establishing the applicant's eligibility if either the selective service local board or the home of record at time of entry into active military service as shown on the applicant's DD 214, US armed forces report of transfer or discharge, is in a state other than Wisconsin.

SECTION 31. VA 9.02(3) is amended to read:

VA 9.02 (3) DETERMINATION OF ENTITLEMENT. The FAO shall compute and verify the amount of the applicant's income and financial need and shall determine the amount of the applicant's unmet need. Financial need shall be based upon the standard student budget applicable to the applicant. If an applicant's unmet need for an academic year is less than the maximum amount of the grant, the amount of unmet need so determined will be rounded off to the next highest \$10, which shall be the entitlement to a grant approved for the academic year. The FAO of any state of Wisconsin school shall also verify that the applicant is a resident student as defined in s.~~36-46~~ 36.27 Stats. Unless the FAO's determination of an applicant's unmet need is unreasonable on its face or is based upon incorrect computation of income or financial need, the department shall accept such computation and, if applicable, the FAO's determination that the applicant is a resident student, as the basis for determining the entitlement of the applicant for a grant if such applicant is a veteran.

SECTION 32. VA 9.03 is amended to read:

VA 9.03 STANDARD STUDENT BUDGETS. Standard single and married student educational budgets shall include standard living expenses budgets for single or married students, to which shall be added ~~\$83.00~~ \$108.00 per dependent other than spouse per month, and all actual expenses for tuition, course fees,

and book and materials costs for the academic year. Standard living expenses budgets shall be based upon 9 months living expenses of ~~\$5,209~~ \$6,813 for single veterans or upon 9 months living expenses of ~~\$7,990~~ \$10,458 for married veterans, per academic year.

SECTION 33. Applicability. Section VA 2.02(4) as repealed and recreated by this order and VA 9.03 as amended by this order shall apply to courses in which applicants enroll on or after July 1, 1986.

The repeals, amendments, repeals and recreation and creation of rules contained in this order shall take effect as provided in Section 227.026(1)(intro.), Stats.

Date: February 21, 1986

STATE OF WISCONSIN,  
DEPARTMENT OF VETERANS AFFAIRS

BY: Marvin Pratt  
MARVIN PRATT, Chairman  
BOARD OF VETERANS AFFAIRS

AmFJT6

