

1977 Senate Bill 392

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CHAPTER 381, Laws of 1977

AN ACT to amend 45.74 (intro.), 45.76 (1) (a) 1 and 45.77; and to create 45.745 and 45.79 (8) of the statutes, relating to veteran's loan limitations for disabled veterans.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 45.74 (intro.) of the statutes is amended to read:

45.74 Eligible persons; disqualifying factors. (intro.) ~~No~~ Except as provided under s. 45.745, no person may receive a loan under this subchapter if the department or authorized lender determines that:

SECTION 2. 45.745 of the statutes is created to read:

45.745 Loans to disabled veterans; qualifying factors. A veteran who has secured a special housing grant under 38 U.S.C. 801 due to permanent and total service connected disability may receive a loan under this subchapter if the department or authorized lender determines that:

(1) **ANNUAL INCOME LIMITATION.** (a) The annual income of the person and the person's spouse does not exceed 125% of the amount specified under s. 45.74 (1) (a); and

(b) The annual income of the person, excluding the annual income of the person's spouse, does not exceed 125% of the amount specified under s. 45.74 (1) (b).

(2) **ABILITY TO PAY.** The person will not be incurring an excessive indebtedness in view of the person's income;

(3) **NEED.** The person requires a loan in addition to the person's own funds;

(4) **ASSETS.** After making the person's total contemplated investment toward a purpose specified in s. 45.76 the person's funds will not exceed \$1,000 plus the person's anticipated annual shelter cost payments; and

(5) **COST OF HOUSING.** (a) *Cost in relation to income limitation.* If the net cost of the housing accommodation including garage, but excluding land and other nonhousing improvements on the property after deducting the federal grant does not exceed 2 times the person's annual income or if the net cost of the housing accommodation including garage, land and other nonhousing improvements on the property after deducting the federal grant does not exceed 2.5 times the person's annual income.

(b) *Total cost limitation.* The total cost of the housing accommodation including garage, land and other nonhousing improvements on the property does not exceed 150% of the total cost limitations specified under s. 45.74 (5).

SECTION 3. 45.76 (1) (a) 1 of the statutes is amended to read:

45.76 (1) (a) 1. A mobile home or real property on which a mobile home is to be situated, but only if the veteran has available and applies on the total cost of ~~such the~~ property, an amount equivalent to at least 20% of ~~such the~~ total cost. This subdivision does not apply to a person who qualifies under s. 45.745.

SECTION 4. 45.77 of the statutes is amended to read:

45.77 Veteran's contribution. No loan may be made under this subchapter unless, in addition to ~~such the~~ closing costs as the veteran may be required to pay, the veteran has available, and applies on the total cost of the property for which the loan is made, an amount equivalent to at least 5% of ~~such the~~ total cost. ~~Such~~ This amount may consist of money or other assets, including equity in real property. If the loan is to be made for purchase or construction, as these terms are used in s. 45.76, ~~such the~~ amount may not exceed 30% of ~~such the~~ total cost. This section does not apply to a person who qualifies under s. 45.745.

SECTION 5. 45.79 (8) of the statutes is created to read:

45.79 (8) **LIMITATION ON REMODELING OR ALTERATION FOR A DISABLED VETERAN.** Not more than 50% of the proceeds of a loan granted under this section may be used for remodeling or alteration of the housing accommodation after purchase to meet the special needs of a veteran due to a permanent and total service connected disability. That portion of the proceeds used for this purpose shall be reserved and distributed by the authorized lender.
