

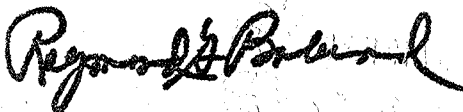
CERTIFICATE

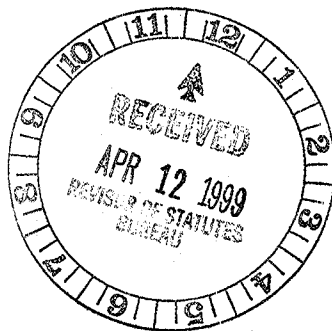
STATE OF WISCONSIN)
)
DEPARTMENT OF VETERANS AFFAIRS)

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

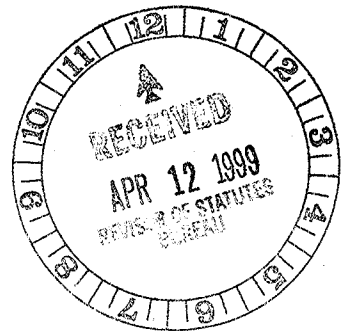
I further certify that said copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department of Veterans Affairs at 30 W. Mifflin Street, in the city of Madison, Wisconsin, this 12th day of April, 1999.

BY: 
RAYMOND G. BOLAND, SECRETARY



ORDER OF THE
DEPARTMENT OF VETERANS AFFAIRS
CREATING RULES



The Wisconsin Department of Veterans Affairs hereby proposes an order to create VA 1.19, relating to the cancellation of indebtedness under the economic assistance, veterans trust fund stabilization, personal, and secondary loan programs.

ANALYSIS PREPARED BY THE
DEPARTMENT OF VETERANS AFFAIRS

Statutory authority: s.45.35(3), Stats.

Statutes interpreted: ss.45.351(2), 45.356, 1995 Stats., 45.80 1981 Stats. and 45.356, Stats.

The department has determined that it is appropriate to codify internal loan write-off criteria it currently uses. Furthermore, in order to assure that veterans have a full opportunity to provide relevant information, a decision concerning cancellation of indebtedness will be subject to the administrative hearing process.

TEXT OF RULE

SECTION 1. VA 1.19 is created to read:

VA 1.19 Cancellation of indebtedness. (1) CRITERIA. The department may cancel indebtedness and forego collection action on a loan provided under ss.45.351(2), 45.356, 1995 Stats., 45.80 1981 Stats. and 45.356, Stats., if any of the following apply:

- (a) The obligated parties on the note are deceased and claims on the estates have failed to produce any payments.
- (b) The obligated parties on the note are unlocatable as documented by non-productive skip tracing efforts.
- (c) The obligated parties on the note are discharged in bankruptcy and have not reaffirmed the debt.
- (d) Interstate restrictions prevent collection.
- (e) The obligated parties on the note have established through the submission of adequate documentation that the parties are unable to pay or that continued collection activity would jeopardize collection of other department loans.

(f) The financial benefit to the department of pursuing collection activity does not exceed the cost of pursuing the debt.

(2) REEVALUATION. Except as provided in s.VA 1.17(1), the department may reinstate the indebtedness and collection activity based upon a change in the circumstances of an obligated party.

(3) ADMINISTRATIVE REVIEW. Any department decision under this section is subject to appeal under s.VA 1.03.

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

Dated at Madison, Wisconsin, April 12, 1999.

STATE OF WISCONSIN
DEPARTMENT OF VETERANS AFFAIRS



RAYMOND G. BOLAND, SECRETARY



STATE OF WISCONSIN
DEPARTMENT OF VETERANS AFFAIRS



30 West Mifflin Street, P. O. Box 7843, Madison, WI 53707-7843
(608) 266-1311 FAX (608) 267-0403
1-800-947-8387 (WIS VETS)
Tommy G. Thompson, Governor
Raymond G. Boland, Secretary

April 12, 1999

Gary L. Poulson, Deputy Revisor
Revisor of Statutes Bureau
131 W. Wilson Street, Suite 800
Madison WI 53703-3233

Re: Publication of Clearinghouse Rule 98-120

Dear Mr. Poulson:

I have enclosed for filing certified and uncertified copies of the rule identified above for publication in the administrative register. I would appreciate publication of the rule in the end of the month register for May, 1999.

I have filed a certified copy of the rule with the secretary of state on this date.

Sincerely,

John Rosinski, Chief Legal Counsel
Department of Veterans Affairs

Enclosure

