

CS FOR SENATE JOINT RESOLUTION NO. 31(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/13/02

Referred: Rules

Sponsor(s): SENATORS WARD, Phillips, Olson, Davis, Elton, Therriault, Ellis, Wilken, Donley, Leman, Lincoln, Kelly, Stevens, Cowdery, Taylor, Halford

REPRESENTATIVES Coghill, Hayes, Wilson, Crawford, Stevens, James, McGuire, Rokeberg, Harris, Lancaster, Cissna, Murkowski, Bunde

A RESOLUTION

1 **Urging the United States Congress to permit the use of tax exempt bonds to fund loans**
2 **for veterans who served after 1976.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS** in order to facilitate home ownership by veterans, five states, Alaska,
5 California, Oregon, Texas, and Wisconsin, have chosen to offer state veterans' home loan
6 programs to resident veterans who have provided faithful service while in the U.S. armed
7 forces; and

8 **WHEREAS** these programs have existed for many years and have assisted hundreds
9 of thousands of veterans to obtain affordable housing and make better lives for themselves
10 and their dependents; and

11 **WHEREAS** current law that governs the use of the tax-exempt bonds used to fund
12 these loans, contained in 26 U.S.C. 143(l)(4) (Internal Revenue Code), limits these programs
13 to only those veterans who served before 1977; and

14 **WHEREAS** thousands of men and women have provided faithful service to our
15 nation after 1976, serving in peacetime as well as in hostile military confrontations in
16 locations such as Beirut, Grenada, Latin America, the Persian Gulf, Somalia, and Bosnia; and

1 **WHEREAS** these veterans and their families are being, without basis, denied under
2 current law the opportunity to participate in these state veterans' home loan programs; and

3 **WHEREAS** the Alaska Housing Finance Corporation (AHFC) administers the
4 qualified veterans' mortgage program funded with the proceeds of tax-exempt debt under
5 existing federal authorization; and

6 **WHEREAS** since 1983, the AHFC has issued \$2,100,000,000 in veterans' mortgage
7 bonds and anticipates the benefit to a new group of veterans to be well over \$100,000,000 per
8 year; and

9 **WHEREAS** the United States Congress is considering measures to extend the
10 authorization to serve a new, large group of veterans that have served our country since 1977,
11 but unless the measures are enacted, the veterans' mortgage program will sunset due to a lack
12 of eligible participants; and

13 **WHEREAS** Alaska has approximately 70,000 veterans who could potentially use the
14 lower interest rates from this program toward home ownership;

15 **BE IT RESOLVED** that the Alaska State Legislature respectfully urges the 107th
16 United States Congress to support H.R. 959 and S. 615 to remove the portion of the Internal
17 Revenue Code which restricts access to state veterans' home loan programs for veterans who
18 served after 1976 so they and their families may enjoy the same benefits as their earlier
19 counterparts.

20 **COPIES** of this resolution shall be sent to the Honorable Thomas Daschle, Majority
21 Leader of the U.S. Senate; the Honorable Trent Lott, Minority Leader of the U.S. Senate; the
22 Honorable J. Dennis Hastert, Speaker of the U.S. House of Representatives; the Honorable
23 Richard A. Gephardt, Minority Leader of the U.S. House of Representatives; and to the
24 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
25 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.