

HB

369

# HOUSE COMMITTEE REPORT

(11)

Date referred: 2/3/88

FURTHER REFERRALS:

DATE: 3-21-88

The Finance Committee has considered HB 369

"An Act relating to veterans."

**RECOMMENDS:**

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact *indeterminate*  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note *2/18/88 AHFC*  same as previous zero fiscal note published *1/18/88 & 2/3/88*
- zero with analysis *2/18/88 Rev*

**SIGNING DO PASS:**

Adams *Al Adams*

Pourchet *Pat Pourchet*

Larson *Ronald C. Larson*

Goll *Tom Goll*

SWICK *Cliff Swick*

Boyer *Mark Boyer*

Rieger *Steve Rieger*

Wallis *Kay Wallis*

Brown *Tay Brown*

Davis *Mike Davis*

FRANK *Frank*

**SIGNING OTHER RECOMMENDATIONS:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Al Adams*

Chairman's signature

FISCAL NOTE

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act Relating to Veterans

Agency Affected: Revenue  
BRU: Alaska Housing Finance Corporation

Sponsor: Rules Committee/Governor  
Requestor: \_\_\_\_\_

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
<b>OPERATING</b>						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	-	-	-	-	-
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary)

Please see Bill Analysis as previously prepared.

Prepared By: Dr. Ronald Lehr Phone: (907) 276-5599  
Division: Alaska Housing Finance Corporation Date: February 8, 1988

Approved by Commissioner: Hugh Malone Date: February 8, 1988  
Agency: Department of Revenue

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

FEB 11 1988

It is difficult to determine how much this measure would cost AHFC since it is difficult to estimate how many former and current Public Health Service (PHS) employees will take advantage of this program. Currently there are 250 PHS commissioned officers working in Anchorage. (Statewide figures were not immediately available.) If all took advantage of the program and qualified, at an average loan amount of \$110,000, a 1 percent subsidy would cost AHFC \$1.5 million.

If the bill was amended to extend the 1 percent preference interest rate to all active military with at least five years of service, again AHFC finds it difficult to determine just how much it would cost. However, the following is an estimate.

As of September 1986, there were 25,906 active military personnel -including Navy, Army, Air Force, Marines and Coast Guard - serving in Alaska. If one-third of those personnel, applied for, were qualified and received the subsidy, based on an average loan of \$116,000, the 1 percent subsidy would cost AHFC \$64 million.

It should be noted that the Fiscal Note columns all show zeros. The impact of this proposal would be on AHFC's Revolving Loan Fund.

Additional background and historical information is contained in the attached letter to the bill's sponsor, Representative Barnes.



FISCAL NOTE

REQUEST:

Revision Date: January 19, 1988  
Title: An Act relating to veterans  
Sponsor: Rules Committee  
Requestor: Governor

Agency Affected: Military & Veterans Affairs  
BRU: Veterans Services  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) Passage of this bill will have no fiscal impact. The bill amends the definition of veteran for the purposes of: 1) granting employment preference rights for applicants for positions in the classified service of the State of Alaska; and 2) clarifying in statute that active numbers of the National Guard qualify to receive AHFC veterans interest rates.

Prepared by: Jeff Morrison Phone: 465-4600  
Division: Administrative & Support Services, DMVA Date: 1/19/88

Approved by Commissioner: MG John Schaeffer Date: 1/19/88  
Agency: Department of Military & Veterans Affairs

Distribution (by preparer) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
 Title: An Act Relating to  
Veterans  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Agency Affected: Administration  
 BRU: Personnel  
 Components: Personnel

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Publicizing of any changes created by this legislation and revision of application form in order to note changes can be accomplished within existing operating budget.

Prepared by: Diana DeSimone Phone: 465-4430  
 Division: Personnel Date: 12/18/87

Approved by Commissioner: John Andrews Date: 1/15/88  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 369

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to veterans."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 \* Section 1. AS 18.56.101 is amended to read:

9           Sec. 18.56.101. ELIGIBILITY FOR VETERANS' INTEREST RATES. The  
10 following persons are eligible veterans for the purposes of AS 18.56.-  
11 098(g) and (h):

12           (1) a person who served in the armed forces of the United  
13 States for 90 days or more, or whose service was for less than 90 days  
14 because of injury or disability incurred in the line of duty, after  
15 April 6, 1917, whose discharge was under honorable conditions;

16           (2) the widow or widower of a member of the armed forces or  
17 an eligible veteran if the member or veteran served in the armed  
18 forces for at least 90 days after April 6, 1917 and the veteran's  
19 discharge was under honorable conditions;

20           (3) a person who has served for not less than five years in  
21 the Alaska Army National Guard, or the Alaska Air National Guard, or a  
22 reserve unit of the United States armed forces if the reserve unit  
23 required, as a minimum, one weekend each month of duty and 15 consecu-  
24 tive days of active duty training each year and

25                   (A) whose discharge was under honorable conditions; or  
26                   (B) who is currently in an active status in the guard  
27                   or a reserve unit and whose service is characterized as  
28                   honorable.

29 \* Sec. 2. AS 39.25.150(19) is amended to read:

1           (19) the granting of employment preference rights to a vet-  
2           eran not within the area of promotion, when the veteran possesses the  
3           necessary qualifications in the job classification applied for under  
4           this chapter; in an examination to determine the qualification of  
5           applicants for entrance into the classified service under merit system  
6           examination, five additional points shall be added to the passing  
7           grade of a veteran and 10 additional points shall be added to the  
8           passing grade of a disabled veteran, but the additional points may be  
9           used only the first time the veteran obtains a position in the classi-  
10          fied service; if a position in the classified service is eliminated,  
11          employees shall be released in accordance with rules which give due  
12          effect to all factors; if all job qualifications are equal, the veter-  
13          an shall be given preference over the nonveteran and the veteran shall  
14          be kept on the job; this paragraph may not be interpreted to amend the  
15          terms of a collective bargaining agreement; in this paragraph

16                 (A) "veteran" means a person with 181 days or more  
17                 active service in the armed forces of the United States who has  
18                 been honorably discharged after having served during any period

19                         (i) between April 6, 1917, and December 1, 1919,  
20                         between September 16, 1940, and December 31, 1947, or be-  
21                         tween June 27, 1950, and October 14, 1976; or

22                         (ii) in which the person was awarded a campaign  
23                         badge or expedition medal, or The Purple Heart or other  
24                         award or decoration for heroism or gallantry in action;

25                 (B) "disabled veteran" means a veteran who is entitled  
26                 to compensation under laws administered by the United States Vet-  
27                 erans' Administration, or a person who was honorably discharged  
28                 or released from active duty because of a service-connected dis-  
29                 ability;



Official Business

# Alaska State Legislature

## House

P.O. BOX V  
State Capitol  
Juneau, Alaska 99811

### M E M O R A N D U M

TO: Members, House Finance Committee

FROM: Representative F. Kay Wallis *Kay KB JK*

DATE: March 11, 1988

SUBJECT: House Bill 369--Subcommittee Report

HB369, submitted by the Governor, "An act relating to veterans," was referred to a subcommittee of the House Finance Committee consisting of Representative Wallis (Chair), Representative Kay Brown and Representative Steve Rieger. It is the recommendation of this subcommittee that HB369 be passed out of committee with no changes.

Section 1 of the bill basically ratifies in the law the existing practice of AHFC concerning eligibility of active National Guard members to receive AHFC veterans' interest rates. Section 2 extends the veterans preference for state employment and job retention to former armed service members who served in peacetime but were exposed to the dangers of combat or armed hostilities.

There were two specific suggestions raised in the committee hearing to be considered as changes to the bill:

1. Representative Goll had suggested that the bill be changed to make active duty military personnel also eligible for the AHFC program, and then withdrew his suggestion. Margaret Nelson of AHFC has met with DMVA staff and indicated there are a number of existing programs administered by AHFC which provide housing loans to active duty "veterans." There does not appear to be a need to consider this subject further.

2. Representative Pourchot questioned the drafting of the bill on page 2, line 23, regarding whether or not a comma should be inserted after "Purple Heart." The bill drafter has indicated the intent of the language would be the same with or without the comma. We therefore do not believe it is necessary to make a change to the original bill.

**ALASKA MORTGAGE BANKERS ASSOCIATION**

P.O. BOX 9-2691 / ANCHORAGE, ALASKA 99509-2691

*Martin*  
*FYI*  
*A*

February 24, 1988

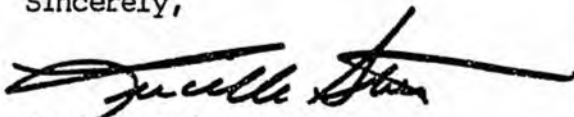
Representative Al Adams, Chairman  
House Finance Committee  
Alaska State Legislature  
Pouch V-(MS3100)  
Juneau, AK 99811

Re: House Bill 369

Dear Representative Adams:

The Alaska Mortgage Bankers Association supports passage of House Bill 369; we are, however, opposed to any amendments which would increase costs to the State by expanding the definition of veteran to include non-veterans such as Public Health Service personnel.

Sincerely,



Lucille Stietz  
Chairman, Legislative Affairs Committee

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

FRONTIER BUILDING  
SUITE 620  
3601 C STREET  
ANCHORAGE, ALASKA 99503-5989  
PHONE (907) 243 0656  
AUTOVON 626-1444

Administrative & Support  
Services Division

P.O. Box L  
Juneau, AK 99811

February 18, 1988

Representative Pat Pourchot  
P.O. Box V  
Juneau, AK 99811

Dear Representative Pourchot,

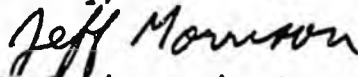
At the House Finance Committee hearing on HB369 held on February 17, you raised an issue concerning the qualifications for recipients of the Purple Heart Award.

The Purple Heart is currently awarded for "wounds or death as a result of an act of any opposing armed force," according to the latest information we have. The example you cited in the committee hearing seems unusual, and the standards may have changed since then.

I checked with the bill drafter in the Department of Law concerning the insertion of a comma after "Purple Heart," and she said that either way the intent would remain the same. If the committee desires to make this change, we would have no objection to it.

Please contact me if you have any additional questions about this bill. Thank you for your interest.

Sincerely,



Jeff Morrison, Director  
Division of Administrative  
and Support Services

cc: Representative Kay Wallis

Alaska HOUSING FINANCE CORPORATION



3

May 13, 1987

The Honorable Ramona Barnes  
Representative, State of Alaska  
Post Office Box V  
Juneau, Alaska 99811  
ATTENTION: PATTY SWENSON

SUBJECT: PROPOSED LEGISLATION HB 269

Dear Representative Barnes:

You have asked AHFC to provide information regarding the possible fiscal impact to the Corporation should HB 269 be enacted.

As HB 269 was introduced and currently reads, AHFC's State Veterans Interest Rate Preference would be expanded to include Public Health Service commissioned officers. All PHS officers regardless of the amount of time they served, would be eligible under this proposal.

It is difficult to determine how much this would cost AHFC since we have no historical data which tells us how many PHS borrowers we have. However, according to the Anchorage PHS office, there are currently 250 PHS commissioned officers living in Anchorage.

The number of PHS officers located in Alaska, outside of Anchorage, was not immediately available. However most PHS employees working in rural areas live in federal government-provided housing.

AHFC estimates that on an average loan of \$110,000, a one-percent interest rate subsidy costs AHFC approximately \$6,000. Therefore, if 250 PHS officers were qualified to buy homes and sought financing through AHFC, the one-percent subsidy would cost approximately \$1.5 million.

Also, AHFC has no way of predicting how much it would cost AHFC if HB 269 should be amended to allow active military with at least 5 years of service to participate in the State Veterans Interest Program. However, from 1982 to present, AHFC has loaned to 3,605 active duty military borrowers. About half, or 1,874, have loans made under the federal Veteran's Mortgage Program (tax-exempt).

If we assume that the remaining borrowers would have been eligible for the State Veterans Interest Rate, which would have cost AHFC \$12 million.



Official Business

# Alaska State Legislature

House of Representatives

REPRESENTATIVE  
RAMONA L. BARNES  
DISTRICT 14

ANCHORAGE 5  
2230 PAXSON  
ANCHORAGE, ALASKA 99504  
(907) 337-7904  
BOX V  
JUNEAU, ALASKA 99811  
(907) 465-3438

## THE INTENT OF HB 269

The intent of HB 269 is to allow Public Health Service Officers to become eligible as veterans for the purpose of the Alaska Housing Finance Corp. State Veterans Interest Rate Preference program.

Public Health Service Officers are eligible for federal VA housing loans, and Alaska's Veteran Mortgage Program (VMP). They are eligible for most VA benefits under federal law, therefore, to exclude these "Veterans" from this interest preference program offered by the state is inconsistent with other aspects of veterans benefits.

The AHFC/ Fed VA program can be combined with the State Veterans Interest Rate Preference program to produce an extremely attractive interest rate for those purchasing or refinancing a home. Under the current statute (AS.56.101), Public Health Service Officers are not eligible for this combination. It is the intent of this bill to add these "Veterans" to this statute.

The foreclosure rate of AHFC has increased significantly over the past year. It is the intent of this legislation that this group of veterans should be eligible for the benefit this preference provides. In Alaska's current poor economy, anything that will help people keep their homes or buy a home helps our state.

Public Health Service Officers currently number 250 in the Anchorage area. The number living outside of this area is not available at this time. It is difficult to say how many people will make use of this program, therefore, the cost is not known. (See fiscal note and letter).

Favorable consideration of this bill would be appreciated by its sponsors.

Thank you for your time.

Code Cong. Service, p. 1211. See, also, Act of Oct. 28, 1948, 1948 U.S. Code Cong. Service, 103; Act Oct. 12, 1949, 1949 U.S. Code Cong. Service, p. 2089; Act Apr. 27, 1956, 1956 U.S. Code Cong. and Adm. News, p. 4613; Pub. L. 84-15, 1960 U.S. Code Cong. and Adm. News, p. 1834; Pub. L. 91-253, 1970 U.S. Code Cong. and Adm. News, p. 3041; Pub. L. 96-6, 1979 U.S. Code Cong. and Adm. News, 254; Pub. L. 96-342, 1980 U.S. Code Cong. and Adm. News, p. 2612; Pub. L. 97-25, 1981 U.S. Code Cong. and Adm. News, p. 396.

Nov. 16, 1973, 87 Stat. 604, provided for the retirement of certain officers of the Reserve Corps of the Public Health Service for disability.

§ 212b. Repealed. Apr. 27, 1956, c. 211, § 5(d), 70 Stat. 117

Historical Note

Section, Act July 31, 1953, c. 296, Title II, § 201, 67 Stat. 254, authorized the recall of retired officers of the Service, and is now covered by section 212(c) of this title.

§ 213. Military benefits

Rights, privileges, immunities, and benefits accorded to commissioned officers or their survivors

(a) Except as provided in subsection (b) of this section, commissioned officers of the Service and their surviving beneficiaries shall, with respect to active service performed by such officers—

(1) in time of war;

(2) on detail for duty with the Army, Navy, Air Force, Marine Corps, or Coast Guard; or

(3) while the Service is part of the military forces of the United States pursuant to Executive order of the President;

be entitled to all rights, privileges, immunities, and benefits now or hereafter provided under any law of the United States in the case of commissioned officers of the Army or their surviving beneficiaries on account of active military service, except retired pay and uniform allowances.

Award of decorations

(b) The President may prescribe the conditions under which commissioned officers of the Service may be awarded military ribbons, medals, and decorations.

Authority of Surgeon General

(c) The authority vested by law in the Department of the Army, the Secretary of the Army, or other officers of the Department of the Army with respect to rights, privileges, immunities, and benefits referred to in subsection (a) of this section shall be exercised, with respect to commissioned officers of the Service, by the Surgeon General.

★ Active service deemed active military service with respect to laws administered by Veterans' Administration

(d) Active service of commissioned officers of the Service shall be deemed to be active military service in the Armed Forces of the United States for the purposes of all laws administered by the Veterans' Administration (except the Servicemen's Indemnity Act of 1951) and section 417 of this title.

es  
o government agencies, see section 801  
ted Services.  
to are retired under subsec. (a) of this  
rees.

es  
United States § 44.

ns  
mpensable periods  
tiff was entitled to include the period  
by him as Assistant to the Surgeon  
l as well as the three years and two  
served as Deputy Surgeon General in  
ing the four years required by former  
(b)(2) of this section. Draper v. U.  
l, 121 Cl. Cl. 625.

out of recovery allowed  
e plaintiff sued for the difference be-  
retirement pay he received for the  
rom Sept. 1, 1947, to Oct. 1, 1949,  
the rank of brigadier general and the  
nt pay he should have received for  
od based on the rank of major gener-  
plaintiff was entitled to recover.  
U. S., 1952, 121 Cl. Cl. 625.

§ 7(b), Dec. 29, 1973, 87

e X, § 1012, by Pub. L. 89-2... § 3  
6, 1965, 79 Stat. 931, renumbered  
§ 1112 by Pub. L. 91-572, § 6(b),  
970, 84 Stat. 1506, renumbered Ti-  
1212, by Pub. L. 92-294, § 3(b),  
972, 86 Stat. 137, renumbered Title  
112, by Pub. L. 93-154, § 2(b)(2).

# What's Available To The Veteran



**There are three basic options available to the veteran through AHFC:**

- 1. An AHFC Loan combined with a Federal Veterans Administration Loan;**
- 2. The Veterans Mortgage Program; and**
- 3. The State Veterans Interest Rate Preference.**

## 1. AHFC/Federal VA

**Benefit:**

The major benefit of combining an AHFC loan with a Federal VA guaranteed loan is the lower down payment.

**Maximum Loan Amount: \$135,000**

**Minimum Down Payment:**

Up to \$110,000	Zero down
\$110,000-\$135,000	25% on the amount over \$110,000

**\*Qualification:**

Eligibility for the Veteran benefit is determined by the Federal Veterans Administration. This program may be combined with AHFC's Regular Program, the Veterans Mortgage Program, Tax-Exempt Program, HOF Program and Mobile Home Program.

## 2. Veteran's Mortgage Program (VMP)

**Benefit:**

A lower interest rate than under AHFC's other programs, on the entire loan amount.

**Maximum Loan Amount:**

Single Family Residence	.....	\$199,850
Duplex	.....	\$255,650
Triplex	.....	\$308,900
Four-plex	.....	\$384,000

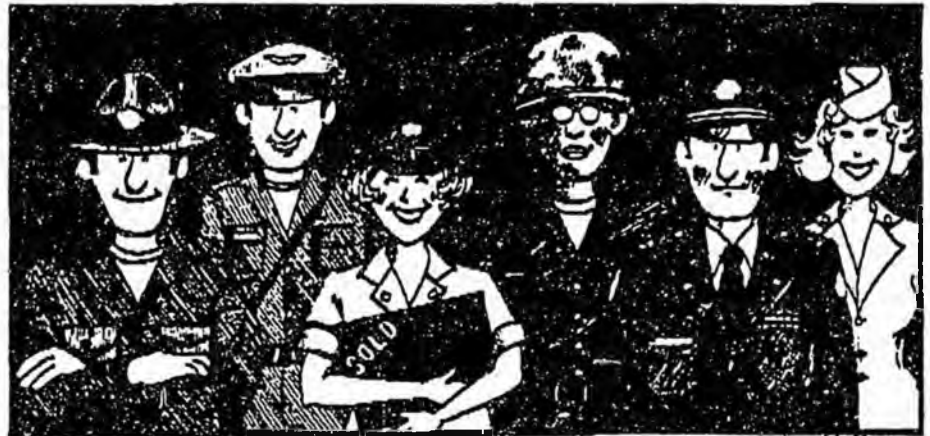
If the residence is a multi-family dwelling (duplex - four-plex) then all units must have been occupied as such for at least 5 years.

**Minimum Down:**

Single-Family and Duplex	
Triplex and Four-plex	

**\*Qualification:**

Federal restrictions require that in-



dividuals applying under this program be "qualified veterans" as defined under Title 38, United States Code 101(2) and have been on active duty prior to January 1, 1977, and cannot have been out of the service for more than 30 years.

Documentation that is accepted by AHFC as evidence of meeting the code is the Veterans Certificate of Eligibility, or a letter from the Federal Veterans Administration and a DD-214, or, for Commissioned Officers, a letter from Personnel stating the entry date of service. Basically, an individual must have served in the Armed Forces and have been discharged other than dishonorably. In addition, active military who have completed their initial period of duty may qualify. The code also includes certain individuals in the Public Health Service but severely limits National Guard and Reservist. You may combine this program with Number 1 to receive the benefit of both the lower interest rate and the down payment.

## 3. State Veterans Interest Rate Preference

**Benefit:**

The State Veteran receives a 1 percent lower interest rate on the first \$90,000 of the loan. The important thing to remember is that this is not a program but an interest rate differential that must be applied to a program. It may be applied to all of the programs offered by AHFC but it may not be combined with Number 2, the Veterans Mortgage Program.

**\*Qualification:**

Determination for the State Veterans Interest Rate preference is made by AHFC. To qualify for the lower rate, the borrower may not currently be on active duty. An individual must have served in the Armed Forces for 90 days or more (unless discharged due to a service connected injury) and have been discharged other than dishonorably. Active duty for the purpose of training will not be counted toward the 90 day requirement. Members of

STEVE COWPER  
GOVERNOR

*ce*



*HB 369*

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 18, 1988

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to veterans.

Section 1 of the bill amends AS 18.56.101 to clarify that current members of the Alaska National Guard and of reserve units of the United States armed forces are eligible for the interest rate available to other veterans on Alaska Housing Finance Corporation loans.

Section 2 of the bill amends AS 39.25.150(19) to extend the veterans' preference for state employment and job retention to former armed service members who served during peacetime but who were exposed to the dangers of combat or armed hostilities in areas or conflicts such as Grenada or the Persian Gulf.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the typed name.

Steve Cowper  
Governor