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SENATE COMMITTEE REPORT

FURTHER FINANCE

3/7/88

DATE TURNED INTO OFFICE 3/18/88

Mr. President:

State Affairs

Committee considered HB 269

eligibility for veterans' interest rates for housing mortgage loans

and recommended

replace with _____ CS _____) same title
 or adopt _____ CS _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

zero fiscal impact

MEMBERS SIGNING DO PASS

William L. Hendry
Rep. Joseph Row

OTHER RECOMMENDATIONS

L. Fleming (No Rec)

Tom McArthur
Chairman signature and recommendation

Committee Backup attached



Official Business

Alaska State Legislature

House of Representatives

REPRESENTATIVE
RAMONA L. BARNES
DISTRICT 14

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ANCHORAGE, ALASKA 99504
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M E M O R A N D U M

TO: Senate State Affairs Committee
Senator Mitch Abood
Senator Rick Uehling
Senator Ken Fanning
Senator Willie Hensley
Senator Joe Josephson

FROM: Representative Ramona L. Barnes

DATE: March 15, 1988

SUBJ: HB 269 - Relating to eligibility for veterans' interest rates for housing mortgage loans.

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. The bill has been passed by the House without any amendments.

Thank you for your time.

TABLE OF CONTENTS

- I. Copy of Bill
- II. Summary
- III. Changes to existing law
- IV. Statutes
- V. Fiscal Note
- VI. Support Document

January 1, 1964, increased by the amount set forth in 38 U.S.C. 411(b) for each child.

(4) If the surviving spouse is determined to be in need of regular aid and attendance under the criteria in § 3.352 or is a patient in a nursing home, the total amount payable shall be increased by the amount set forth in 38 U.S.C. 411(c). If the surviving spouse does not qualify for the regular aid and attendance allowance but is housebound under the criteria in § 3.351(f), the total amount payable shall be increased by the amount set forth in 38 U.S.C. 411(d).

129 FR 10396, July 25, 1964, as amended at 35 FR 18651, Dec. 9, 1970, 37 FR 6076, Apr. 1, 1972, 39 FR 34529, Sept. 26, 1974, 44 FR 22717, Apr. 17, 1979]

§ 3.6 Duty periods.

(a) "Active military, naval, and air service". This includes active duty, and period of active duty for training during which the individual concerned was disabled or died from a disease or injury incurred or aggravated in line of duty, and any period of inactive duty training during which the individual concerned was disabled or died from an injury incurred or aggravated in line of duty.

(b) "Active duty". This means:

(1) Full-time duty in the Armed Forces, other than active duty for training;

(2) Full-time duty (other than for training purposes) as a commissioned officer of the Regular or Reserve Corps of the Public Health Service:

(i) On or after July 29, 1945, or

(ii) Before that date under circumstances affording entitlement to "full military benefits," or

(iii) At any time, for the purposes of dependency and indemnity compensation.

(3) Full-time duty as a commissioned officer of the Coast and Geodetic Survey or of its successor agencies, the Environmental Science Services Administration and the National Oceanic and Atmospheric Administration:

(i) On or after July 29, 1945, or

(ii) Before that date;

(a) While on transfer to one of the Armed Forces, or

(b) While, in time of war or national emergency declared by the President, assigned to duty on a project for one of the Armed Forces in an area determined by the Secretary of Defense to be of immediate military hazard, or

(c) In the Philippine Islands on December 7, 1941, and continuously in such Islands thereafter, or

(iii) At any time, for the purposes of dependency and indemnity compensation.

(4) Service at any time as a cadet at the United States Military, Air Force, or Coast Guard Academy, or as a midshipman at the United States Naval Academy;

(5) Authorized travel to or from such duty or service; and

(6) A person discharged or released from a period of active duty, shall be deemed to have continued on active duty during the period of time immediately following the date of such discharge or release from such duty determined by the Secretary concerned to have been required for him or her to proceed to his or her home by the most direct route, and, in all instances, until midnight of the date of such discharge or release. (38 U.S.C. 106(e))

(i) January 1, 1957, for service-connected death benefits where the discharge or release occurred on or after that date.

(ii) January 1, 1959, for service-connected disability compensation where the discharge or release occurred on or after January 1, 1957.

(iii) July 21, 1961, for compensation or pension, where the discharge or release occurred prior to January 1, 1957.

(c) Active duty for training. (1) Full-time duty in the Armed Forces performed by Reserves for training purposes;

(2) Full-time duty for training purposes performed as a commissioned officer of the Reserve Corps of the Public Health Service:

(i) On or after July 29, 1945, or

(ii) Before that date under circumstances affording entitlement to "full military benefits," or

(iii) At any time, for the purposes of dependency and indemnity compensation.

(3) Full-time duty performed by members of the National Guard of any State, under 32 U.S.C. 316, 502, 503, 504, or 505, or the prior corresponding provisions of law or full-time duty by such members while participating in the reenactment of the Battle of First Manassas in July 1961;

(4) Duty performed by a member of a Senior Reserve Officers' Training Corps program when ordered to such duty for the purpose of field training or a practice cruise under chapter 103 of title 10, United States Code (this subparagraph is effective October 1, 1982, with respect to deaths and disabilities resulting from diseases or injuries incurred or aggravated after September 30, 1982, and it is effective October 1, 1983, with respect to deaths and disabilities resulting from diseases or injuries incurred or aggravated before October 1, 1982) (Pub. L. 97-506, as amended by sec. 210, Pub. L. 98-223); and

(5) Authorized travel to or from such duty.

The term does not include duty performed as a temporary member of the Coast Guard Reserve.

(d) Inactive duty training. This means: (1) Duty (other than full-time duty) prescribed for Reserves (including commissioned officers of the Reserve Corps of the Public Health Service) by the Secretary concerned under 37 U.S.C. 206 or any other provision of law;

(2) Special additional duties authorized for Reserves (including commissioned officers of the Reserve Corps of the Public Health Service) by an authority designated by the Secretary concerned and performed by them on a voluntary basis in connection with the prescribed training or maintenance activities of the units to which they are assigned; and

(3) Duty (other than full-time duty) performed by a member of the National Guard of any State, under 32 U.S.C. 316, 502, 503, 504, or 505, or the prior corresponding provisions of law. The term "inactive duty training" does not include:

(i) Work or study performed in connection with correspondence courses.

the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval, or air service.

(17) The term "non-service-connected" means, with respect to disability or death, that such disability was not incurred or aggravated, or that the death did not result from a disability incurred or aggravated, in line of duty in the active military, naval, or air service.

(18) The term "discharge or release" includes (A) retirement from the active military, naval, or air service, and (B) the satisfactory completion of the period of active military, naval, or air service for which a person was obligated at the time of entry into such service in the case of a person who, due to enlistment or reenlistment, was not awarded a discharge or release from such period of service at the time of such completion thereof and who, at such time, would otherwise have been eligible for the award of a discharge or release under conditions other than dishonorable.

(19) The term "State home" means a home established by a State (other than a possession) for veterans disabled by age, disease, or otherwise who by reason of such disability are incapable of earning a living. Such term also includes such a home which furnishes nursing home care for veterans.

(20) The term "State" means each of the several States, Territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. For the purpose of section 903 and chapters 34 and 35 of this title, such term also includes the Canal Zone.

(21) The term "active duty" means—

(A) full-time duty in the Armed Forces, other than active duty for training;

(B) full-time duty (other than for training purposes) as a commissioned officer of the Regular or Reserve Corps of the Public Health Service (i) on or after July 29, 1945, or (ii) before that date under circumstances affording entitlement to "full military benefits" or (iii) at any time, for the purposes of chapter 13 of this title;

(C) full-time duty as a commissioned officer of the National Oceanic and Atmospheric Administration or its predecessor organization the Coast and Geodetic Survey (i) on or after July 29, 1945, or (ii) before that date (a) while on transfer to one of the Armed Forces, or (b) while, in time of war or national emergency declared by the President, assigned to duty on a project for one of the Armed Forces in an area determined by the Secretary of Defense to be of immediate military hazard, or (c) in the Philippine Islands on December 7, 1941, and continuously in such islands thereafter, or (iii) at any time, for the purposes of chapter 13 of this title;

(D) service as a cadet at the United States Military, Air Force, or Coast Guard Academy, or as a midshipman at the United States Naval Academy; and

(E) authorized travel to or from such duty or service.

(22) The term "active duty for training" means—

(A) full-time duty in the Armed Forces performed by Reserves for training purposes;

(B) full-time duty for training purposes performed as a commissioned officer of the Reserve Corps of the Public Health Service (i) on or after July 29, 1945, or (ii) before that date under circumstances affording entitlement to "full military benefits", or (iii) at any time, for the purposes of chapter 13 of this title;

(C) in the case of members of the National Guard or Air National Guard of any State, full-time duty under section 316, 502, 503, 504, or 505 of title 32, or the prior corresponding provisions of law; and

(D) authorized travel to or from such duty.

The term does not include duty performed as a temporary member of the Coast Guard Reserve.

(23) The term "inactive duty training" means—

(A) duty (other than full-time duty) prescribed for Reserves (including commissioned officers of the Reserve Corps of the Public Health Service) by the Secretary concerned under section 206 of title 37 or any other provision of law; and

(B) special additional duties authorized for Reserves (including commissioned officers of the Reserve Corps of the Public Health Service) by an authority designated by the Secretary concerned and performed by them on a voluntary basis in connection with the prescribed training or maintenance activities of the units to which they are assigned.

In the case of a member of the National Guard or Air National Guard of any State, such term means duty (other than full-time duty) under sections 316, 502, 503, 504, or 505 of title 32, or the prior corresponding provisions of law. Such term does not include (i) work or study performed in connection with correspondence courses, (ii) attendance at an educational institution in an inactive status, or (iii) duty performed as a temporary member of the Coast Guard Reserve.

(24) The term "active military, naval, or air service" includes active duty, any period of active duty for training during which the individual concerned was disabled or died from a disease or injury incurred or aggravated in line of duty, and any period of inactive duty training during which the individual concerned was disabled or died from an injury incurred or aggravated in line of duty.



Official Business

Alaska State Legislature

House of Representatives

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MEMORANDUM

1-15-88

TO: HESS COMMITTEE
FROM: REPRESENTATIVE RAMONA BARNES
RE. PUBLIC HEALTH SERVICE OFFICERS

Your attention is directed to 42 # 213 (d) which clarifies the status of commissioned officers of the Public Health Service with regard to veteran's status as covered under the Veteran's Administration.

Your attention is further drawn to page 160, the purpose paragraph wherein the intent of Congress is expressly stated. Please note that the rights herein granted are in no way diminished or impaired, thereby including but not limited to home loans, etc.,.

Active service deemed active military service with respect
to Soldiers' and Sailors' Civil Relief Act of 1940

(e) 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 rights, privileges, immunities, and benefits now or hereafter provided under the Soldiers' and Sailors' Civil Relief Act of 1940.

(July 1, 1944, c. 373, Title II, § 212, 58 Stat. 689; July 15, 1954, c. 507, § 14(a), 68 Stat. 481; Aug. 1, 1956, c. 837, Title V, § 501(b)(1), 70 Stat. 881; Apr. 22, 1976, Pub.L. 94-278, Title XI, § 1101, 90 Stat. 415.)

Historical Note

References in Text. The Servicemen's Indemnity Act of 1951, referred to in subsec. (d), is Act Apr. 25, 1951, c. 39, Pt. I, 65 Stat. 33, which was classified generally to subchapter II (section 851 et seq. of chapter 13 of former Title 38, Pensions, Bonuses, and Veterans' Relief, and was repealed by Act Aug. 1, 1956, c. 873, Title V, § 502(9), 70 Stat. 886.

The Soldiers' and Sailors' Civil Relief Act of 1940, referred to in subsec. (e), is Act Oct. 17, 1940, c. 885, 54 Stat. 1178, which is classified to section 501 et seq. of the Appendix to Title 50, War and National Defense. For complete classification of this Act to the Code, see section 501 of the Appendix to Title 50 and Tables volume.

1976 Amendment. Subsec. (e). Pub.L. 94-278 added subsec. (e).

1956 Amendment. Act Aug. 1, 1956 amended section generally to extend all rights, privileges, immunities, and benefits provided for commissioned officers of the Army or their surviving beneficiaries to commissioned officers of the Service, with the exception of retired pay and uniform allowances, when performing duty under certain circumstances, and to provide that active service of commissioned officers shall be deemed to be active military service in the Armed Forces 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.

1954 Amendment. Subsec. (a)(1). Act July 15, 1954 struck out "burial payments in the event of death," following "limited to,".

Change of Name. The Department of War was designated the Department of the Army and the title of the Secretary of War was changed to Secretary of the Army by Act July 26, 1947, c. 343, Title II, § 205(a), 61 Stat. 501. Section 205(a) of Act July 26, 1947 was repealed by Act Aug. 10, 1956, c.

1041, § 53, 70A Stat. 641. Section 1 of Act Aug. 10, 1956 enacted "Title 10, Armed Forces", which in sections 3011 to 3013 continued the military Department of the Army under the administrative supervision of a Secretary of the Army.

Effective Date of 1956 Amendment; Applicability. Section 501(b)(2) of Act Aug. 1, 1956, provided that: "The amendment made by this subsection [to this section] (A) shall apply only with respect to service performed on or after July 4, 1952, (B) shall not be construed to affect the entitlement of any person to benefits under the Veterans' Readjustment Assistance Act of 1952 [Act July 16, 1952, c. 875, 66 Stat. 663], (C) shall not be construed to authorize any payment under section 202 (i) of the Social Security Act [section 402(i) of this title], or under Veterans Regulation Numbered 9(a), for any death occurring prior to January 1, 1957, and (D) shall not be construed to authorize payment of any benefits for any period prior to January 1, 1957."

Transfer of Functions. All functions of Public Health Service, of the Surgeon General of the Public Health Service, and of all other officers and employees of the Public Health Service, and all functions of all agencies of or in the Public Health Service transferred to Secretary of Health, Education, and Welfare [now Secretary of Health and Human Services] by 1966 Reorg. Plan No. 3, 31 F.R. 8855, 80 Stat. 1610, effective June 25, 1966, set out under section 202 of this title.

For transfer of functions of other officers, employees, and agencies of the Department of the Treasury, with certain exceptions, to the Secretary of the Treasury with power to delegate, see Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Functions of the Coast Guard, and the Commandant of the Coast Guard, were excepted from transfer when the Coast Guard is oper-

ating as part of the Navy under and J of Title 14, Coast Guard.

Computation of Social Security for Officers Entitled to Old-age Benefits Prior to January 1, 1957. **Survivors of Officers who Died Prior to 1956.** Section 501(b)(3) of Act Aug. 1, 1956, as amended Oct. 17, 1956, 96-88, Title V, § 509(b), 93 Stat. 886, provided that:

"In the case of any individual—
"(A) who performed active service as a commissioned officer of the Public Health Service at any time during the period beginning July 4, 1952, and ending December 31, 1956, or (ii) as a commissioned officer of the Coast and Geodetic Survey at any time during the period beginning July 29, 1945, and ending December 31, 1956, and

"(B)(i) who became entitled to insurance benefits under section 202 of the Social Security Act [section 402 of this title] prior to January 1, 1957, and

"(ii) who died prior to January 1, 1957, and whose widow, child, or dependent was entitled for the month of January 1957 on the basis of his wages and self-employment income to a monthly survivor's benefit under section 202 of such Act [section 402 of this title]; and

"(C) any part of whose service in subparagraph (A) was not included in the computation of his primary insurance amount under section 215 of such Act [section 415 of this title] but would have been included in such computation if the amendment made by paragraph (1) of section 501(b)(3) of such Act had been effective prior to the date of his death, the Secretary of Health and Human Services shall, notwithstanding the provisions of section 215(f)(1) of such Act [section 415(f)(1) of this title], recompute the primary insurance amount of such individual upon the filing of such individual's application, after December 31, 1956, for such Act [section 402 of this title] on the basis of his wages and self-employment income."

Armed Services 7.

service with respect
rel Act of 1940

of the Service shall be deemed
forces of the United States for
s. and benefits now or hereaf-
Civil Relief Act of 1940.

July 15, 1954, c. 507, § 14(a), 68
1), 70 Stat. 881; Apr. 22, 1976,

53, 70A Stat. 641. Section 1 of Act
1956 enacted "Title 10, Armed
which in sections 3011 to 3013 con-
e military Department of the Army
administrative supervision of a Sec-
the Army.

ive Date of 1956 Amendment; Appli-
Section 501(b)(2) of Act Aug. 1,
vided that: "The amendment made
ubsection [to this section] (A) shall
y with respect to service performed
r July 4, 1952, (B) shall not be con-
the entitlement of any person
s under the Veterans' Readjustment
Act of 1952 [Act July 16, 1952, c.
at. 663], (C) shall not be construed
ize any payment under section 202
social Security Act [section 402(i) of
or under Veterans Regulation
19(a), for any death occurring prior
1, 1957, and (D) shall not be con-
authorize payment of any benefits
mod prior to January 1, 1957."

r of Functions. All functions of
lth Service, of the Surgeon General
lic Health Service, and of all other
d employees of the Public Health
d all functions of all agencies of or
lic Health Service transferred to
f Health, Education, and Welfare
tary of Health and Human Ser-
1966 Reorg. Plan No. 3, 31 F.R.
tat. 1610, effective June 25, 1966,
ter section 202 of this title.

er of functions of other officers,
and agencies of the Department of
ry, with certain exceptions, to the
f the Treasury with power to dele-
org Plan No. 26 of 1950, §§ 1, 2,
1, 1950, 15 F.R. 4935, 64 Stat.
set out in the Appendix to Title
rent Organization and Employees.
f the Coast Guard, and the Com-
the Coast Guard, were excepted
er when the Coast Guard is oper-

ating as part of the Navy under sections 1
and 3 of Title 14, Coast Guard.

Recomputation of Social Security Benefits
for Officers Entitled to Old-age Insurance
Benefits Prior to January 1, 1957 or for Sur-
vivors of Officers who Died Prior to January
1, 1957. Section 501(b)(3) of Act Aug. 1,
1956, as amended Oct. 17, 1979, Pub.L.
96-88, Title V, § 509(b), 93 Stat. 695, provid-
ed that:

"In the case of any individual—

"(A) who performed active service (i) as
a commissioned officer of the Public
Health Service at any time during the peri-
od beginning July 4, 1952, and ending De-
cember 31, 1956, or (ii) as a commissioned
officer of the Coast and Geodetic Survey at
any time during the period beginning July
29, 1945, and ending December 31, 1956;
and

"(B)(i) who became entitled to old-age
insurance benefits under section 202(a) of
the Social Security Act (section 402(a) of
this title) prior to January 1, 1957, or

"(ii) who died prior to January 1, 1957,
and whose widow, child, or parent is enti-
tled for the month of January 1957, on the
basis of his wages and self-employment in-
come, to a monthly survivor's benefit under
section 202 of such Act (section 402 of this
title); and

"(C) any part of whose service described
in subparagraph (A) was not included in
the computation of his primary insurance
amount under section 215 of such Act (sec-
tion 415 of this title) but would have been
included in such computation if the amend-
ment made by paragraph (1) of this subsec-
tion or paragraph (1) of subsection (d) had
been effective prior to the date of such
computation, the Secretary of Health and
Human Services shall, notwithstanding the
provisions of section 215(f)(1) of the Social
Security Act (section 415(f)(1) of this title),
recompute the primary insurance amount
of such individual upon the filing of an ap-
plication, after December 1956, by him or
(if he dies without filing such an applica-
tion) by any person entitled to monthly
survivor's benefits under section 202 of
such Act (section 402 of this title) on the
basis of his wages and self-employment in-

come. Such recomputation shall be made
only in the manner provided in title II of
the Social Security Act (sections 401 to 425
of this title) as in effect at the time of the
last previous computation or recomputa-
tion of such individual's primary insurance
amount, and as though application therefor
was filed in the month in which application
for such last previous computation or
recomputation was filed. No recomputa-
tion made under this paragraph shall be re-
garded as a recomputation under section
215(f) of the Social Security Act (section
415(f) of this title). Any such recomputa-
tion shall be effective for and after the
twelfth month before the month in which
the application was filed, but in no case for
any month before January 1957."

Disposition of Remains of Deceased Per-
sonnel. Recovery, care, and disposition of
the remains of deceased members of the uni-
formed services and other deceased personnel,
see section 1481 et seq. of Title 10, Armed
Forces.

Burial of Certain Commissioned Officers.
Act Apr. 30, 1956, c. 227, 70 Stat. 124, pro-
vided: "That burial in national cemeteries of
the remains of commissioned officers of the
United States Public Health Service who were
detailed for duty with the Army or Navy dur-
ing World War I pursuant to the Act of July
1, 1902 (32 Stat. 712, 713), as amended, and
Executive Order Numbered 2571 dated April
3, 1917, and of the wife, widow, minor child
and, in the discretion of the Secretary of the
Army, unmarried adult child of these officers
is authorized: Provided, That the remains of
the wife, widow, and children may, in the dis-
cretion of the Secretary of the Army, be re-
moved from a national cemetery proper and
interred in the post section of a national cem-
etery if, upon death, the related officer is not
buried in the same or an adjoining gravesite."

Legislative History. For legislative history
and purpose of Act July 1, 1944, see 1944 U.
S. Code Cong. Service, p. 1211. See, also, Act
July 15, 1954, 1954 U.S. Code Cong. and
Adm. News, p. 2546; Act Aug. 1, 1956, 1956
U.S. Code Cong. and Adm. News, p. 3976;
Pub.L. 94-278, 1976 U.S. Code Cong. and
Adm. News, p. 709.

Library References

C.J.S. Armed Services § 27.

Armed Services 67.

Notes of Decisions

Personal injury claims 2
Purpose 1

2. Personal Injury claims

This section which grants Public Health Service officers on detail with the armed forces the identical federal rights available to commissioned army officers had no application to claim for loss of husband's services and consortium and medical expenses asserted by wife of lieutenant commander in the United States Public Health Service who was injured in skiing accident. *Wanner v. Glen Ellen Corp.*, D.C.Vt. 1974, 373 F.Supp. 983.

1. Purpose

Intent of Congress in amending this section was to grant Public Health Service officers on detail with armed forces the identical federal rights available to commissioned army officers. *Wanner v. Glen Ellen Corp.*, D.C.Vt. 1974, 373 F.Supp. 983.

§ 213a. Rights, benefits, privileges, and immunities for commissioned officers or beneficiaries; exercise of authority by Secretary or designee

(a) Commissioned officers of the Service or their surviving beneficiaries are entitled to all the rights, benefits, privileges, and immunities now or hereafter provided for commissioned officers of the Army or their surviving beneficiaries under the following provisions of Title 10:

(1) Section 1036, Escorts for dependents of members: transportation and travel allowances.

(2) Chapter 61, Retirement or Separation for Physical Disability, except that sections 1201, 1202, and 1203 do not apply to commissioned officers of the Public Health Service who have been ordered to active duty for training for a period of more than 30 days.

(3) Chapter 69, Retired Grade, except sections 1370, 1374, 1375 and 1376(a).

(4) Chapter 71, Computation of Retired Pay, except formula No. 3 of section 1401.

(5) Chapter 73, Retired Serviceman's Family Protection Plan; Survivor Benefit Plan.

(6) Chapter 75, Death Benefits.

(7) Section 2771, Final settlement of accounts: deceased members.

(8) Chapter 163, Military Claims, but only when commissioned officers of the Service are entitled to military benefits under section 213 of this title.

(9) Section 2603, Acceptance of fellowships, scholarships, or grants.

(10) Section 2634, Motor vehicles: for members on permanent change of station.

(11) Section 1035, Deposits of Savings.

(12) Section 1552, Correction of military records: claims incident thereto.

(13) Section 1553, Review of discharge or dismissal.

de Cong. Service, p. 1711. See, also, Act 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. 96-16, 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. 74; Pub. L. 97-35, 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;

shall 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
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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.
121 Ct.Cl. 625.

ust of recovery allowed
e plaintiff sued for the difference be-
te retirement pay he received for the
rom Sept. 1, 1947, to Oct. 1, 1949,
the rank of brigadier general and the
at pay he should have received (or
od based on the rank of major gener-
plaintiff was entitled to recover.
U. S., 1952, 121 Ct.Cl. 525.

§ 7(b), Dec. 29, 1973, 87

e X, § 1012, by Pub.L. 89-239, § 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),
772, 86 Stat. 137, renumbered Title
112, by Pub.L. 93-154, § 2(b)(2).

1972, Act Oct. 24, 1972, P. L. 92-540, Title IV, § 409, 36 Stat. 1092, substituted new item 102 for one which read: "102. Dependent parents and husbands."

§ 101. Definitions

For the purposes of this title [38 USCS §§ 101 et seq.]—

(1) The term "Administrator" means the Administrator of Veterans' Affairs.

(2) The term "veteran" means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

(3) The term "surviving spouse" means (except for purposes of chapter 19 of this title [38 USCS §§ 701 et seq.]) a person of the opposite sex who was the spouse of a veteran at the time of the veteran's death, and who lived with the veteran continuously from the date of marriage to the date of the veteran's death (except where there was a separation which was due to the misconduct of, or procured by, the veteran without the fault of the spouse) and who has not remarried or (in cases not involving remarriage) has not since the death of the veteran, and after September 19, 1962, lived with another person and held himself or herself out openly to the public to be the spouse of such other person.

(4)(A) The term "child" means (except for purposes of chapter 19 of this title [38 USCS §§ 701 et seq.] and section 5202(b) of this title [38 USCS § 5202(b)]) a person who is unmarried and—

- (i) who is under the age of eighteen years;
- (ii) who, before attaining the age of eighteen years, became permanently incapable of self-support; or
- (iii) who, after attaining the age of eighteen years and until completion of education or training (but not after attaining the age of twenty-three years), is pursuing a course of instruction at an approved educational institution;

and who is a legitimate child, a legally adopted child, a stepchild who is a member of a veteran's household or was a member at the time of the veteran's death, or an illegitimate child but, as to the alleged father, only if acknowledged in writing signed by him, or if he has been judicially ordered to contribute to the child's support, or has been, before his death, judicially decreed to be the father of such child, or if he is otherwise shown by evidence satisfactory to the Administrator to be the father of such child. A person shall be deemed, as of the date of death of a veteran, to be the legally adopted child of such veteran if such person was at the time of the veterans' death living in the veterans' household and was legally adopted by the veteran's surviving spouse within two years after the veteran's death or the date of enactment of

this section
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FISCAL NOTE

REQUEST:

Revisor Date: 02/25/88
 Title: An Act relating to eligibility for veterans' interest rates for housing mortgage loans.
 Sponsor: Reps. Barnes and Furnace
 Requestor: house Finance

Agency Affect: _____
 BRU: Alaska H
 Comments: _____

HF 203
7/1/88
3/2/88

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

The cost of this legislation cannot be determined at this time.
(Please see attached)

Prepared By: Margaret Nelson Phone: 276-5599
 Division: Alaska Housing Finance Corporation Date: 02/25/88
 Approved by Commissioner: Hugh Malone Date: 02/25/88
 Agency: Department of Revenue

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

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	\$255,850
Triplex	\$308,900
Four-plex	\$394,000

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

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

FISCAL NOTE

REQUEST:

Revision Date: 02/25/88
Title: An Act relating to eligibility for veterans' interest rates for housing mortgage loans.
Sponsor: Reps. Barnes and Furnace
Requestor: House Finance

Agency Affect: _____
BRU: Alaska H
Components: _____

HB = 609
NO F
3/2/88

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

The cost of this legislation cannot be determined at this time.
(Please see attached)

Prepared By: Margaret Nelson Phone: 276-5559
Division: Alaska Housing Finance Corporation Date: 02/25/88
Approved by Commissioner: Hugh Malone Date: 02/25/88
Agency: Department of Revenue

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

ALASKA HOUSING FINANCE CORPORATION
Fiscal Note HB 269
02/25/88

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.

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

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Four-plex	\$384,000

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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.

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***Qualification:**

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the Reserve (if the unit is a troop program unit) and Alaska National Guard with a minimum of 5 years service may also qualify. In addition, a widow or widower may qualify if the Veteran was inducted from Alaska.

Type of Loan

AHFC utilizes an Alaska Building Equity (ABE) mortgage which is assumable by a qualified buyer. Under this type of mortgage, the interest rate is fixed, however, there are moderate in-

creases to the monthly payments in years four through nine. These increases are applied directly to the outstanding principal balance on the loan. Therefore, the loan is repaid in approximately 18 years. A detailed description of the ABE mortgages is available in AHFC's pamphlet "Buying a Home In the Future."

Interest Rates

Mortgage interest rates are based on the interest rate for AHFC bonds plus

the Corporation's operating costs and will vary from time to time. INTEREST RATES ARE SUBJECT TO CHANGE WITHOUT PRIOR NOTICE. Consult your lender for the current AHFC rate.

**The qualifications given for the three options are not intended to be inclusive but to provide only the basic guidelines.*