

SCOMM

127:16

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 1, 2002

FURTHER REFERRALS: State Affairs
Finance

Date of Committee Action: 2-19-02

The HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS Committee considered:

HOUSE BILL NO. 370

GUARANTEED REVENUE BONDS FOR VETERANS

"An Act relating to the issuance of state-guaranteed revenue bonds by the Alaska Housing Finance Corporation to finance mortgages for qualifying veterans; and providing for an effective date."

Recommends it be replaced with _____ CS _____ (_____) [] Same Title [] New Title
For Senate Bills with new title: [] Technical Title [] New Title: HCR _____

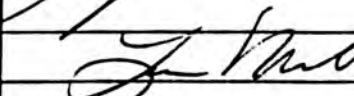
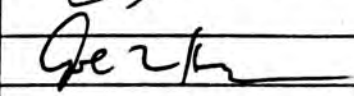
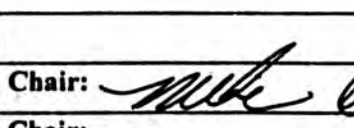
[] attach amendments

☐ add new referral to Committee

Letter of Intent Committee

**List of
Abbrev.
for
Depts.:**
ADM
CED
COR
CRT
EED
DEC
DFG
GOV
HSS
LAA
LAW
LWF
MVA
DNR
DPS
REV
DOT
UA

[illegible][illegible]

Signing with recommendations		Printed Last Name	DP	DNP	NR	AM
		Green	✓			
		MURKOWSKI	✓			
		Huges	✓			
Chair: 		Chausse	✓			
Chair:						

Special Committee on Military & Veteran Affairs
Representative Mike Chenault, Chair



Representative Bev Masek
Representative Lisa Murkowski
Representative Joe Green
Representative Pete Kott
Representative Sharon Cissna
Representative Joe Hayes

Representative Mike Chenault
Alaska State Capitol, Room 432
Juneau, Alaska 99801-1182
Phone 907-465-3779
Fax 907-465-2833
Email Representative_
Mike.Chenault@legis.state.ak.us

Special Committee on Military & Veteran Affairs
Representative Mike Chenault, Chair

MEMORANDUM

Date: February 13, 2002

To: Suzi Lowell, Chief Clerk

From: Representative Mike Chenault, Chair

Subject: Schedule for the Special Committee on Military & Veteran's Affairs Meetings

The Special Committee on Military & Veteran's Affairs will meet on Tuesdays and Thursdays in Capitol Room 124 from 3:00 – 5:00 p.m.

DATE: Tuesday, February 19th

AGENDA

HB 370 – “An Act relating to the issuance of state-guaranteed revenue bonds by the Alaska Housing Finance Corporation to finance mortgages for qualifying veterans; and providing for an effective date.”

Bills previously held and heard

HB 324 – “An Act making supplemental and other appropriations for homeland security; and providing for an effective date.”

DATE: Thursday, February 21st

AGENDA

Bills previously held and heard

These meetings will be teleconferenced. If you have any questions, please feel free to contact Leona Oberts, Military & Veteran's Affairs committee aide at #2811.

Special Committee on Military & Veterans' Affairs
Representative Mike Chenault, Chair

Committee Members

Representative Bev Masek
Representative Lisa Murkowski
Representative Joe Green
Representative Pete Kott
Representative Sharon Cissna
Representative Joe Hayes

Alaska State Capitol, Room 432
Juneau, Alaska 99801-1182
Phone 907-465-3779
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AGENDA



February 19, 2002

Capitol Room 124 3:00-5:00 p.m.

- I. Call to order
- II. Roll call
- III. Introductions
- IV. **HB 370** – “An Act relating to the issuance of state-guaranteed revenue bonds by the Alaska Housing Finance Corporation to finance mortgages for qualifying veterans; and providing for an effective date.”
- V. Committee Comments
- VI. Public Testimony
- VII. **HB 324** – “An Act making supplemental and other appropriations for homeland security; and providing for an effective date.”
Items #17 – and Items #87-102
- VIII. Next meeting scheduled for February 21, 2002.
- IX. Adjournment

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: HB 370
(H) Publish Date: 2/1/02

Revision Date/Time (Note if correction): _____ Dept. Affected: GOV
Title An Act relating to the issuance of BRU Elections
revenue bonds by AHFC for veteran mortgages Component Elections
Sponsor Rules
Requester Governor Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type—Do not abbreviate)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Gail Fenumial, Election Programs Specialist Phone 465-3935
Division: Division of Elections Date/Time 11/20/01 3:36 PM
Approved by: Lieutenant Governor Fran Ulmer Date 11/20/2001
Agency: Office of the Lieutenant Governor

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 370
(H) Publish Date: 2/1/02

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title Authorizing a public vote on state-guaranteed BRU Alaska Housing Finance Corp
veterans mortgage bonds Component Operations
Sponsor Rules Committee
Requester Governor Component No. 110

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation authorizes a statewide public vote on \$500 million in revenue bonds to finance the Veterans Mortgage Program (VMP). Alaska is one of five states in the nation that established this program under the federal tax code. AHFC administers the program on behalf of the state.

Costs associated with the issuance of these bonds are anticipated to be covered with annual operating budget authorizations. Anticipated costs will be related to voter information dissemination about the bonds and the program. No additional budget authorization is necessary for these activities.

If approved by voters, bond issuances in the future will be done based on loan demand.

Prepared by: John Bitney, Legislative Liaison Phone 330-8445
Division AHFC Date/Time 1/29/02 1:32 PM
Approved by: Larry Persily, Deputy Commissioner Date 01/29/2002
Agency Department of Revenue

TONY KNOWLES
GOVERNOR
governor@gov.state.ak.us



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 370
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www.gov.state.ak.us

January 29, 2002

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

Dear Speaker Porter:

Alaska has the highest per capita percentage of veterans of any state in the nation. We must send the clear message that our state recognizes and appreciates those who have served. This bill I am transmitting is one in a package of legislation I am introducing this year to offer tribute to our veterans. It continues the state's history of authorizing bonds for guaranteed veteran housing loans.

The State of Alaska is one of only five states that receives favorable treatment under the Internal Revenue Code for guaranteed veterans bonds. This program is designed to provide the lowest possible interest rates to our veterans, without any income limitations.

The accompanying bill is the first step in allowing the state to continue to take advantage of this worthwhile program. It would provide for a statewide vote at the next general election on authorizing \$500 million in Alaska Housing Finance Corporation (AHFC) bonds for qualifying veterans. This would be the fifth such bond approval; the voters authorized a total of \$2.2 billion in state-guaranteed AHFC veterans bonds in four separate elections between 1982 and 1986. The AHFC has issued nearly all of those bonds, requiring a new authorization.

The need for continuing this guaranteed housing loan program for veterans may well increase. Congress is considering expanding the current Internal Revenue Service Code definition of "qualified veterans," which now limits participants to those who served in the military before January 1, 1977 and were honorably discharged within the last 30 years. I support extending the program to veterans who have served in more recent years. If this effort succeeds, the veteran's mortgage program in this state would see a dramatic increase in home loans to qualifying individuals -- all the more reason to allow this question to be placed on the statewide ballot.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Knowles".
Tony Knowles
Governor

Veterans Mortgage Program

The Veterans Mortgage Program offers financing for qualified veterans at lower interest rates. Active duty service in the Armed Forces, Public Health Service, NOAA or service as a cadet at the US Military, Air Force, Coast Guard or Naval Academy may qualify.

Eligible Borrowers:

- Veterans must have entered active duty service prior to January 1, 1977 and not have been discharged more than 30 years prior to the date of application to AHFC.
- Veterans must be credit qualified residents of the State of Alaska.

Eligible Properties:

- Owner-occupied single-family residences, condominiums, units within a PUD, duplexes, triplexes, fourplexes and Type I mobile homes.
- On 2-4 family dwellings, all units must have been in existence and initially occupied as a multi-family residence for at least the preceding five years.

Loan Amount:

- For maximum loan amounts for AHFC programs [\(click here\)](#).

Loan Terms:

- Fixed interest rate for 15 or 30 years.

Down Payment:

- Conventional loans – A minimum of 5% on single-family residences, 10% for duplexes, and 20% for triplexes and fourplexes.
- Down payment requirements for federally insured or guaranteed loans may be lower.

Criteria:

- If there is more than one borrower and the applicants are unmarried, both borrowers must be qualified veterans.
- The Certificate of Veterans Eligibility or a Title 38 letter and a copy of the applicants DD214 are used to determine program eligibility.

Assumptions:

- Assumable by qualified veterans.

Add on Options:

- [Affordable Housing Enhanced Loan Program \(AHELP\)](#)

- Energy Efficiency Interest Rate Reduction (EEIRR)
- Interest-Rate Reduction for Low-Income Borrowers (IRRLIB)

To apply for a mortgage under this program, contact any AHFC-approved lender.

For current interest rates for AHFC programs ([click here](#)).

[TOP](#) or [HOME](#)

For additional information about Veterans programs and benefits, contact the following agencies.

VETERAN AGENCIES	ADDRESS	CITY	STATE	TELEPHONE
Dept of Veterans Affairs	2925 DeBarr Road	Anchorage	AK	1-907-257-4700
Vet Affairs Employment Hotline	2925 DeBarr Road	Anchorage	AK	1-907-257-6797
Veterans of Foreign Wars	2925 DeBarr Road	Anchorage	AK	1-907-276-8213
Vet Comprehensive Homeless Center Domiciliary	3001 C Street	Anchorage	AK	1-907-273-4000
Vet Center/Veterans Resource Outreach Center	4201 Tudor Center Drive	Anchorage	AK	1-907-563-6966
<u>U.S. Dept of Veterans Affairs</u>	941 North Capitol Street NW	Washington	D.C.	1-202-872-1151
<u>Alaska Division of Veteran Affairs</u>	P.O. Box 5800	Ft. Richardson	AK	1-907-428-6068
Vet Centers Anchorage: <u>Anchorage Vet Center</u> Fairbanks: <u>Fairbanks Vet Center</u> Soldotna: <u>Kenai Vet Center</u> Wasilla: <u>Wasila Vet Center</u>				

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