

SJR

31

Amendment to CS SJR 31 (STA)

By Senator Therriault

Delete:

Page 2, Lines 15 through 18

Insert:

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

22-LS0974\C
Cook
2/12/02

**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:
Referred:**

Sponsor(s): SENATOR WARD

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 discriminatory portion
17 of the Internal Revenue Code in order that veterans who served after 1976 and their families
18 may enjoy the same benefits as their earlier counterparts.

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

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22 Richard A. Gephardt, Minority Leader of the U.S. House of Representatives; and to the
23 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
24 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.




SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

MEMORANDUM

TO: Senator Gene Therriault, Chair
Senate State Affairs Committee

FROM: Senator Jerry Ward 

DATE: January 23, 2002

SUBJECT: Request for Hearing – SJR 31

I respectfully request a hearing for SJR 31, "Urging the United State Congress to permit the use of tax exempt bonds to fund loans for veterans who served after 1976." Enclosed is a Sponsor Statement.

Thank you for your consideration of this request. If you or your staff should have any questions, please contact me at 465-4940.

January-May: STATE CAPITOL • JUNEAU, AK • 99801-1182 • (907) 465-4940 • FAX (907) 465-3766

ANCHORAGE: 716 W. 4th AVE. • STE. 450 • ANCHORAGE, AK 99501 • (907) 269-0106 • FAX (907) 269-0109

KENAI: 145 MAIN STREET LOOP • KENAI, AK • 99611 • (907) 283-7996 • FAX (907) 283-3075

Vice-Chair, Senate Finance Committee • Vice-Chair, Senate Transportation • Member, Senate Health Education & Social Services

Senator_Jerry_Ward@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SJR 31
 (S) Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Tax Exempt Bonds to Fund Veterans I BRU _____
 Component _____
 Sponsor Senator Ward Component No. _____
 Requester Senate State Affairs Committee

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)

Prepared by: SENATE STATE AFFAIRS COMMITTEE Phone 465-4797
 Division _____ Date/Time _____
 Approved by: /S/ Senator Therriault, Chair Date 2/6/02
 Agency _____



SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT

Senate Joint Resolution No. 31

“Urging the United State Congress to permit the use of tax exempt bonds to fund loans for veterans who served after 1976.”

Alaska has chosen to offer state veterans' loan programs to resident veterans who have provided faithful service while in the U.S. armed forces before 1977. These programs have existed for many years and have assisted veterans to obtain affordable housing and make better lives for themselves and their dependents. SJR 31 would urge the United States Congress to extend these benefits to the men and women that served after 1976.

Thousands of men and women have provided faithful service to our nation after 1976, serving in peacetime as well as in hostile military confrontations in locations such as Beirut, Grenada, Latin America, the Persian Gulf, Somalia, Bosnia, and now Afghanistan. Alaska has the highest percentage of veterans per capita in the nation. Approximately 70,000 veterans in our state could potentially use the lower interest rates from this program toward home ownership. These veterans and their families are being denied under current law the opportunity to participate in these state veterans' home loan programs.

The United State Congress is considering measures to extend the authorization to serve this new, large group of veterans that have served our country since 1977. We respectfully urge the 107th United States Congress to support H.R. 959 and S. 615 to remove the discriminatory portion of the Internal Revenue Code in order that veterans who served after 1976 and their families may enjoy the same benefits as their earlier counterparts.

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Vice-Chair, Senate Finance Committee • Vice-Chair, Senate Transportation • Member, Senate Health Education & Social Services
Senator_Jerry_Ward@legis.state.ak.us

Comparison of Major Provisions in Current Law, H.R. 959 and S. 615

Definition of "Qualified Veteran":

Current Law: Must have served on active duty at some time before January 1, 1977 and apply for the financing within 30 years of discharge from active duty.

H.R. 959 and S. 615: Both bills delete the requirement that the veteran must have served on active duty before January 1, 1977.

State Cap Restrictions:

Current Law: Each of the 5 states who participate in this program (Alaska, California, Texas, Oregon, and Wisconsin) has an individual annual state volume cap. The cap is set under a statutory formula based on the state's bonding activity during the period beginning on January 1, 1979 and ending on June 22, 1984.

H.R. 959: Retains the current individual annual state volume caps (except Oregon's, which would be decreased from \$ 584,200,000 to \$340,000,000). The bill creates annual subcap amounts as an increasing percentage of the current individual state's volume cap, which may be used to provide financing to veterans who do not have any active duty service prior to January 1, 1977. The subcap amounts start at 10% in calendar year 2002 and increase annually at a 10% rate until 2006. The subcap amount then stays at 50% of the state's individual volume cap. In short, it would permit states to make some loans to post - January 1, 1977 veterans but would not be enough to meet demand.

S. 615: Reallocates the current aggregate of the 5 states' overall cap to the individual states, based upon current demand. There would be no subcap restriction and the entire new annual cap could be used for veteran's who had no service before January 1, 1977. That date ceases to be relevant to the financing issue.

Carryforward Provision.

Current Law and H.R. 959: There are no carryforward provisions.

S. 615: This bill adopts the same carryforward provisions that are available to States in the regular private activity bond tax provisions. That is, if a state did not use its annual cap limit, the excess can be carried forward for 3 calendar years.

Effective Dates:

H.R. 959: The amendments take effect for bonds issued at a future date.

S. 615: The amended individual state volume caps would take effect for bonds issued at a future date. The deletion of the January 1, 1977 date would immediately apply to financing provided by the states. That is, the state would not have to wait to issue bonds under the amended law.

Comparison of Current Law
to Congressional Proposals



SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

MEMORANDUM

TO: Senator Gene Therriault

FROM: Senator Jerry Ward *JW*

DATE: May 4, 2001

SUBJECT: Waiving SJR 31 out of State Affairs

Would you please consider waiving SJR 31 out of State Affairs so this resolution could be moved on. There is no fiscal note, and it is important that we as state Legislators urge the United States Congress to extent the authorization for veteran's home loans to include veterans who have served after 1976. Thank you for your consideration.



SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

Sponsor Statement

SJR 31

VETERANS' HOME LOANS

A Resolution

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

SJR 31 points out that there are thousands of veterans, since 1976, who have faithfully served in peacetime as well as in hostile military confrontations such as Beirut, Grenada, Latin America, the Persian Gulf, Somalia, and Bosnia. Currently these veterans and their families are being denied state veterans' home loans.

The United States Congress is considering measures to extend the authorization for the veterans' home loans to include veterans who have served after 1976. If the measures do not pass the veterans' mortgage program will sunset due to a lack of eligible participants.

With SJR 31 the Alaska State Legislature urges the 107th United States Congress to support H.R. 959 and S. 97. The Internal Revenue Code must be changed to allow for veterans who served after 1976 and their families to have the opportunity to receive state veterans' home loans.

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SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

MEMORANDUM

TO: Senator Gene Therriault, Chair
State Affairs Committee

FROM: Senator Jerry Ward 

DATE: April 30, 2001

SUBJECT: SJR 31 Request for Hearing

I respectfully request a hearing for SJR 31, "A Resolution urging the United States Congress to permit the use of tax exempt bonds to fund loans for veterans who served after 1976." This resolution would urge the 107th United States Congress to support H.R. 959 and S. 97 which changes the Internal Revenue Code to allow for veterans who served after 1976 and their families to have the opportunity to receive state veterans' home loan.

Thank you for your consideration of this request. If you or staff should have any questions, please contact me at 465-4940

JW/sa



SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

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SJR 31

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