

Filed October 25, 1971
1:00 P.M.

VA 1 to 4

CERTIFICATE

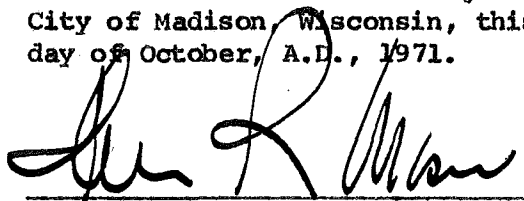
STATE OF WISCONSIN)
) SS
DEPARTMENT OF VETERANS AFFAIRS)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, John R. Moses, Secretary of the State of Wisconsin, Department of Veterans Affairs, and custodian of the official records of said department, do hereby certify that the annexed repeal of and amendments and repeals and recreations to rules and regulations relating to disclosure of information by the department basic eligibility for benefits from the department, department loans, including loans on mobile homes, and department grants, were duly approved and adopted by the Board of Veterans Affairs of the State of Wisconsin, Department of Veterans Affairs, on October 15, 1971, and will be effective December 1, 1971.

I further certify that said copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of said original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at the Wilson Street State Office Building in the City of Madison, Wisconsin, this 18th day of October, A.D., 1971.



JOHN R. MOSES, Secretary
STATE OF WISCONSIN, DEPARTMENT OF
VETERANS AFFAIRS

ORDER OF THE BOARD OF VETERANS AFFAIRS
OF THE STATE OF WISCONSIN, DEPARTMENT OF VETERANS
AFFAIRS, AMENDING, REPEALING AND RECREATING AND REPEALING RULES.

Pursuant to authority vested in the Board of Veterans Affairs, State of Wisconsin, Department of Veterans Affairs, by section 45.35(3) and 45.352(8) Wis. Stats., the Board of Veterans Affairs hereby repeals, amends, and repeals and recreates rules as follows:

Section VA 3.02(4) of the Wisconsin Administrative Code is repealed.

Sections VA 1.02, 1.10(7) and (10), VA 1.11(9), VA 2.02(1), VA 3.01, VA 3.03(1), VA 3.03(7) and (10), VA 3.04 (intro.), VA 3.05(2), VA 4.02(5), VA 4.05(1) and (7)(a), VA 4.06(1), and VA 4.09(4), (10), (11) and (12), of the Wisconsin Administrative Code are amended or repealed and recreated to read:

VA 1.02 is repealed and recreated to read:

VA 1.02 APPLICATION. An application for benefits from the department must be made on approved departmental forms and be subscribed and sworn to by an eligible dependent, by the veteran, or by the veteran and spouse if married and not separated or in the process of obtaining a divorce. It is unlawful for anyone to charge an applicant or his spouse a commission for assisting them in completing or securing the approval of an application for benefits from the department.

VA 1.10(7) is amended to read:

VA 1.10(7) DISCLOSURE OF LOAN INFORMATION. Information contained in loan files, information pertaining to action taken by the department on loan applications, or loan status information may be made available to any party having an interest in such loan transaction or to any party having a security interest in the property securing such loans upon approval by the secretary or pursuant to rules promulgated by him.

VA 1.10(10) is amended to read:

VA 1.10(10) INSPECTION OF DEPARTMENT RECORDS BY AND DISCLOSURE OF INFORMATION TO COUNTY VETERANS SERVICE OFFICERS. A county veterans service officer may be permitted to inspect records pertaining to any application for benefits in which his office may be involved or may be furnished information or exhibits from such an application upon the condition that only such information contained therein or furnished therefrom as may be properly disclosed will be disclosed by him to the applicant only or, if the applicant is incompetent, to his legally constituted representative. The department shall inform a county veterans service officer whose office is involved in an application for benefits of information necessary to complete such application and of action taken by the department thereon.

VA 1.11(9) is amended to read:

VA 1.11(9) He shall direct the operation of the G.A.R. Memorial Hall through the superintendent so as to make the memorial collection instructive and attractive to visitors to the state capitol and shall directly supervise the curator of the Hall.

VA 2.02(1) is amended to read:

VA 2.02(1) CORRESPONDENCE COURSES AND PART-TIME CLASSROOM STUDY. Enrolled part-time classroom study or direct correspondence courses from any educational institution set forth in s. 45.396, Wis. Stats., may be authorized and the veteran reimbursed in whole or in part by the department when such courses are related to his occupational, professional, or educational objectives, and to the extent that

payment or reimbursement specifically for fees and textbooks is not available from any other source, or, in cases where reimbursement is not specifically for fees and textbooks, to the extent that such reimbursement is insufficient to cover all costs incurred in connection with his educational program, provided, however, that such reimbursement shall not exceed the cost of fees and textbooks. Part-time classroom study during a regular college semester or quarter shall be defined as enrollment in courses for which no more than seven semester or quarter credits will be given upon satisfactory completion.

VA 3.01 is amended to read:

VA 3.01. OBJECTIVE. The department may loan to any veteran not more than the statutory limit from the Veterans Trust Fund to provide economic assistance for the purposes set forth in Section 45.351(2), Wis. Stats., where the veterans need is established to the satisfaction of the department and he is unable to meet that need from his own resources or available credit. A veterans resources shall include, but not be limited to, his "funds" as defined in Wis. Adm. Code Section VA 4.05(1).

VA 3.03(1) is amended to read:

VA 3.03(1) REPAYMENT OF LOANS. All loans, except loans for a veteran's education, will be amortized on a monthly basis and the initial term of all loans, except loans for a veteran's education, shall not exceed a maximum of 5 years but the department may require a shorter repayment period.

VA 3.03(7) is amended to read:

VA 3.03(7) REAL ESTATE LOANS. Such loans shall be made for repairing, adding to or completing the construction of a veterans home or business property or for the construction of a garage. No economic assistance loan for repairing or adding to his home or for the construction of a garage will be made to complement a department housing loan when the combination of such loans will exceed the statutory limit for a housing loan and no economic assistance loan for completing the construction of a veterans home will be made to complement a department housing loan. Except as provided in sub. (10), no economic assistance loan may be made to provide all or any part of the down payment on home purchase involving the acquisition of real estate.

VA 3.03(10) is repealed and recreated to read:

VA 3.03(10) MOBILE HOMES. A loan for the purchase or improvement of a mobile home used or to be used by a veteran as primary housing, including land, or for the purchase of land on which such mobile home is located or to be located, may be made subject to the provisions of Wis. Adm. Code section VA 3.04. Such loan may be made for the purchase or improvement of a mobile home whether or not such home is located or to be located on land owned by the veteran borrower.

VA 3.04 (intro.) is amended to read:

VA 3.04 SECURITY. Security or guarantors acceptable to the department will be required on all loans in excess of \$250. Furniture will not be taken as security on loans for business purposes or for the payment of debts.

VA 3.05(2) is amended to read:

VA 3.05 (2) EDUCATION IN OUT-OF-STATE SCHOOLS. A loan to a veteran attending a school outside Wisconsin must be secured as provided in Wis. Adm. Code section VA 3.04 and, except in cases of undue hardship, no such loan will be made when adequate courses of study in the desired field of education are available in Wisconsin.

VA 4.02(5) is amended to read:

VA 4.02(5) REGISTRATION. All mobile homes financed by the department must be registered with the department of transportation.

VA 4.05(1) is amended to read:

VA 4.05(1) VETERANS FUNDS. The word "funds" in section 45.352(2)(b), Wis. Stats., shall mean cash on hand, liquid investments, or any asset, the conversion of which to cash would not mean substantial loss to the veteran. The funds of a veteran include all funds owned by the veteran and his wife, individually and jointly, unless the veteran and his wife are permanently separated. A veteran is required to apply his funds in acquiring a home prior to obtaining a loan from the department, but the department may permit a veteran to retain that part of such funds as may in its determination be necessary and reasonable for expenses directly incidental to acquiring and occupying a home.

VA 4.05(7)(a) is amended to read:

VA 4.05(7)(a) Part-time and overtime pay, unemployment compensation and the income of a veteran's wife will be considered "income" only when the department is satisfied that such sources of income are regular and dependable.

VA 4.06(1) is amended to read:

VA 4.06(1) GENERAL. A housing loan will only be made on a home which is determined to be adequate for the veteran applicant and his family, which is located or, in the case of a mobile home, which is to be located in Wisconsin within a reasonable distance of the veteran's place of employment, and the total cost of which in purchase and construction applications does not exceed its market value.

VA 4.09(4) is repealed and recreated to read:

VA 4.09(4) TITLE EVIDENCE AND PROPERTY INSURANCE. (a) Where a veteran fails to provide evidence that the mortgage to the department is a valid lien subject only to the primary mortgage, if any, described in the primary lender's commitment, or fails to carry at his own expense fire and extended coverage insurance or fire and windstorm insurance in an amount at least equal to the appraised value of the improvements at the time of application on property mortgaged to the department, the department shall insure its mortgage interest in his property with the state insurance fund or shall procure the necessary title evidence and charge the cost to the veteran.

(b) After the department has received an initial memorandum of fire and extended coverage or fire and windstorm insurance coverage which satisfies the requirements of sub. (3)(d), or Wis. Adm. Code section VA 3.04(4) or if the department has a memorandum of such insurance coverage in its files, the department shall assume

that the property involved is continuously covered by such insurance and neither attempt to obtain renewal policies nor make any other effort to assure that its mortgage interest in the property involved is continuously insured until it receives notice of the lapse, cancellation, or non-renewal of such property insurance coverage.

(c) When the department is notified of the cancellation, lapse or non-renewal of a fire and extended coverage or fire and windstorm insurance policy insuring a property in which it has a mortgage interest, the veteran involved shall be notified that it is his responsibility to obtain adequate insurance coverage at his own expense and shall be instructed to submit a memorandum of such insurance coverage to the department and, until such memorandum is received, the department shall insure its interest in such property with the state insurance fund.

VA 4.09(10) is amended to read:

VA 4.09(10) SALE OF PROPERTY. The department will accelerate its mortgage note and require that its mortgage loan be paid in full when a veteran completes a sale of the principal property mortgaged to the department unless the secretary determines that acceleration would jeopardize the collection of the department's mortgage loan balance.

VA 4.09(11) is repealed and recreated to read:

VA 4.09(11) SUBORDINATION AGREEMENT. The department may execute a subordination agreement to permit an increase in a veteran's present primary mortgage or to replace his present primary mortgage with another in an amount equal to or in excess of the balance owing on his present primary mortgage when it is satisfied that the property will provide adequate security for its mortgage after the proposed increase in the primary mortgage.

(a) The veteran must submit evidence of his present income and his shelter cost payments under the repayment terms of the proposed new primary note and mortgage to establish that the new shelter cost payments will not be excessive in view of his income.

(b) Only subordination agreements to provide funds for the completion of the construction of a veterans home shall be subject to the provisions of s. 45.352 (4) (d), Wis. Stats.

(c) The department may execute a subordination agreement to give priority to a proposed primary mortgage where the department's mortgage has been prematurely recorded without requiring the evidence set forth in sub. (a).

VA 4.09(12) is amended to read:

VA 4.09(12) PARTIAL RELEASE OF MORTGAGE. The department may release a portion of the property providing security for its mortgage if the release of such property will not unduly diminish the value of the remainder of the property. The department may require that any funds received by a veteran from the sale of the property so released must be applied pro rata to all mortgages thereon in the ratio existing between such mortgages at the time the department's loan was made. If the primary mortgagee waives claim to such funds or if the department holds the primary mortgage, then such funds shall be applied as a principal reduction of the department's mortgage loan. If all or part of such funds are to be used to improve the property the department may approve such use, provided that the expenditure of said funds will be supervised. Notwithstanding

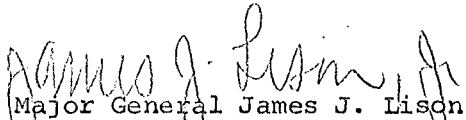
the provisions of this section or of Wis. Adm. Code section VA 4.05(3), the department may, in exceptional cases, release a portion of the property providing security for its mortgage without requiring either that funds received by the veteran from the sale of the property be applied to the mortgages thereon or that such funds must be used for the improvement of the veteran's property if it is satisfied that the property remaining after execution of the partial release will adequately secure its mortgage balance.

The rules, amendments, repeals and recreations and repeals contained herein shall take effect on December 1, 1971, pursuant to s. 227.026(1), Wis. Stats.

Dated October 15, 1971.

BOARD OF VETERANS AFFAIRS,
STATE OF WISCONSIN, DEPARTMENT
OF VETERANS AFFAIRS

SEAL


Major General James J. Lison, Jr.
Vice Chairman
Board of Veterans Affairs