

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Be Adopted
Vote: 5 - 0 - 0
Yeas: Boquist, Cowan, Schaufler, Scott, Barker
Nays: 0
Exc.: 0
Prepared By: Jim Keller, Administrator
Meeting Dates: 3/8, 3/22

WHAT THE MEASURE DOES: Urges the President of the United States and Congress to remove the provisions of federal law that disqualify veterans' mortgage bonds from tax-exempt status if the bond proceeds are used for acquiring or replacing existing mortgages.

ISSUES DISCUSSED:

- Veteran's home loan program and restriction on refinancing a home loan
- Types of situations that would cause a veteran to refinance a home loan

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Oregon Department of Veteran's Affairs (ODVA) uses tax-exempt Qualified Veterans' Mortgage Bonds (QVMB) to make home loans to qualifying veterans. Under current federal law, QVMB can only be used for new loans and not refinancing of existing veteran home loans through ODVA.

House Joint Memorial 10 urges the President of the United States and Congress to remove the provisions in section 143 of Public Law 99-514 (1986), which restricts the use of QVMBs.