

BILL ANALYSIS

Senate Research Center
78R10103 RLM-F

H.C.R. 161
By: Isett (Van de Putte)
Veteran Affairs & Military Installations
5/12/2003
Committee Report

DIGEST

Texas has long been a leader in recognizing and rewarding the tremendous sacrifice of its veterans. Home ownership is viewed by many as a major component of the American Dream, and enabling veterans to achieve home ownership at a lower cost is but a small reward for their faithful service while in the U.S. Armed Forces. In appreciation of this service on behalf of our state and nation, the Texas Veterans Land Board has offered below-market interest rates on home loan mortgages to eligible veterans since 1983. This program has assisted more than 50,000 Texas veterans in obtaining affordable housing and in making a better life for themselves and their dependents. Texas utilizes federally tax-exempt bonds known as Qualified Veterans Mortgage Bonds to fund approximately 50 percent of all home and home improvement loans made to veterans. Current federal law governing the use of tax-exempt bonds used to fund these loans, as contained in Section 143(I)(4) of the Internal Revenue Code of 1986, unfairly limits these programs to only those veterans who served prior to January 1, 1977. This restriction prevents all veterans serving on active duty after 1976 from using Qualified Veterans Mortgage Bonds, including more than 500,000 men and women who served in Desert Shield and Desert Storm and the 8,000 reservists and National Guard members of Texas called up to serve our country since September 11, 2001. These courageous men and women deserve the same benefits offered to their earlier counterparts, yet they and their families are being denied the opportunity to use Qualified Veterans Mortgage Bonds. Congress has failed to remedy this discriminatory federal provision on behalf of these deserving men and women, despite the fact that it will not increase federal discretionary spending one cent.

PURPOSE

H.C.R. submits the following resolutions:

That the 78th Legislature of the State of Texas hereby respectfully urge the 108th Congress to support legislative action to immediately remove the aforementioned discriminatory portion of the Internal Revenue Code in order that today's veterans and their families might enjoy the same benefits as their earlier counterparts. That the Texas secretary of state forward official copies of this resolution to the president of the United States, the speaker of the house of representatives, and the president of the senate of the United States Congress, and to all the members of the Texas delegation to Congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.