

Senate Bill No. 1138

CHAPTER 634

An act to amend Section 989.5 of the Military and Veterans Code, relating to veterans, and making an appropriation therefor.

[Approved by Governor September 20, 1998. Filed with Secretary of State September 21, 1998.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1138, Johannessen. Veterans farm and home purchase program: disasters indemnity fund.

Existing law relating to the veterans farm and home purchase program requires the Department of Veterans Affairs to maintain an indemnity fund for indemnifying purchasers for the cost of repairing structural damage in excess of \$500 caused by prescribed floodwaters, and for the cost of repairing structural damage in excess of 5% of the total covered loss or \$500, whichever is greater, caused by earthquake, volcanic eruption, landslide, or mudslide, and requires purchasers electing to participate in the Indemnity Fund to pay a fee in addition to the regular monthly installment. Existing law appropriates this money for the purpose of the fund.

This bill would require that all purchasers participate in the Indemnity Fund. By increasing amounts to be deposited into a continuously appropriated fund, this bill would make an appropriation.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 989.5 of the Military and Veterans Code is amended to read:

989.5. All purchasers shall participate in the Indemnity Fund. Purchasers shall pay a reasonable charge, prescribed by the department, in addition to the regular monthly installment. Money so collected shall be deposited in the Indemnity Fund.

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