

### Fiscal Estimate - 2001 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>01-1031/2</b>	<b>Introduction Number</b> <b>AB-351</b>	
<b>Subject</b> \$500 grant to World War II veterans		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
<b>Local:</b>		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b>		
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.485 (2) (eg)		
<b>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DVA/ Kenneth Abrahamsen (608) 266-0117	Kenneth Abrahamsen (608) 266-0117	5/2/01

**Fiscal Estimate Narratives**  
**DVA 5/2/01**

LRB Number <b>01-1031/2</b>	Introduction Number <b>AB-351</b>	Estimate Type <b>Original</b>
<b>Subject</b> \$500 grant to World War II veterans		

**Assumptions Used in Arriving at Fiscal Estimate**

Under the provisions of the bill, a World War II veteran would qualify for a \$500 grant if he or she served on active duty under honorable conditions between August 27, 1940 and July 25, 1947 and met one of the following requirements:

1. The veteran is a resident of the state.
2. The veteran has been a resident of this state for any consecutive 5-year period following his or her entry or reentry into service.
3. The veteran was a resident of the state at the time of his or her entry or reentry into service.

The veteran must also apply for the grant using an application developed by the Department of Veterans Affairs and cannot have previously received a grant authorized under the bill.

The estimated number of World War II (WWII) veterans currently residing in Wisconsin is 97,900. It is not known how many of the WWII veterans who entered service from the state or lived in the state for 5-consecutive years currently live in another state. Since the average age of a WWII veteran is nearly 80 years old, a significant number of veterans are likely to fall into one of these two categories. Another unknown is how many WWII veterans would apply for the grant. Obviously, not every eligible veteran will apply. The number of veterans who do apply will, to some extent, depend on how well the grant program is marketed.

Although the data does not exist to provide a precise fiscal estimate for this bill, it is possible, based on the number of veterans residing in Wisconsin, to estimate what might be considered a minimum fiscal impact. It is assumed that the provisions of this bill are likely to be implemented in calendar year 2002. In that year the number of veterans living in Wisconsin is projected to be 90,200. Of that number it is assumed that 80-percent, or about 72,000 would qualify and apply for a grant. The fiscal effect for veterans who are Wisconsin residents would be \$36,000,000. This does not include the cost of providing grants to WWII veterans who live outside of Wisconsin and qualify for a grant. As indicated previously, it is not possible to obtain an accurate estimate of how many out-of-state WWII veterans would qualify.

The cost to administer the grant program cannot be absorbed by the Department of Veterans Affairs. First, it is assumed that most all of the veterans eligible for a grant under this bill would apply within the first two years after it is enacted. Second, it is assumed that it would take at least 20 minutes to review and approve an application once it is submitted to the department. Third, the number of productive hours for each analyst (total hours available less vacation, sick leave, breaks, etc.) to process applications is assumed to be 1700 hours per year. This means that each analyst could review a total of 5,100 applications per year. If the minimum number of applications per year is 36,000 (72,000 divided by 2 years), then at least 7.5 FTE grant analyst positions would be needed to process the grant applications. In addition, at least 2.0 FTE program assistant - 1 positions would be needed to create and maintain files and other clerical duties associated with processing the applications. It is assumed that these positions would be two-year project positions. The estimated annual minimum administrative cost to process the grant applications is summarized below.

**COST TO ADMINISTER GRANT PROGRAM**

FY 02  
Salaries \$261,000  
Fringe \$107,000  
Supplies and Services \$11,400  
One-time Costs \$65,000

Min. Annual FY 02 Costs \$444,000

FY 03  
Salaries \$261,000  
Fringe \$107,000  
Supplies and Services \$11,400  
One-time Costs \$ - 0 -

Min. Annual FY 03 Costs \$379,400

It is not possible to provide an accurate estimate of the fiscal effect of this bill because it is not known how many veterans who live outside of the state would be eligible for a grant. The costs provided represent the minimum estimated fiscal effect based on the number of WWII veterans who would be living in the state in the year 2002.

**Long-Range Fiscal Implications**

None.

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