



WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

June 8, 2017

Public Testimony of State Representative Evan Goyke and State Representative Dale Kooyenga

Re: Assembly Bill 80

Good morning Chairman Skowronski and fellow members of the Veterans and Military Affairs Committee. I'm grateful for the opportunity to testify today in support of Assembly Bill 80.

Representative Kooyenga and Senator Roth were unfortunately unable to attend today in person. I am very grateful to both of them for their support of this legislation, as well as to the many members of this committee who are co-sponsors.

Wisconsin has a strong tradition of its citizens serving our nation in uniform and returning home to be leaders in their respective communities. Many of these Wisconsin veterans are now business owners and play an integral role in the economic success of our state.

The idea for this legislation was brought to our offices last October by the Wisconsin Department of Veterans Affairs (WDVA). It is also supported by the Wisconsin Department of Administration (DOA).

Currently, WDVA, in consultation with DOA, certifies disabled-veteran owned businesses.

Under current law, to be certified in Wisconsin, the service-connected disability rating provided by the US Department of Veterans Affairs (VA) must be a minimum of 20 percent. This minimum threshold is stricter than the current federal standards. The federal government certifies disabled-veteran owned businesses that have a service-connected disability rating from 0-100%. Therefore, some businesses could be fully certified by the federal government, while being ineligible in Wisconsin depending on the service-connected disability rating.

A recent example of a business negatively affected by the current threshold in Wisconsin occurred with Nagel Architects and Engineers based in Elm Grove. (Rep. Kooyenga's District)

This legislation is pro-veteran and pro-business at no cost to Wisconsin taxpayers. It will ensure that all eligible disabled veteran-owned businesses in Wisconsin can equally pursue certifications at the State and Federal level and will further supplement the Administration and WDVA's ongoing focus to support veteran-owned businesses and veteran entrepreneurs.

This legislation is also supported by the Veterans of Foreign Wars, American Legion, Disabled American Veterans, AMVETS, Military Order of the Purple Heart, and County Veteran Service Officer Association.

Thank you again for holding a public hearing on AB 80. I am happy to answer any questions.



ROGER ROTH

PRESIDENT

WISCONSIN STATE SENATE

June 8, 2017

Assembly Committee on Veterans and Military Affairs

2017 Assembly Bill 80

Relating to: service-connected disability rating for disabled veteran-owned businesses.

Assembly Bill 80 will ensure that all eligible disabled veteran-owned businesses in Wisconsin can pursue certifications at both the state and federal level.

Under current law, to be certified in Wisconsin, the service-connected disability rating provided by the US Department of Veterans Affairs (VA) must be a minimum of 20%. This minimum threshold is stricter than current federal standards. The federal government certifies disabled-veteran owned businesses that have a service-connected disability rating from 0-100%. Therefore, some businesses could be fully certified by the federal government, while being ineligible in Wisconsin depending on the service-connected disability rating.

This bill eliminates the minimum service-connected disability rating applicable for the Department of Administration's certification of disabled veteran-owned businesses for state procurement and contracting purposes.

Representative Goyke and I introduced this legislation, along with a bipartisan group of co-sponsors, with the support of the Wisconsin Department of Veterans Affairs, Department of Administration, and several veterans' organizations. It is our hope this committee will also support and advance AB 80.

Many Wisconsinites serve our nation and then return home to put their skills to work in the private sector, including owning and operating businesses. By approving AB 80 we can ensure that all disabled veterans are on a level playing field when they own a business in Wisconsin.

STATE CAPITOL: P.O. BOX 7882 • MADISON, WI 53707-7882

(608) 266-0718 • (800) 579-8717 • SEN.ROTH@LEGIS.WI.GOV

DISTRICT OFFICE: 1033 W. COLLEGE AVENUE, SUITE 19 • APPLETON, WI 54914



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR

SCOTT A. NEITZEL
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842

**Department of Administration
Testimony on Assembly Bill 80
June 8, 2017**

Chairman Skowronski and committee members, thank you for the opportunity to testify in support of Assembly Bill 80, which makes changes to the service-connected disability rating for registering as a Disabled Veteran-Owned Business with the state.

The Department of Administration manages the Supplier Diversity Program, which seeks to increase the number of registered minority owned businesses and disabled veteran owned businesses who participate in contracts with the state of Wisconsin. Currently, to qualify as a certified Disabled Veteran-Owned Business in Wisconsin, the business owner must be at least 20% service-connected disabled, as determined by the U.S. Department of Veterans Affairs. Federal law, however, allows business owners that have a service-connected disability between 0 and 100% be registered as a Disabled Veteran Owned Business.

The differences between state and federal law create confusion for business owners in the state. DOA supports AB 80 as it will bring the state in line with federal law and allow more veterans the opportunity to do business with the state. Disabled Veteran Owned Businesses that are certified in the state can receive a permissive 5% price preference on bids. The businesses are also listed on the state's directory which allows the businesses to have greater outreach and visibility.

More information on the Supplier Diversity Program can be found in the Fiscal Year 2016 Annual Report which details state spending with disabled veteran owned businesses and minority owned businesses.



6009 Cottontail Trail
Madison, WI 53718
414.716.4400 T

www.middleton-cc.com

RE: Assembly Bill AB 80

As a current member of the state of Wisconsin's Disabled Veteran Business program I support the proposed changes as outlined in assembly bill AB 80. The changes will allow for a more robust level of participation amongst the Wisconsin veteran owned business community. Additionally, this change will bring the Wisconsin program in line with the current Federal Service Disabled Veteran Owned Business Program in terms of the level of disability required to participate in the program.

Thank you for your time and attention

Sincerely,

A handwritten signature in cursive script that reads 'Tom Middleton'.

Tom Middleton
Middleton Construction Consulting
President



FULFILLING OUR PROMISES
TO THE MEN AND WOMEN WHO SERVED

Department of Wisconsin

STATEMENT FOR THE RECORD

AL LABELLE

DAV WISCONSIN BENEFITS PROTECTION TEAM LEADER

BEFORE THE

COMMITTEE ON VETERANS AND MILITARY AFFAIRS

WISCONSIN STATE ASSEMBLY

JUNE 8, 2017

Chairman Skowronski, Vice Chairwoman VanderMeer, Ranking Member Hesselbein, and distinguished Members of the Committee,

Thank you for allowing DAV or Disabled American Veterans this opportunity to present our view on Assembly Bill 80 (AB 80) relating to: *service-connected disability rating for disabled veteran-owned businesses.*

As you may know, DAV is the largest veterans service organization of wartime service-disabled veterans. We are dedicated to a single purpose: empowering veterans to lead high quality lives with respect and dignity. In Wisconsin, DAV has well over 15,000 members.

The purpose of this statement is to give the Committee some background on AB 80 and the Disabled Veteran-Owned Business Program or DVB. Also to state our position on this important bill.

BACKGROUND

DVB program was enacted into the Statutes on May 12, 2010 as 2009 Wisconsin Act 299 and was an initiative of DAV Wisconsin. The Act created preferences in awarding state contracts or orders to businesses owned by disabled veterans who at that time had at least a 30% disability rating from the United States Department of Veterans Affairs (VA).

Act 299 permitted acceptance of a qualified responsible bid from a disabled veteran-owned business that is no more than 5% higher than the apparent low bid or most advantageous proposal.

The Wisconsin Department of Administration or DOA monitors state agencies' compliance with the purchasing guidelines and certifies firms for eligibility to participate in the DVB Program.

On June 30, 2013, the service-connected disability rating from VA was reduced from 30% to 20% by 2013 Wisconsin Act 20.

To be certified by DOA, veterans with a service-connected disability rating of 20% or greater need to own at least 51 percent of the business and must reside in Wisconsin.

Additionally, a disabled veteran-owned business must have its principal place of business in Wisconsin and have customers other than the State of Wisconsin. Plus the business must be at least one (1) year old under current ownership.

Under Wisconsin Statute 16.75, DOA's Council on small business, disabled veteran-owned business and minority business opportunities shall review the extent of participation in purchasing by the state and its agencies. The Committee shall also advise state purchasing agents with respect to increasing such participation.

On October 1 of each year, DOA must submit an evaluation report to the Council. The Council shall then prepare and submit a report on these Programs to the governor and to the chief clerk of each house of the legislature, for distribution to the appropriate standing committees.

Historically, the state's DVB Program has had a much lower enrollment than the service-disabled veterans-owned small business (SDVOSBP) program maintained by the U.S. Department of Veterans Affairs.

To address this discrepancy, the Governor signed Executive Order #72 on May 25, 2012 which provides automatic state certification to disabled veteran-owned businesses located in Wisconsin that have been certified in the federal program.

To increase the number of disabled veteran-owned businesses in the DVB Program, on April 4, 2014 the Governor signed into law Senate Bill 370 *relating to state procurement and construction grants with disabled veteran-owned businesses* as 2013 Act 192. The Act establishes an annual one percent set-aside goal for the DVB Program in state procurement and construction grants.

Currently, 36 disabled veteran-owned businesses are enrolled in the state's DVB Program while the VA's federal program has 59 disabled veteran-owned businesses that are located in Wisconsin.

In the VA's SDVOSB program, eligibility does not require a minimum rating. A veteran with a 0 to 100% rating is eligible. AB 80 reduces the minimum disability rating for the DVB program from 20% to 0% and will make the eligibility requirement for the DVB program equivalent to the Federal program.

In accordance with DAV State Resolution No. 2017-51 and DAV National Resolution No. 262, DAV Wisconsin strongly supports AB 80 and we urge its passage.

Thank you for this opportunity. This concludes my statement. I hope the Committee finds it of some help. If the Committee has any questions, we will be glad to answer them at this time.

VETERANS OF FOREIGN WARS

OF THE UNITED STATES



DEPARTMENT OF WISCONSIN

Testimony in Support of Assembly Bill 80

Assembly Committee on Veterans and Military Affairs

June 8, 2017

Good morning. I am Mike "Gunner" Furgal, Legislative Chairman for the Veterans of Foreign Wars, Department of Wisconsin. On behalf of Commander Mike Eggleston and the nearly 40,000 VFW and auxiliary members locate in every county in Wisconsin; I appreciate the opportunity to testify in support of Assembly Bill 80 which would lower the service-connected disability rating for disabled veteran-owned businesses.

This bill has broad bipartisan and bicameral support because it is the right thing to do.

Under present law in order to obtain the Department of Administration's certification of disabled - owned business for state procurement and contracting purposes, veteran has to have a disability rating of at least 20 percent, as determined by the U.S. Department of Veterans Affairs. Under this bill, a person who is in receipt of any award of a service-connected disability rating from the U.S. Department of Veterans Affairs satisfies the state requirement.

This bill will help create more veteran entrepreneurs. It has been my experience working as a Disabled Veterans Outreach Program Specialist for Wisconsin Job Service that these veteran employers will have a tendency to hire veterans.

It is a win-win situation. A bill that costs the state nothing will create more veteran owned businesses which will create more veteran jobs which will equal more taxes being paid to the state.

Thank you on behalf of the VFW for letting me testify in support of Assembly Bill 80.

Date: June 8th, 2017

Re: **Testimony on 2017 AB 302 and SB 224**

To: The Assembly Committee on Veterans and Military Affairs

From: Chris Holman, Farmer-Veteran (Nami Moon Farms, Custer, WI)

Chairman Skowronski and members of the committee, thank you for today's hearing. I apologize for not being able to be there in person to deliver my testimony, but the farming season thus far has been slow-to-start, I am behind on planting, and I'll be making the proverbial hay since the Sun is finally shining. My apologies extend to Senator Testin as well, who I have been happy to work with on this issue.

As a farmer-veteran, I wish to express my support for establishing a program at the Department of Agriculture, Trade, and Consumer Protection (DATCP) to help military veterans who choose to pursue agriculture at some point in their lives. There are numerous programs around the country that have done a lot of great work over the last several years to help veterans of all eras, and it is exciting to see that Wisconsin is looking to join them.

I have direct experience with many of these programs, and my life as a farmer and as a veteran would not be the same without them. The organization I've worked with the most has been the Farmer Veteran Coalition (FVC). Through them, I have been able to network with other veterans, attend conferences, present to veterans about our farm, and I use the "Homegrown By Heroes" label that FVC helped to develop and which has been expanding its reach across the country.

Though I have learned a great deal from these organizations, one of the most beneficial aspects to each of them has been the community of veterans that has grown along with their work. This cannot be understated, as the set of experiences, shared vocabulary, and camaraderie among the veteran community are unlike anything in the civilian world. I have no doubt that if Wisconsin moves ahead with establishing this program, we will see our own community of farmer-veterans grow, and that puts veterans on better ground. Given the dearth of farmers in agriculture today and the incredible need for more farmers now and into the future, this bill will also provide veterans with another way to serve their country and community.

I was in the room when fellow veterans explained to the Secretary of Agriculture in Washington, D.C. how farming saved their lives. I have seen stoic veterans who exude strength and confidence begin to cry as they try to relate how helping things to grow helps to heal their soul. I know farmer-veterans who have found strength to push through adversity and still fail, but their community picked them up. The good that can be done here is incredibly powerful, and that is why so many people and organizations who might disagree and argue about many other issues find themselves together on this one. In that light, I hope that you, too, will find yourselves in support of this bill. Thank you for your time and consideration.