



# WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

**October 4, 2017**

**Public Testimony of State Representative Evan Goyke & State Representative Dale Kooyenga**

**Re: Senate Bill 47**

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Good morning Chairman Testin and members of the Senate Workforce Development, Military Affairs and Senior Issues Committee. We are grateful for the opportunity to testify today in support of Senate Bill 47.

We thank Senator Roth and Senator Ringhand for their support of this legislation, as well as to the members of this committee who are co-sponsors.

This legislation received unanimous support in the Assembly Veterans and Military Affairs Committee in June.

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 SB 47. We are happy to answer any questions.



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**ROGER ROTH**

PRESIDENT

WISCONSIN STATE SENATE

October 4, 2017

Senate Committee on Workforce Development, Military Affairs and Senior Issues

**2017 Senate Bill 47**

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

Senate Bill 47 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. This bill's Assembly companion (AB 80) received a unanimous vote in the Assembly Veterans and Military Affairs committee. It is our hope this committee will also support and advance this bill.

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 SB 47 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



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TO THE MEN AND WOMEN WHO SERVED**

## **Department of Wisconsin**

### **STATEMENT FOR THE RECORD**

**ROBERT HILLIARD**

**DAV DEPUTY WISCONSIN BENEFITS PROTECTION TEAM LEADER**

**BEFORE THE**

**COMMITTEE ON WORKFORCE DEVELOPMENT,**

**MILITARY AFFAIRS AND SENIOR ISSUES**

**WISCONSIN STATE SENATE**

**OCTOBER 4, 2017**

**Chairman Testin, Vice Chair Feyen, Ranking Member Ringhand and distinguished Members of the Committee,**

**Thank you for allowing DAV or Disabled American Veterans this opportunity to present our view on Senate Bill 47 (SB 47) 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 SB 47 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. SB 47 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 SB 47 and we urge its passage.**



1-844-WIS-CVSO (947-2876)

October 3, 2017

Senator Patrick Testin  
Chairman of the Senate Committee on Workforce Development, Military Affairs and Senior Issues  
Room 131 South  
State Capital  
P.O. Box 7882  
Madison, WI 53707-7882

RE: Support of SB 47

Chairman Testin,

The County Veterans Service Officers Association of Wisconsin would like to go on record in support of Senate Bill 47. This bill relates to the level of service connected disability required to be considered a disabled veteran owned business. Our executive committee has reviewed and endorsed this bill. We hope this bill will bring state contracts to more disabled veteran owned businesses.

Regretfully we are unable to attend the October 4, 2017 hearing to express our support in person. Please have this letter of support entered into the record.

Sincerely,

*Rock A. Larson*

Rock Larson  
Legislative Committee Chairman.

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