

VETERANS AFFAIRS

Budget Summary							
Fund	2022-23 Base Year Doubled	2023-25 Governor	2023-25 Jt. Finance	Joint Finance Change to:			
				Governor		Base	
				Amount	Percent	Amount	Percent
GPR	\$3,499,800	\$3,821,500	\$4,018,000	\$196,500	5.1%	\$518,200	14.8%
FED	6,028,200	6,126,800	6,126,800	0	0.0	98,600	1.6
PR	235,787,800	259,522,100	251,297,100	- 8,225,000	- 3.2	15,509,300	6.6
SEG	<u>40,464,000</u>	<u>46,936,900</u>	<u>41,318,400</u>	<u>- 5,618,500</u>	- 12.0	<u>854,400</u>	2.1
TOTAL	\$285,779,800	\$316,407,300	\$302,760,300	- \$13,647,000	- 4.3%	\$16,980,500	5.9%

FTE Position Summary					
Fund	2022-23 Base	2024-25 Governor	2024-25 Jt. Finance	Joint Finance Change to:	
				Governor	2022-23 Base
FED	16.50	16.50	16.50	0.00	0.00
PR	1,119.81	1,119.81	1,119.81	0.00	0.00
SEG	<u>106.12</u>	<u>116.62</u>	<u>104.19</u>	<u>- 12.43</u>	<u>- 1.93</u>
TOTAL	1,242.43	1,252.93	1,240.50	- 12.43	- 1.93

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 105]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$1,400	\$0	\$1,400
FED	98,600	0	98,600
PR	14,343,000	- 2,004,200	12,338,800
SEG	<u>- 448,600</u>	<u>- 183,200</u>	<u>- 631,800</u>
Total	\$13,994,400	- \$2,187,400	\$11,807,000

Governor: Provide \$6,982,800 (\$700 GPR, \$49,300 FED, \$7,171,500 PR, and -\$238,700 SEG) in 2023-24 and \$7,011,600 (\$700 GPR, \$49,300 FED, \$7,171,500 PR, and -\$209,900 SEG) in 2024-25 to reflect the following standard budget adjustments: (a) -\$1,503,200 PR and -\$137,500 SEG annually for turnover reduction; (b) \$48,100 FED, \$5,584,400 PR, and -\$62,200 SEG

annually for full funding of continuing position salaries and fringe benefits; (c) \$946,800 PR annually for overtime; (d) \$2,108,100 PR annually for night and weekend differential pay; and (e) \$700 GPR, \$1,200 FED, \$35,400 PR, and -\$39,000 SEG in 2023-24 and \$700 GPR, \$1,200 FED, \$35,400 PR, and -\$10,200 SEG in 2024-25 for full funding of lease and directed moves costs.

Joint Finance: Increase the rate used to calculate turnover reduction from 3% to 5% for all appropriations subject to a 3% turnover rate. Reduce funding under the turnover reduction standard budget adjustment by \$1,093,700 (-\$1,002,100 PR and -\$91,600 SEG) annually.

2. VETERANS TRUST FUND -- GPR SUPPLEMENT [LFB Papers 106 and 830]

Governor: Estimate that \$18,250,000 in 2023-24 and \$18,000,000 in 2024-25 will be transferred from the general fund to the veterans trust fund (VTF) to support estimates of SEG-supported expenditures from the VTF in the 2023-25 biennium. These amounts would be increases of \$2,973,800 in 2023-24 and \$2,723,800 in 2024-25 over the appropriation base of \$15,276,200. The fiscal effect of this item is summarized under "Miscellaneous Appropriations."

In recent biennia, over 95% of revenue to the veterans trust fund has been revenue transferred from the general fund from a sum sufficient GPR appropriation. In 2021-22, DOA transferred \$15,100,000 to support VTF expenditures. The following table summarizes the Administration's estimates of balances, revenues, and expenditures from the VTF in the 2023-25 biennium.

Veterans Trust Fund Governor's Recommendations		
	<u>2023-24</u>	<u>2024-25</u>
Opening Balance	\$1,744,300	\$1,211,700
Revenue		
Veterans Programs	\$350,000	\$350,000
GPR Transfer	<u>18,250,000</u>	<u>18,000,000</u>
Total Available	\$20,344,300	\$19,561,700
Expenditures		
DVA Appropriations	\$24,632,600	\$24,991,500
Lapses from DVA Appropriations	<u>-5,500,000</u>	<u>-5,500,000</u>
Net Expenditures	\$19,132,600	\$19,491,500
Year End Balance	\$1,211,700	\$70,200

Joint Finance: Estimate that \$15,855,200 in 2023-24 and \$15,085,200 in 2024-25 will be transferred from the general fund to the veterans trust fund to support VTF expenditures under

Joint Finance. These amounts would be decreases of \$2,394,800 in 2023-24 and \$2,914,800 in 2024-25 from the estimates reflected under the Governor's bill. The fiscal effect of this item is summarized under "Miscellaneous Appropriations."

The following table shows estimates of balances, revenues, and expenditures from the VTF in the 2023-25 biennium under Joint Finance.

Veterans Trust Fund Joint Finance		
	<u>2023-24</u>	<u>2024-25</u>
Opening Balance	\$1,744,300	\$567,100
Revenue		
Veterans Programs	\$350,000	\$350,000
GPR Transfer	<u>15,855,200</u>	<u>15,085,200</u>
Total Available	\$17,949,500	\$16,002,300
Expenditures		
DVA Appropriations	\$20,382,400	\$20,363,400
Lapses from DVA Appropriations	<u>-3,000,000</u>	<u>-5,000,000</u>
Net Expenditures	\$17,382,400	\$15,363,400
Year End Balance	\$567,100	\$638,900

3. GENERAL FUND TRANSFER TO THE STATE VETERANS HOMES [LFB Paper 831]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR- Transfer	\$10,000,000	- \$10,000,000	\$0

Governor: Transfer \$10,000,000 in 2023-24 from the general fund to the PR appropriation account for the state veterans homes. Modify the statutory authorization for the PR appropriation to reflect the receipt of this transfer. The Administration indicates that the state veterans homes program revenue account requires this general fund supplement to avoid revenue shortfalls caused by declining census at the homes.

Joint Finance: Delete the \$10,000,000 transfer from the general fund. Provide \$2,500,000 GPR annually in the Joint Committee on Finance program supplements appropriation for providing a revenue supplement to the state veterans homes PR appropriation account as needed. The fiscal effect of this GPR appropriation is reflected in Program Supplements.

4. SALARY ADD-ON FOR NURSING CARE STAFF [LFB Paper 220]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
PR	\$6,724,900	- \$6,724,900	\$0

Governor: Provide \$3,425,900 in 2023-24 and \$3,299,000 in 2024-25 for a \$5 per hour permanent wage add-on for nurse clinicians, licensed practical nurses, and nursing assistant positions at the King and Union Grove state veterans homes. The permanent hourly wage increase would replace a temporary pilot add-on implemented for these positions, which the Department of Administration's Division of Personnel Management implemented under terms of the 2021-23 compensation plan. The pilot increase is scheduled to expire at the end of the 2021-23 biennium.

While the pilot increase applied only to worked hours, the permanent increase would apply to all hours, including paid time off. The funding is calculated based on the number of currently filled positions at the two homes (217 positions at the King home and 58 positions at the Union Grove home). Funding is slightly higher in 2023-24 than in 2024-25 to account for one additional biweekly pay period in that year.

Joint Finance: Modify provision to instead provide funding to compensation reserves in the amounts included in AB 43/SB 70, less a 5% reduction associated with a higher than usual level of position vacancies, to continue supplemental pilot add-on pay to address severe recruitment and retention issues. [See "Budget Management and Compensation Reserves."]

5. CHIPPEWA FALLS OPERATIONS CONTRACT

PR	\$2,600,000
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Governor/Joint Finance: Provide \$1,300,000 annually to fund increases in the cost of the Department's contract with Health Dimensions Group to operate the Wisconsin Veterans Home at Chippewa Falls. Unlike the other two state veterans homes that are staffed by state employees, DVA contracts for the staffing and other functions to operate the state veterans home at Chippewa Falls. In 2021-22, the Department paid Health Dimensions Group \$8.6 million under the contract. The funding increase under this item is for anticipated increases in the cost of operating the Chippewa Falls home once the contract is renewed in the 2023-25 biennium.

6. UNION GROVE STATE VETERANS HOME SUPPLIES AND SERVICES

PR	\$420,000
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Governor/Joint Finance: Provide \$210,000 annually to increase the supplies and services budget at the Union Grove State Veterans Home, for increasing costs for custodial supplies, lawn care, snow removal, and specialty tradesmen.

7. MASTER PLAN FOR KING STATE VETERANS HOME [LFB Paper 831]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$150,000	- \$150,000	\$0

Governor: Provide \$75,000 annually in the Department's appropriation for general administration for the cost of a study of the campus of the King state veterans home. Require DVA to contract with a vendor to study the King campus during the 2023-25 biennium. Specify that the study shall be completed by June 1, 2025, and shall provide a framework to guide decision making for future operations and development of the campus.

Joint Finance: Reduce funding by \$75,000 annually to delete funding for the study. Retain the requirement that the Department contract for the study, but require the study to be completed by January 1, 2025. Under this change, the Department would be required to finance the cost of the study from base resources.

8. DEBT SERVICE REESTIMATE [LFB Paper 106]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$320,100	\$196,700	\$516,800
PR	- 353,600	204,100	- 149,500
SEG	<u>- 200</u>	<u>46,000</u>	<u>45,800</u>
Total	- \$33,700	\$446,800	\$413,100

Governor: Reduce funding by \$408,900 (\$28,100 GPR, -\$436,900 PR, and -\$100 SEG) in 2023-24 and increase funding by \$375,200 (\$292,000 GPR, \$83,300 PR, and -\$100 SEG) in 2024-25 to reflect reestimates of debt service costs on authorized bonds.

Joint Finance: Increase funding by \$40,400 (\$33,800 GPR, -\$5,300 PR and \$11,900 SEG) in 2023-24 and \$406,400 (\$162,900 GPR, \$209,400 PR and \$34,100 SEG) in 2024-25 to reflect a reestimate of debt service payments.

9. EVALUATION OF FUTURE LONG-TERM CARE NEEDS OF VETERANS
(Removed from budget consideration pursuant to Joint Finance Motion #10)

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$500,000	- \$500,000	\$0

10. VETERANS OUTREACH AND RECOVERY PROGRAM [LFB Paper 832]

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
SEG	\$957,200	7.00	-\$957,200	- 7.00	\$0	0.0

Governor: Provide \$272,300 in 2023-24 and \$684,900 in 2024-25 and 7.0 positions, beginning in 2023-24, to increase services under the veterans outreach and recovery program (VORP). VORP provides outreach, treatment and support to veterans who have a mental health condition or a substance use disorder. The program employs outreach specialists to contact veterans to provide direct assistance and referral to social service programs. Base funding for the program is \$1,609,500, with 14.75 positions. With the proposed expansion (and with the effect of standard budget adjustments) total funding would be \$1,853,200 in 2023-24 and \$2,265,800 in 2024-25, with 21.75 positions.

Joint Finance: Provision not included.

11. VETERANS SERVICE OFFICE GRANTS [LFB Paper 833]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$2,193,200	-\$1,532,800	\$660,400

Governor: Provide \$1,096,600 annually to increase funding for grants to county and tribal veterans service offices. Of this annual increase, \$843,600 would be budgeted for county veterans service office (CVSO) grants, increasing the total from \$837,200 to \$1,680,800, and \$253,000 would be budgeted for tribal veterans service office (TVSO) grants, increasing the total from \$110,000 to \$363,000. Of the base funding total for TVSO grants, \$61,200 is provided from a PR appropriation of tribal gaming revenues; the increase under the bill would be applied only to the SEG appropriation.

Increase the statutory annual grant amounts for CVSOs, to double the amount, as follows: (a) for counties with a population of less than 20,000, from \$9,350 to \$18,700; (b) for counties with a population of 20,000 to 45,499, from \$11,000 to \$22,000; (c) for a county with a population of 45,500 to 74,999, from \$12,650 to \$25,300; and (d) for a county with a population of 75,000 or more, from \$14,300 to \$28,600. Repeal a provision that specifies that the grant for a county with a part-time CVSO is \$550, so that the grant for any such county would be determined in the same manner as counties with a full-time CVSO, based on population. In 2021-22, two counties, Florence and Pepin, received the \$550 grant for a part-time CVSO.

Double the maximum annual grant made to TVSOs, from \$16,500 to \$33,000. In 2021-22, the amount of funding available for TVSO grants was not sufficient to provide the maximum to the 10 tribes that applied, so the Department provided \$11,000 to each tribe. The funding in the

bill would be sufficient to provide the maximum to all 11 federally-recognized tribes.

Joint Finance: Reduce funding by \$766,400 annually, which would result a net increase to the base funding for county and tribal grants of \$330,200 annually. Of the total annual decrease to the Governor's bill, \$630,300 would be made to the grants to county offices and \$136,100 would be made to the grants to tribal offices.

Set the statutory annual grant amounts for CVSOs, as follows: (a) for counties with a population of less than 20,000, \$11,688; (b) for a county with a population of 20,000 to 45,499, \$13,750; (c) for a county with a population of 45,500 to 74,999, \$15,813; and (d) for a county with a population of 75,000 or more, \$17,875. Set the maximum grant for tribal offices at \$20,625. For both county and tribal grants, the new amounts would be increased by 25% from current law levels, instead of an increase of 100% under the Governor's bill.

12. VETERANS HOUSING AND RECOVERY PROGRAM

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$500,000	-\$500,000	\$0

Governor: Provide \$250,000 annually for the veterans housing and recovery program (VHRP, formerly called the veterans assistance program), to increase total SEG funding for the program to \$924,600 annually. The VHRP provides short-term housing and supportive services to veterans who are homeless or at risk of becoming homeless. The program provides services at three locations, in Chippewa Falls, Green Bay, and Union Grove. The Administration indicates that the additional funding would be used to meet increasing facility maintenance and rental costs, and for possible expansion of the program in other parts of the state.

Joint Finance: Provision not included.

13. ASSISTANCE TO NEEDY VETERANS PROGRAM *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

14. ELIGIBILITY FOR CERTAIN VETERANS PROGRAMS FOR HMONG-LAO VETERANS *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

15. STATE VETERANS CEMETERY OPERATIONS

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
SEG	\$1,066,900	3.00	-\$286,900	- 3.00	\$780,000	0.00

Governor: Provide \$550,200 in 2023-24 and \$516,700 in 2024-25 and 3.0 positions, beginning in 2023-24, for state veterans cemetery operations. Of this funding, \$425,000 in 2023-24 and \$355,000 in 2024-25 would be for equipment replacement at the three state veterans cemeteries and for the purchase of new equipment for expanded operations at the Southern Wisconsin Veterans Cemetery in anticipation of an increase in internments in the next several years. The equipment to be replaced would include tractors, backhoes, trucks, mowers, and other machinery and tools. The following table shows the requested funding, by cemetery.

<u>State Veterans Cemetery</u>	<u>2023-24</u>	<u>2024-25</u>
Equipment Replacement		
Northern (Spooner)	\$95,000	\$95,000
Central (King)	45,000	22,000
Southern (Union Grove)	145,000	118,000
Southern Expansion	<u>140,000</u>	<u>120,000</u>
Total	\$425,000	\$355,000

The remaining funding in this item, \$125,200 in 2023-24 and \$161,700 in 2024-25, would support salary, fringe benefits, and supplies and services costs related to three new cemetery caretaker positions, one for each of the three cemeteries.

Joint Finance: Delete the 3.0 cemetery caretaker positions and associated funding of \$125,200 in 2023-24 and \$161,700 in 2024-25.

16. AGENCY SUPPLIES AND SERVICES FUNDING INCREASE *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	(Chg. to Base)	Governor (Chg. to Gov)	Jt. Finance Net Change
GPR	\$200	- \$200	\$0
SEG	<u>6,200</u>	<u>- 6,200</u>	<u>0</u>
Total	<u>\$6,400</u>	<u>- \$6,400</u>	<u>\$0</u>

17. WISCONSIN VETERANS CEMETERY ELIGIBILITY *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

18. WISCONSIN VETERANS MUSEUM OPERATIONS [LFB Paper 834]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$1,400,000	- \$1,400,000	\$0

Governor: Provide \$700,000 annually in the Department's appropriation for general administration for operating expenses and ongoing maintenance costs related to the anticipated

purchase of the building that houses the Wisconsin Veterans Museum. The Department included an item in its capital budget request for \$9,000,000 in general fund-supported bonds for the purchase of the land on which the building housing the museum is situated, with the intention of constructing a new building for the museum at a future date. The Administration indicates that the funding provided under this item would support building operations and maintenance costs for the building following the purchase of the building.

Joint Finance: Provision not included.

19. HISTORICAL ARTIFACT INVENTORY *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$60,000	-\$60,000	\$0

20. AGENCY EQUITY OFFICER *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base) Funding Positions		Jt. Finance (Chg. to Gov) Funding Positions		Net Change Funding Positions	
SEG	\$88,200	0.50	-\$88,200	- 0.50	\$0	0.00

21. LOCAL GOVERNMENT GRANTS FOR FIRE AND EMERGENCY MEDICAL SERVICES PROVIDED AT STATE VETERANS HOMES

PR	\$300,000
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Joint Finance: Increase the maximum amount in total grants that the Department of Veterans Affairs may make to local governments for providing fire and emergency medical services to the state veterans homes from \$300,000 per biennium to \$600,000 per biennium. Provide \$150,000 PR annually in the appropriation for making these grants to reflect this change. Specify that the amounts distributed under the grant program cannot factor in the calculation of payments made under the payments for municipal services program. Include any fire district in the list of eligible recipients for the grant.

22. GRANT FOR PROMOTING U.S.S. WISCONSIN

Joint Finance: Authorize DVA to award a one-time grant in 2023-24 from the GPR appropriation for Wisconsin Veterans Museum operations in an amount not to exceed \$16,540 to a private nonprofit organization or a nonstock corporation that is a nonprofit corporation whose

sole purpose is to promote and support recognition of the Columbia-class submarine U.S.S. Wisconsin.

23. DELETE CERTAIN VACANT POSITIONS

	Positions
SEG	- 1.93

Joint Finance: Delete vacant positions in the Department's appropriation for administration of loans and aids to veterans, as follows: (a) 0.54 financial program supervisor; (b) 0.72 financial specialist-advanced; and (c) 0.67 policy initiatives advisor-administrative.