



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #847

County Veterans Service Officer Grants (DVA -- Aids to Veterans and Veterans Organizations)

Bill Agency

[LFB 2007-09 Budget Summary: Page 585, #10]

CURRENT LAW

Under current law, DVA awards grants to counties that maintain and operate a county veterans service office consistent with standards developed by the Department. Each county must have a county veterans service officer (CVSO) and must provide the CVSO with office space and clerical assistance. The primary duties of a CVSO are: (a) to advise veterans of any benefits to which they may be entitled and to provide assistance regarding any complaint or problem arising from such services; (b) make reports to their county board; (c) cooperate with federal and state officials that provide aids or benefits to veterans; and (d) furnish information about burial benefits within the county. These duties are required to be performed separately and distinctly from any other county department. A county's grant to support these activities is based on whether the CVSO is full-time or part-time and the county's population.

GOVERNOR

Provide \$26,400 SEG in 2007-08 and \$8,500 SEG in 2008-09 for increased grants to counties for their CVSO.

DISCUSSION POINTS

1. Under current law, reimbursement's for CVSO's are based on the population of the county and whether the officer serves as a full-time or part-time position. Reimbursement rates are

as follows: (a) \$8,500 per year for counties with a population under 20,000; (b) \$10,000 per year for counties with a population from 20,000 to 45,499; (c) \$11,500 per year for counties with a population between 45,500 and 74,999; and (d) \$13,000 per year for counties with more than 75,000 people. Counties with part-time CVSO's are eligible for a \$500 reimbursement.

2. Under AB 40, the Governor would provide \$4,000 annually for increased grants due to projected population increases in Jackson, Taylor, Calumet and Polk counties; \$4,500 in 2008-09 for increased grants due to projected population increases in Dunn, Monroe, and Sheboygan counties; and \$22,400 in 2007-08 for shortfalls in previous funding.

3. The increases included in the Governor's recommendation were based on the Department's estimate for the number of counties that would reach a new population requirement, and therefore be entitled to receive a higher reimbursement. Also, the recommendation would fully fund amounts from 2006-07, which the Department does not have sufficient appropriation authority to reimburse.

4. The Department has recently reestimated the number of counties that would be within each population bracket and have estimated the following:

- \$8,500 for a county with a population under 20,000 (Ashland, Bayfield, Buffalo, Burnett, Crawford, Forest, Green Lake, Iron, Lafayette, Marquette, Menominee, Pepin, Price, Richland, Rusk, Sawyer, Taylor, and Washburn) for a total cost of \$153,000 SEG annually;

- \$10,000 for a county with a population from 20,000 to 45,499 (Adams, Clark, Door, Douglas, Dunn, Iowa, Jackson, Juneau, Kewaunee, Langlade, Lincoln, Marinette, Monroe, Oconto, Oneida, Pierce, Shawano, Trempealeau, Vernon, Vilas and Waushara) for a total cost of \$210,000 SEG annually;

- \$11,500 for a county with a population from 45,500 to 74,999 (Barron, Calumet, Chippewa, Columbia, Grant, Polk, Portage, Sauk, and Waupaca) for a total cost of \$103,500 SEG annually; and

- \$13,000 for a county with a population of 75,000 or more (Brown, Dane, Dodge, Eau Claire, Fond du Lac, Jefferson, Kenosha, La Crosse, Manitowoc, Marathon, Milwaukee, Outagamie, Ozaukee, Racine, Rock, St. Croix, Sheboygan, Walworth, Washington, Waukesha, Winnebago, and Wood) for a total cost of \$286,000 SEG annually.

- \$500 for a county that maintains a part-time officer (Green and Florence) for a total of \$1,000.

5. Under current law, \$741,000 SEG annually is provided for CVSO grants; 60% (\$444,000 SEG) is paid from the primary mortgage loan fund and 40% (\$297,000 SEG) is provided

from the veterans trust fund.

6. Under SB 40, the appropriation authority for CVSO grants would increase to \$767,900 SEG in 2007-08 and \$750,000 SEG in 2008-09, which would include \$458,800 SEG in 2007-08 and \$448,800 SEG in 2008-09 from the primary mortgage loan repayment fund and \$309,100 SEG in 2007-08 and \$301,200 SEG in 2008-09 from the veterans trust fund.

7. Under this reestimate, total reimbursements of \$753,500 SEG annually would be anticipated. In addition, the Department states that there are insufficient funds from previous biennia equal to \$31,400 SEG, which the Department has requested as a one-time increase in 2007-08. This shortfall includes payments requested by counties after the completion of the fiscal year (\$22,400) and previous population increases (\$9,000).

8. Under this reestimate, funding of \$784,900 would be needed in 2007-08 and \$753,500 would be needed in 2008-09. This would result in an increased request of \$17,000 SEG in 2007-08 and \$3,500 SEG in 2008-09, compared to the bill. Of this amount, 60% would be supported from the mortgage loan repayment fund (\$10,200 SEG in 2007-08 and \$2,100 SEG in 2008-09), and 40% from the veterans trust fund (\$6,800 SEG in 2007-08 and \$1,400 SEG in 2008-09). The Committee could choose to include these higher reimbursement levels.

9. It could be argued that given the status of the veterans trust fund additional funding should not be provided from the veterans trust fund. The Committee could choose to provide the additional increase (\$17,000 SEG in 2007-08 and \$3,500 SEG in 2008-09) from the mortgage loan repayment fund. As of March 31, 2007, the retained earnings (the difference between the assets and the liabilities) in the mortgage loan repayment fund was \$36.8 million.

10. Alternatively, the Committee could reduce all of the reimbursement payments for full-time CVSO's by \$250 in 2007-08 and \$50 in 2008-09, resulting in no net increase in costs, compared to the Governor's recommendation.

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation.

ALT 1	Change to Bill Funding	Change to Base Funding
SEG	\$0	\$34,900

2. Modify the Governor's recommendation by providing an additional \$17,000 SEG in 2007-08 and \$3,500 in 2008-09 for county veterans service office reimbursements, which would include the following: (a) (\$10,200 SEG in 2007-08 and \$2,100 SEG in 2008-09 from the mortgage loan repayment fund; and (b) \$6,800 SEG in 2007-08 and \$1,400 SEG in 2008-09 from the veterans trust fund.

ALT 2	Change to Bill	Change to Base
	Funding	Funding
SEG	\$20,500	\$55,400

3. Modify the Governor's recommendation by providing an additional \$17,000 SEG in 2007-08 and \$3,500 SEG in 2008-09 for county veterans service office reimbursements from the mortgage loan repayment fund.

ALT 3	Change to Bill	Change to Base
	Funding	Funding
SEG	\$20,500	\$55,400

4. Modify the Governor's recommendation by reducing the county veterans service office reimbursements by \$250 in 2007-08 and \$50 in 2008-09 for all counties with full-time offices. *There would be no net change to the Governor's recommendations.*

ALT 4	Change to Bill	Change to Base
	Funding	Funding
SEG	\$0	\$34,900

5. Delete provision.

ALT 5	Change to Bill	Change to Base
	Funding	Funding
SEG	-\$34,900	\$0

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