

VETERANS AFFAIRS

Budget Summary						FTE Position Summary				
Fund	2022-23 Adjusted Base	Governor		2023-25 Change Over Base Year Doubled		2022-23	Governor		2024-25 Over 2022-23	
		2023-24	2024-25	Amount	%		2023-24	2024-25	Number	%
GPR	\$1,749,900	\$1,778,800	\$2,042,700	\$321,700	9.2%	0.00	0.00	0.00	0.00	0.0%
FED	3,014,100	3,063,400	3,063,400	98,600	1.6	16.50	16.50	16.50	0.00	0.0
PR	117,893,900	129,564,400	129,957,700	23,734,300	10.1	1,119.81	1,119.81	1,119.81	0.00	0.0
SEG	<u>20,232,000</u>	<u>23,289,000</u>	<u>23,647,900</u>	<u>6,472,900</u>	16.0	<u>106.12</u>	<u>116.62</u>	<u>116.62</u>	<u>10.50</u>	9.9
TOTAL	\$142,889,900	\$157,695,600	\$158,711,700	\$30,627,500	10.7%	1,242.43	1,252.93	1,252.93	10.50	0.8%

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

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.

GPR	\$1,400
FED	98,600
PR	14,343,000
SEG	<u>- 448,600</u>
Total	\$13,994,400

2. VETERANS TRUST FUND -- GPR SUPPLEMENT

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

3. GENERAL FUND TRANSFER TO THE STATE GPR-Transfer \$10,000,000
VETERANS HOME

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.

[Bill Sections: 480 and 9248(1)]

4. SALARY ADD-ON FOR NURSING CARE STAFF PR \$6,724,900

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.

5. CHIPPEWA FALLS OPERATIONS CONTRACT

PR	\$2,600,000
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Governor: 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: 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

SEG	\$150,000
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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.

[Bill Section: 9148(1)]

8. DEBT SERVICE REESTIMATE

GPR	\$320,100
PR	- 353,600
SEG	_____ - 200
Total	- \$33,700

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.

9. EVALUATION OF FUTURE LONG-TERM CARE NEEDS OF VETERANS

SEG	\$500,000
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Governor: Provide \$250,000 annually to fund data collection and analysis related to the future long-term care needs of post-9/11 veterans. The Administration indicates that the funding would be used to evaluate the nature of injuries experienced by these veterans and advances in technology, with a focus on worker shortages in long-term care.

10. VETERANS OUTREACH AND RECOVERY PROGRAM

	Funding	Positions
SEG	\$957,200	7.00

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.

11. VETERANS SERVICE OFFICE GRANTS

SEG	\$2,193,200
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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.

[Bill Sections: 788 thru 790]

12. VETERANS HOUSING AND RECOVERY PROGRAM

SEG	\$500,000
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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.

13. ASSISTANCE TO NEEDY VETERANS PROGRAM

Governor: Rename the assistance to needy veterans program the veterans assistance grants program, and make the following changes to program benefits and parameters:

- Include, as an eligible expense for which eligible veterans may receive a health care grant, any medical device prescribed by a health care provider;
- Increase the grant limits under the program from \$3,000 in a consecutive 12-month period and \$7,500 as a cumulative total, to \$5,000 in a consecutive 12-month period and \$10,000 as a cumulative total;
- Modify a current law provision that provides eligibility for program grants to an unremarried spouse and dependent children of a veteran who died on active duty or in the line duty while in training, to eliminate the condition that the veteran must have died, which has the effect of making any unremarried spouse and dependent children of a living veteran eligible under the program;
- Modify a current law provision that specifies that a veteran is eligible for a subsistence grant in the event of a loss of income due to illness, injury, or natural disaster, to eliminate the specific reasons for the loss of income, so that a veteran would be eligible for a subsistence grant due to a loss of income for any reason; and
- Modify the definition of a health care provider, which under current law is limited to an advanced practice nurse prescriber, an audiologist, a dentist, an optometrist, a physician, or a podiatrist, to cross reference a definition of the term in a current law provision related to health care records that includes over 30 health and health-related professions, and specify, that the term also includes an ambulatory surgical center.

The program provides subsistence grants and health care grants to veterans and certain unremarried spouses and dependent children of deceased veterans, subject to certain income and asset eligibility rules. Subsistence grants provide emergency financial assistance to a veteran who experiences a loss of income due to illness, injury, or natural disaster, while the health care grants are for the cost of dental, vision, or hearing care, including dentures, glasses, or hearing aids. The base funding for the program is \$820,000. The bill would not increase this funding level to account for the proposed program changes, although actual spending for grants has been significantly below the base funding level over the past decade. In 2021-22, DVA provided grants totaling \$72,000, including \$11,000 in subsistence grants and \$56,000 in health care grants.

[Bill Sections: 481 and 762 thru 768]

14. ELIGIBILITY FOR CERTAIN VETERANS PROGRAMS FOR HMONG-LAO VETERANS

Governor: Expand the statutory definition of "veteran" for the purposes of qualifying for certain state programs, to include either of the following: (a) any state resident who was naturalized as a U.S. citizen pursuant to the federal Hmong Veterans' Naturalization Act of 2000; or (b) any state resident who is a U.S. citizen or an alien lawfully admitted for permanent residence and who the DVA Secretary determines served honorably with a special guerilla unit or irregular forces operation from a base in Laos in support of armed forces of the United States at any time during the period beginning February 28, 1961, and ending May 7, 1975.

Specify that a person defined as a veteran under either of these conditions qualifies for tuition remission under the veterans tuition remission programs at UW System and Wisconsin Technical College System campuses. Specify, in addition, that any such person who is a resident of and living in Wisconsin at the time of registering as a student at a UW System campus qualifies for an exemption from nonresident tuition.

Specify that a person who meets the definition of veteran under this item is not considered a veteran for purposes of state veterans home membership.

This item would affect eligibility for some, but not all, state veterans benefit programs. Eligibility requirements for some programs are not based on the statutory definition of the term "veteran" and so would not be affected. This includes membership at the state veterans homes, burial in a state veterans cemetery, and assistance under the veterans housing and recovery program, all of which are subject to federal, rather than state, definitions. Other programs and benefits, such as the veterans property tax credit, are tied to having a U.S. Department of Veterans Affairs disability rating, and would not be affected. Programs for which the Hmong-Lao veterans would receive benefits include the assistance for needy veterans program (renamed the "veterans assistance grants" program under the bill), the tuition remission and tuition reimbursement programs, and the retraining assistance program.

[Bill Sections: 650, 652, 676, 760, 769, and 770]

15. STATE VETERANS CEMETERY OPERATIONS

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.

	Funding	Positions
SEG	\$1,066,900	3.00

<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.

16. AGENCY SUPPLIES AND SERVICES FUNDING INCREASE

GPR	\$200
SEG	<u>6,200</u>
Total	\$6,400

Governor: Provide \$100 GPR and \$3,100 SEG annually to increase supplies and services funding for the state veterans cemeteries. According to the Administration, the amounts represent a 5% increase to supplies and services funding for certain annual GPR and SEG state operations appropriations. The proposed increases are provided to appropriations that meet the following criteria: (a) in 2021-22, the agency expended 95% or more of the amount budgeted for supplies and services; and (b) for the 2023-25 biennium, no other additional supplies and services funding is being proposed for a similar purpose.

17. WISCONSIN VETERANS CEMETERY ELIGIBILITY

Governor: Eliminate state residency requirements for eligibility for burial in a state veterans cemetery, applicable to veterans or spouses and dependent children of veterans.

Modify statutory provisions related to the payment of costs incident to burial, to clarify that these costs are to be paid from the Department's appropriations for cemetery operations, except in the case of the burial of members of veterans homes, in which case the source of payment is the program revenue appropriation for state veterans homes operations. Modify the appropriation authorization for the state veterans homes PR appropriation to clarify that the appropriation may be used for costs incidental to burial for a state veterans homes member in a state veterans cemetery. Under statutory provisions related to the state veterans cemeteries, DVA is directed to pay incidental costs from the state veterans homes PR appropriation, but the statutory authorization for the appropriation does not explicitly include the cost of such burials as an eligible expense.

[Bill Sections: 480 and 775 thru 787]

18. WISCONSIN VETERANS MUSEUM OPERATIONS

SEG	\$1,400,000
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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.

19. HISTORICAL ARTIFACT INVENTORY

SEG	\$60,000
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Governor: Provide \$60,000 in 2023-24 to fund a portion of the cost to complete a comprehensive inventory and evaluation of state-owned historical and fine arts collections. The Department of Administration would conduct this inventory, and assess DVA \$60,000 and the Wisconsin Historical Society \$240,000 to fund its costs of conducting the inventory and evaluation. [See "Administration -- Agency General Provisions" and "Historical Society."]

20. AGENCY EQUITY OFFICER

	Funding	Positions
SEG	\$88,200	0.50

Governor: Provide \$38,600 in 2023-24 and \$49,600 in 2024-25 to fund 0.50 agency equity officer, beginning in 2023-24.

The position would collaborate with the Chief Equity Officer in the Department of Administration and equity officers in other agencies to identify opportunities to advance equity in government operations, including determining how current government practices and policies affect communities of color and individuals with disabilities. [See "Administration -- General Agency Provisions."]