

**STATE OF WISCONSIN**  
**Department of Veterans Affairs**

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In the matter of rulemaking proceedings before the Department of Veterans Affairs.

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**ORDER OF THE DEPARTMENT OF VETERANS AFFAIRS**  
**ADOPTING PERMANENT RULES**

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The statement of scope for this rule, SS 083-21, was approved by the Governor on September 16, 2021, published in Register No. 789A3 on September 20, 2021, and approved for implementation by the Secretary of the Department of Veterans Affairs on October 1, 2021.

The emergency rule was approved by the Governor on January 13, 2022.

ORDER

An order of the Department of Veterans Affairs *to create* VA 2.08 (3) (c), (km), (p), (q), and (r), and (6); relating to the employment and entrepreneurship grants transition program.

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ANALYSIS

Analysis prepared by the Department of Veterans Affairs.

**Statutes interpreted:**

Sections 45.03 (2) and 45.437, Stats.

**Statutory authority:**

Section 45.03 (2), Stats.

Section 45.437 (4), Stats.

**Explanation of agency authority:**

Section 45.03 (2), Stats., authorizes the Secretary of the Department to promulgate rules necessary to carry out the purposes of ch. 45 and the powers and duties conferred upon it.

Section 45.437 (4), Stats., requires the Department to “...promulgate rules implementing this section. The rules promulgated under this subsection shall include rules establishing the specific goals grant recipients must meet and requiring that those goals be met before any grant moneys are disbursed.”

**Related statute or rule:**

None

**Plain language analysis:**

The proposed rules revise s. VA 2.08 – *Veterans Employment and Entrepreneurship Grants*. The primary objective of the proposed rule is to expand expenditure of grant funds to include the employment-related activities that are a crucial component of the veterans transition program partnership. The Department will coordinate program participation and activities at the State level, which will require the services of multiple non-profit organizations across the state.

This multi-faceted transition assistance program connects the service member to the relevant employers, local programs, and organizations in the service member’s future post-military community. Through this partnership, services will be made available to military members transitioning from active military service to civilian life. The amended rule will ensure grants authorized under s. 45.437, Stats., can be awarded to non-profit organizations to the extent the organization’s participation is related to employing exiting service members and improving the employment outcomes for veterans in Wisconsin.

The proposed rule creates several definitions under s. VA 2.08 (3), for acronyms referenced within the rule, and creates provisions under s. VA 2.08 (6), relating to the implementation and administration of the veterans employment and transition support grant program.

**Summary of, and comparison with, existing or proposed federal regulation:**

None

**Comparison with rules in adjacent states:**

**Illinois:** Does not have existing administrative rules pertaining to grant funds available for a veterans transition program.

**Iowa:** Does not have existing administrative rules pertaining to grant funds available for a veterans transition program.

**Michigan:** Does not have existing administrative rules pertaining to grant funds available for a veterans transition program.

**Minnesota:** Does not have existing administrative rules pertaining to grant funds available for a veterans transition program.

**Summary of factual data and analytical methodologies:**

The Department deems it necessary to amend current rule language in order to assist veterans who are transitioning to civilian life. The existing policies relevant to the proposed rules are administered under the current entrepreneurship grant program in s. VA 2.08 (5) and limits award of grants to organizations that provide “entrepreneurship training, technical or business assistance, financial assistance, or other assistance to veteran entrepreneurs to improve employment outcomes.” The rule will expand these policies for the implementation and administration of the veterans employment and transition support grant program to meet the statutory charge and limitation “to improve employment outcomes for veterans in this state.”

**Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:**

The rule will be posted for 14 days to solicit economic impact comments.

**Fiscal Estimate:**

The Fiscal Estimate and Economic Impact Analysis is attached.

**Effect on small business:**

These proposed rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats.

**Agency contact person:**

Mindy Allen, Department of Veterans Affairs  
DVAAdminRules@DVA.Wisconsin.gov

**Place and deadline for submission of comments:**

Comments may be submitted to the contact information listed above no later than the date of the public hearing. The date, time, and place of the public hearing will be published in the Wisconsin Administrative Register.

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TEXT OF RULE

SECTION 1. VA 2.08 (3) (c), (km), (mm), (p), (q), and (r), and (6) are created to read:

**VA 2.08 (3) (c)** “CIC” means Community Integration Coordinator. A “CIC” is a Wisconsin nonprofit organization that supports the coordination of peer sponsors that are paired with transitioning service members and veterans to facilitate community integration throughout Wisconsin.

(km) “HAP” means the VHA National Center of Healthcare Advancement and Partnerships.

(mm) “Transitioning servicemember” means a veteran who has separated from active military, naval, or air service in the U.S. armed forces to return to life as a civilian, and meets any of the following criteria:

1. The veteran's date of discharge or release from active military, naval, or air service is not more than 2 years prior to the date on which the grant was awarded to the nonprofit organization.

2. The veteran is actively enrolled in an accredited continuing education program.

3. The veteran has been approved by the department to receive services from the program.

(p) “VHA” means the USDVA Veterans Healthcare Administration.

(q) “VISN” means the Veterans Integrated Service Network.

(r) “VSPN” means the Veteran Sponsor Partnership Network.

**(6) VETERANS EMPLOYMENT AND TRANSITION SUPPORT GRANT PROGRAM.** (a) *Purpose.* The veterans employment and transition support grant program will partner with the VHA regional offices to form partnerships with community organizations to help transitioning servicemembers and their families access federal and state veterans services and state community resources to improve employment outcomes.

(b) *Eligibility criteria.* A CIC is eligible to receive a grant under this subsection if the organization meets all of the following conditions:

1. It is a Wisconsin nonprofit organization.
2. It is current on all federal and state tax obligations.
3. It is a financially viable nonprofit organization.
4. It is registered and in good standing with the Wisconsin department of financial institutions.
5. It has a signed agreement between the VHA and the VA great lakes healthcare system.
6. It is listed on the HAP and in the VSPN, or the VSPN's successor organization.
7. It has been in existence for a minimum of 5 consecutive years preceding the application and currently serves veterans or their families, or both.

(c) *Grant application requirements.* A representative of the applicant having authority to act for the applicant shall sign the application, ensure that it is complete, and submit it by the deadline. Applications shall include all of the following:

1. Application on a form approved by the department.
2. Proof of the organization's nonprofit status.
3. Grant request cover letter that includes a synopsis of the grant proposal and amount of grant requested.
4. Most recent annual report or other literature summarizing the organization's programs.
5. List of board members and executive officers including titles and affiliations.
6. Income statement and balance sheet for the most recent fiscal year, as well as a budget and income projection for the grant period, as disclosed in the notice described in par. (d).
7. Signed current letter of support from the VHA regional office.
8. Copy of certificate showing completion of CIC training from a department-approved organization that provides CIC training.
9. Capability statement outlining how the nonprofit organization will support the program.
10. Information that demonstrates that the applicant has achieved all of the following required program goals during the previous year:

- a. Developed or possess a peer-to-peer network focused on establishing sponsor relationships between VA-trained volunteers and transitioning servicemembers.
- b. Connected transitioning servicemembers with relevant employment opportunities proportionate to the transitioning servicemember's level of skill, training, education, and experience attained through military service and personal development.
- c. Collaborated with other agencies to strengthen the delivery of programs, resources, and services to transitioning servicemembers.
- d. Conducted outreach to underserved geographic areas of the state and underserved transitioning servicemember populations.

11. Disclosure of any other grant funds received from any other state agency for the same or similar purpose.

12. A signed verification of matching funds form, if required by the department.

(d) *Grant awards.* 1. The department shall award grants as funds are available.

2. A grant awarded under this section shall be made on forms approved by the department.

3. The award shall be signed by the authorized representative of the department and shall list any conditions to which the award is subject.

4. Each grant award shall be for a 3-year period. A grant recipient may reapply for grant funds following the 3-year grant period.

(e) *Grant acceptance.* The authorized representative of the recipient nonprofit organization shall accept the grant award by signing the award document and returning it to the department. The department may terminate a grant award if the award is not accepted within 10 calendar days of the date of issuance by the department or if the any of the terms of the application are no longer being met.

(f) *Amount of grants.* 1. Subject to subd. 2., the amount of each grant will be based on the amount requested and the amount approved by the department. The grant award may not exceed the amount requested.

2. The amount of funding for the program will be determined annually by the department and is subject to the availability of funds under s. 20.485 (2) (tf), Stats.

a. Except in the initial fiscal year, a grant award to a nonprofit organization may not exceed \$30,000 during any fiscal year.

b. In the initial fiscal year, a nonprofit organization may apply for a one-time grant up to \$50,000 to assist in launching the program.

(g) *Program requirements.* 1. 'Grant recipients.' a. A CIC receiving a grant award shall be approved by the department in coordination with the VHA regional office.

b. The department may not award grants to more than five CICs during a grant period unless a greater need is determined by the department.

2. 'Prohibited use of funds.' a. Grant funds shall be used only for the payment or reimbursement of reasonable and appropriate expenses assignable to the approved purposes of the grant as determined by the department. Any other use of grant funds is prohibited.

b. A grantee may not use more than a percentage, as determined by the department, of the grant funds for employee wages, compensation, travel, and related expenses assignable to the approved program.

c. A grantee may not use grant funds to purchase capital equipment unless specified in the grant award.

d. A grantee agrees that no grant appropriated funds will be paid to any person for influencing or attempting to influence an officer or employee of any agency, any member of the Wisconsin legislature, or an employee of a member of the legislature in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any state contract, grant, loan, or cooperative agreement.

3. 'Violation of prohibited use of funds.' If a grantee uses grant funds for prohibited activities under subd. 1., the department may terminate the grant and recover funds previously paid to the grantee for that funding period on a recoupment schedule specified by the department.

4. 'Record keeping.' A grantee shall maintain grant records for at least 3 years and shall provide required information to the department upon request for the purposes of program or fiscal audits.

(h) *Participant eligibility and certification.* 1. A grantee shall verify that each program participant is a transitioning servicemember.

2. Only an eligible program participant shall receive services funded by a grant awarded under this subsection.

(i) *Reporting requirements.* A grantee receiving a grant under this subsection shall submit to the department data and information specified in the grant agreement.

(j) *Assurances and certifications.* 1. 'Authority to sign and accept funds.' The grantee shall certify that the designated signatory official has the authority to sign on behalf of the grantee and has the authority to accept funds.

2. 'Compliance statement.' Before the department releases grant funds, the grantee shall provide a statement that it is in compliance with applicable state and federal laws, rules, and regulations, including tax laws, the requirements of this section, and the grant award.

3. 'Nondiscrimination and equal opportunity.' In accordance with s. 16.765, Stats., the grantee shall follow all state and federal anti-discrimination laws and equal employment opportunity practices in the administration and delivery of program services to grant participants.

SECTION 2. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

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(END OF RULE TEXT)

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Dated \_\_\_\_\_

Agency \_\_\_\_\_

Mary M. Kolar, Secretary  
Department of Veterans Affairs