

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

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**Report from Agency**  
**RULEMAKING REPORT TO LEGISLATURE**  
**Clearinghouse Rule 22-042**

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**I. THE PROPOSED RULE:**

The proposed rule, including the analysis and text, is attached.

**II. REFERENCE TO APPLICABLE FORMS:**

N/A

**III. FISCAL ESTIMATE AND EIA:**

The Fiscal Estimate and EIA are attached.

**IV. DETAILED STATEMENT EXPLAINING THE BASIS AND PURPOSE OF THE PROPOSED RULE, INCLUDING HOW THE PROPOSED RULE ADVANCES RELEVANT STATUTORY GOALS OR PURPOSES:**

- These proposed rules create a subsection under s. VA 2.08 – Veterans Employment and Entrepreneurship Grants – for the primary objective of expanding the expenditure of grant funds, authorized under s. 45.437, Stats.
- The purpose of the program is to award grants to nonprofit organizations that develop and maintain a peer network of mentors to connect transitioning service members with employment opportunities in coordination with the ETS Sponsorship Program. Through this partnership, services will be made available to military members transitioning from active military service to civilian life.
- ETS-Sponsorship is a Washington D.C.-based 501.c4 nonprofit corporation which has established partnerships with the Department of Defense (DOD) and US Department of Veteran Affairs (USDVA) through the Veterans Health Administration (VHA) to promote social welfare for transitioning service members, Veterans, and the communities where they live or plan to live post separation from military service.
- The proposed rules 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 transitioning service members and improving the employment outcomes for veterans in Wisconsin.
- The proposed rules will award grants to Wisconsin-based non-profit organizations that have been certified as Community Integration Coordinators (CIC). CICs complete training and form a partnership with ETS Sponsorship and the regional VHA to establish and operate sponsor networks within the state, connecting trained and certified sponsors with transitioning service members in order to connect them with local resources and opportunities.

- Eligible applicants (non-profit organizations who are certified as a CIC) can apply for a maximum \$20,000 grant at any time throughout the fiscal year.
- Grant funds may only be used to provide employment-related services to transitioning service-members. (A transitioning service member means an individual who is separating or has separated from the U.S. Armed Forces to return to civilian life.)
- The Department will allocate grant funds to support this grant program, subject to availability of funds under [s. 20.485 \(2\) \(qm\), Stats.](#), which is the funding source for the payment of veterans employment and entrepreneurship grants under s. [45.437, Stats.](#)
- The proposed rule creates definitions under s. VA 2.08 (3) for terms referenced within the rule and creates s. VA 2.08 (6) to establish rules for the implementation and administration of the veterans employment and transition support grant program.

**V. SUMMARY OF PUBLIC COMMENTS AND THE DEPARTMENT’S RESPONSES, EXPLANATION OF MODIFICATIONS TO PROPOSED RULES PROMPTED BY PUBLIC COMMENTS:**

One person attended the public hearing. No public comments were received.

Pursuant to ss. 45.03 (2m) and 227.14 (2) (a) 6m., Stats., administrative rules prepared by the Department of Veterans Affairs must be provided to the Board of Veterans Affairs. The Board may prepare a report containing written comments and its opinion regarding the proposed rules. The Board of Veterans Affairs was provided a copy of the proposed rules and offered no comments. A copy of the letter signed by the Board Chair is attached.

**VI. RESPONSE TO LEGISLATIVE COUNCIL STAFF RECOMMENDATIONS:**

All recommendations in the Clearinghouse Report were accepted and incorporated into the proposed rule. Where the comments included a question, provisions were modified in response to the questions to provide additional clarity.

**VII. REPORT FROM THE SBRRB AND FINAL REGULATORY FLEXIBILITY ANALYSIS:**

N/A

**Clearinghouse Rule 22-042**

**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 amend* VA 2.08 (1); and *to create* VA 2.08 (3) (cm), (mg), (mr), 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 create a subdivision under s. VA 2.08 – *Veterans Employment and Entrepreneurship Grants* – for the primary objective of expanding the expenditure of grant funds, authorized under s. 45.437, Stats., 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 proposed rules 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 definitions under s. VA 2.08 (3) for acronyms and terms referenced within the rule and creates s. VA 2.08 (6) to establish rules for 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 the 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 was posted for 14 days to solicit economic impact comments. No comments were received.

**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:**

The deadline to submit comments was June 1, 2022.

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TEXT OF RULE

SECTION 1. VA 2.08 (1) is amended to read:

**VA 2.08 (1) AUTHORITY AND PURPOSE.** The purpose of this section is to establish rules for the implementation and administration of grants to assist veteran entrepreneurs, to give employers in this state incentives to hire veterans, especially disabled veterans, to improve veteran employment outcomes, and to help fund employment training for veterans, especially disabled veterans, as authorized under s. 45.437, Stats.

SECTION 2. VA 2.08 (3) (cm), (mg), (mr), and (6) are created to read:

**VA 2.08 (3) (cm)** “CIC” means a community integration coordinator.

(mg) “Program” means the veterans employment and transition support grant program.

(mr) “Transitioning service member” means an individual who is separating or has separated from the U.S. armed forces to return to civilian life.

**(6) VETERANS EMPLOYMENT AND TRANSITION SUPPORT GRANT PROGRAM.** (a) *Purpose.* The purpose of the program is to award grants to nonprofit organizations that develop and maintain a peer network of mentors to connect transitioning service members with employment opportunities in coordination with the ETS Sponsorship Program.

**Note:** The ETS Sponsorship Program is a nationwide program that coordinates with the USDVA and the U.S. Department of Defense to sponsor service members through the transition process from military to civilian life. For more information, see <https://etssponsorship.com>.

(b) *Public notice.* 1. The department shall provide reasonable public notice of solicitations of grants awarded under this subsection to enable any eligible applicant to submit an application throughout the fiscal year subject to the availability of funds.

2. The department may communicate the public notice through print, broadcast, telecommunications media, or the Internet.

3. The notice shall include the purpose of the grant solicitation, eligibility criteria, application requirements and procedures, and any applicable deadlines that an applicant is required to meet or shall contain instructions for obtaining this information.

(c) *Eligible applicant.* A nonprofit organization is eligible to apply for grant funds under this subsection if it meets all of the following conditions:

1. It is CIC-certified by the ETS Sponsorship Program.
2. It has a signed memorandum of agreement with the regional Veterans Integrated Services Network for the purpose of the ETS Sponsorship Program.
3. It is a Wisconsin nonprofit organization that currently serves veterans.
4. It is current on all federal and state tax obligations.
5. It is a financially viable nonprofit organization.
6. It is registered and in good standing with the Wisconsin department of financial institutions.
7. It has been in existence for a minimum of 5 consecutive years preceding the application.
8. It is current on any reporting requirements for previously received grants awarded by the department.

(d) *Grant application requirements.* An application submitted to the department shall include all of the following:

1. A complete application on a form approved by the department and signed by a representative having authority to act for the applicant.

**Note:** The application form may be obtained on the Department's website at <https://dva.wi.gov>, or by request from the Department of Veterans Affairs, 2135 Rimrock Road, P.O. Box 7843, Madison, WI 53707-7843, or call 800-WIS-VETS (800-947-8387).

2. A cover letter.
3. The amount of grant funds requested.
4. Proof of the organization's nonprofit status.
5. A certificate of status from the Wisconsin department of financial institutions.

**Note:** A Certificate of Status may be obtained from the Department of Financial Institutions at <https://wdfi.org/apps/ccs/>.

6. A certificate showing completion of CIC training from the ETS Sponsorship Program.
7. A copy of the signed memorandum of agreement with the regional Veterans Integrated Services Network as required under par. (c) 2.

8. A description of the organization that includes the following information:

a. A summary of the services provided to service members and veterans.

b. A list of current board members and executive officers including titles and affiliations.

c. A statement that demonstrates the organization's experience with or how it proposes to recruit and maintain a network of trained and certified veteran peer mentors.

d. A statement that demonstrates the organization's experience with or how it proposes to connect veterans with relevant employment opportunities proportionate to the transitioning service member's level of skill, training, education, and experience attained through military service and personal development.

9. An income statement and balance sheet for the most recent fiscal year.

10. A detailed budget that describes how grant funds will be used.

11. A statement that the organization is in compliance with applicable state and federal laws, rules, and regulations, including tax laws, and the requirements of this subsection.

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

13. Any other relevant information required by the department.

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

2. The number of grants awarded during any fiscal year shall be determined by the department.

3. The grant application shall list any conditions to which the grant award is subject and as part of the grant application the representative having authority to act for the applicant, who signed the grant application, shall agree to be bound by those terms and conditions.

(f) *Amount of grants.* 1. The department may allocate grant funds to support the program, subject to availability of funds under s. 20.485 (2) (qm), Stats.

2. The amount of each grant shall be determined by the department based on the amount requested but may not exceed the amount requested and may not exceed \$20,000 per applicant during any fiscal year.

(g) *Prohibited use of funds* 1. Grant funds shall only be used for the payment or reimbursement of reasonable and appropriate expenses that relate to improving employment outcomes. Reasonable and appropriate expenses are solely expenses that are consistent with the approved purposes of the grant as determined by the department. Any other use of grant funds is prohibited.

2. Grant funds awarded under this subsection shall only be used to provide program-related services to a transitioning service member.

3. A grantee may not use more than a percentage, as determined by the department, of the grant funds for employee wages, compensation, and travel expenses incurred while performing program-related work.

4. Grant funds may not be used to purchase capital equipment unless specified in the grant.

5. Grant funds may not be used to pay 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.

6. A grantee may not charge interest or otherwise financially profit from grant funds awarded under this subsection.

7. A grantee may not reassign grant funds awarded under this subsection.

8. If a grantee uses grant funds for prohibited activities, 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.

(h) *Reporting requirements.* A grantee shall submit to the department data and information specified in the grant application terms and conditions.

(i) *Record keeping.* 1. A grantee shall maintain grant records for at least 6 years and shall provide required information to the department upon request.

2. The department may audit a grantee's records to ensure compliance with applicable grant requirements in accordance with s. 45.47, Stats.

(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. '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 services funded under this program.

SECTION 3. 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 July 5, 2022

Agency   
Mary M. Kolar, Secretary  
Department of Veterans Affairs

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<p>1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original   <input type="checkbox"/> Updated   <input type="checkbox"/> Corrected</p>	<p>2. Date 12/07/2021</p>
<p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) VA 2 - Veterans Assistance Grants</p>	
<p>4. Subject Employment and Entrepreneurship Grants Transition Program</p>	
<p>5. Fund Sources Affected <input type="checkbox"/> GPR   <input type="checkbox"/> FED   <input type="checkbox"/> PRO   <input type="checkbox"/> PRS   <input checked="" type="checkbox"/> SEG   <input type="checkbox"/> SEG-S</p>	<p>6. Chapter 20, Stats. Appropriations Affected 20.485 (2)(qm)</p>
<p>7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect   <input type="checkbox"/> Increase Existing Revenues   <input type="checkbox"/> Increase Costs   <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate   <input type="checkbox"/> Decrease Existing Revenues   <input type="checkbox"/> Could Absorb Within Agency's Budget</p>	
<p>8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy   <input type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units   <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses <b>(if checked, complete Attachment A)</b></p>	
<p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0</p>	
<p>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p>	
<p>11. Policy Problem Addressed by the Rule This rule will amend current rule language to enable the Department to participate in a national program to provide improved access to employment for military members transitioning from active military service and joining Wisconsin communities as veterans. The proposed rules would expand the current grant process authorized by s. 45.437, Stats., to include the administration, enforcement, and evaluation of this transition partnership. An emergency rule is necessary to ensure that the administrative rules relating to the granting of appropriated funds for this program are developed before the grant period begins.</p>	
<p>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. The proposed rules do not have an anticipated effect on businesses or local governmental units.</p>	
<p>13. Identify the Local Governmental Units that Participated in the Development of this EIA. No local government units participated in the development of the EIA.</p>	
<p>14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) This rule will not have an anticipated economic or fiscal impact on specific businesses, business sectors, public utility rate payers, local governmental units or the State's economy as a whole.</p>	
<p>15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The revision of current administrative rules is necessary to include local non-profit partners that will work with the transition assistance partnership and allow grant recipients to improve employment outcomes for veterans in Wisconsin. Expansion of this grant to partners in this transition assistance program may help the Department to obtain partner organizations across the state to coordinate with transitioning service members by identifying and connecting them with suitable employment opportunities across Wisconsin.</p>	
<p>16. Long Range Implications of Implementing the Rule</p>	

## ADMINISTRATIVE RULES

### Fiscal Estimate & Economic Impact Analysis

The goal of the program is to set conditions for service members and sponsors to achieve purpose and prosperity and reduce stress and risk by providing instrumental, informational, and emotional support. The transition period between active military service and civilian life is a critical one, with unacceptably high rates of veteran suicide and other negative outcomes. The joint intent of this program is to address these issues through a personal, comprehensive relationship with each new Wisconsin veteran using a proven model that pairs transitioning service members with local sponsors, supported by the network of community, city, and state agencies dedicated to ensuring the successful integration of veterans into Wisconsin communities and thereby improve long-term employment outcomes for veterans in this state.

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17. Compare With Approaches Being Used by Federal Government

This program is a partnership with the U.S. Department of Veterans Affairs, Department of the Army, and non-profit organizations. The Department will participate in a federal program to provide improved access to employment, benefits, services, and care for military members transitioning from active military service and joining Wisconsin communities as veterans.

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18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

The neighboring states of Illinois, Iowa, Michigan, or Minnesota do not have existing administrative rules pertaining to grant funds available for a veterans transition program.

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19. Contact Name

Mindy Allen, Administrative Rules Coordinator

20. Contact Phone Number

(608) 264-6085

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This document can be made available in alternate formats to individuals with disabilities upon request.



## Wisconsin Department of Veterans Affairs

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Tony Evers, Governor | Mary M. Kolar, Secretary

June 29, 2022

Secretary Mary M. Kolar  
Department of Veterans Affairs  
PO Box 7843  
Madison, WI 53707

RE: Proposed Rules for ch. VA 2 (Clearinghouse Rule 22-042)

Dear Secretary Kolar,

Pursuant to s. 45.03 (2m), Stats., the Secretary shall provide the Board with a copy of any rule that the department is preparing as a proposed rule under s. 227.14 (1), Stats., and the Board may prepare a report containing written comments and its opinion regarding the proposed rule.

The proposed rules amending Chapter VA 2, relating to the veterans employment and transition support grant program, were provided to the Board of Veterans Affairs. At the Board's meeting on June 23, 2022, the Board voted to support the proposed rules and offers no additional comments.

Sincerely,

William Schrum, Chair  
Wisconsin Board of Veterans Affairs

**From:** [Board, WSchrum - DVA](#)  
**To:** [Allen, Mindy - DVA](#)  
**Subject:** Re: BOVA Action re: DVA Admin Rules VA 2 & VA 12  
**Date:** Monday, July 4, 2022 1:30:50 PM

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Dear Ms. Allen,

The letters are accurate with Board actions and I approve of them.

Regards,  
William Schrum  
Chair BOVA

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**From:** Allen, Mindy - DVA  
**Sent:** Wednesday, June 29, 2022 2:28 PM  
**To:** Board, WSchrum - DVA  
**Cc:** Allen, Mindy - DVA  
**Subject:** BOVA Action re: DVA Admin Rules VA 2 & VA 12

Chairman Schrum,

At the meeting of the Board of Veterans Affairs held June 23, 2022, the Board voted to support the draft rules for chs. VA 2 and VA 12 (item #9 of the Board's meeting agenda).

Attached are letters indicating the Board's actions at the meeting.

It is not necessary that we obtain your actual signature on the letters. It is sufficient that you simply reply via email indicating that the letters are accurate, and you approve of them. We would then attach a copy of your email to the letters and maintain on file.

Alternatively, if you prefer, you may either print/sign/scan and email the letters back to me or you can apply a digital signature and return them.

Please let me know if you have questions.

Best,

*Mindy Allen*

Administrative Rules Coordinator | Legal Records Custodian  
Office of the Secretary | Wisconsin Department of Veterans Affairs

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