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## FROM THE DESK OF CJ SZAFIR

Freedom and Opportunity. Those are ideals that bind us together as a state. Unfortunately, the size and scope of state government too often gets in the way of individuals and families being able to achieve their full potential as they build their share of the American Dream.

We can do better, and we must do better. We all should ask,— "Is the mission of state government, — of each and every agency, bureau, and division —, aligned with the vision that everyday Wisconsinites have for Wisconsin? Is state government set up to help citizens succeed, or is it a roadblock to success? We need a conservative vision for state government, indeed for each and every agency.

Last spring, with support from our donors and Board of Directors, the Institute for Reforming Government started an ambitious project to help answer those questions about the biggest state agencies to help answer those questions because we believe the best way to enhance liberty is to improve transparency. This project was the work of eight experts in Wisconsin state government, including three senior-level cabinet officials, a budget director, and subject matter experts. In addition, our team had regular meetings with former top officials in state government as well as business leaders and other experts outside of government. We looked at past revenue and spending trends. The findings are not surprising.

State agencies are massive. They spend record amounts of taxpayer dollars year over year. They too often get in the way of individual success and are set up as enforcement agents instead of partners in creating a better Wisconsin. They need reform. We need leaders to bring forward conservative visions to the agencies.

In these briefings, we shine light onto state agencies to help all citizens diagnose what is broken. Later, based on these and discussions with people all over Wisconsin, we'll offer government reform ideas and detailed budget analysis to help chart a new course for Wisconsin, - one where each and every individual in our state has the freedom and opportunity to succeed.

Sincerely,

#### **CJ Szafir**

President

Institute for Reforming Government

## **SUMMARY**

# Light and liberty go together

Thomas Jefferson, In a letter to Tench Coxe, 1795

This document prepared by the Institute for Reforming Government (IRG) is intended to inform policy makers and the public of the full scope of the Wisconsin Department of Veterans Affairs (DVA). Our partners at the IRG Action Fund will release conservative, free market, and liberty minded policy reforms specifically for DVA in a separate document.

For the general public, the executive branch of Wisconsin state government can be a mystery. There are countless agencies with billions of tax dollars flowing through them. Although some may have an understanding of an agency because of their daily work or real world experience, few people in Wisconsin have a handle on the entirety of the executive branch. Each agency has its own mission, functions, and programs. Some agencies generate their own revenue, some rely on state tax dollars and many of them take some sort of federal funding. Each agency has unique powers and authorities. The goal of this briefing document is to pull back the veil and show Wisconsinites how their government taxes, spends, and regulates.

Over the course of months, a team of policy experts at IRG poured through all of the information on Wisconsin's biggest agencies. In this briefing document, you will see agency functions, budget trends, a list of past appointees, and policy concerns. These items create a basis for understanding the scope and history of each agency in an effort to inform policy makers in Madison as they carry out their work in the coming legislative session. By doing this, we hope to inspire the next generation of policy makers and cast a conservative vision for Wisconsin.

The Department of Veterans Affairs was created to serve Wisconsin's veterans who gave so much in service to the state. Since it was created in 1945, the department has become an integral part of Wisconsin's veterans community. Today the department has three skilled nursing homes in King, Chippewa Falls and Union Grove. Rehabilitation programs, housing for homeless Veterans, financial assistance in education, workforce assistance, housing, and property tax credits are some of the many programs and benefits offered by DVA in support of Wisconsin's veteran community.



## **BACKGROUND**

The Department of Veterans Affairs and the State of Wisconsin have a long history of serving veterans. Services for veterans in Wisconsin started after the Civil War when in 1887, the Grand Army of the Republic was formed and established the nursing home at King. In 1919, the legislature would act again to provide care to veterans of World War I. The Service Recognition Board would provide cash bonuses to veterans and start a fund to assist wounded veterans. In the intervening years between World War I and World War II, other benefits would be made available to veterans through the Soldiers' Rehabilitation Board. In 1945, the Department of Veterans Affairs was created by the legislature through the consolidation of all the state's veteran assistance programs. As the programs were essentially supported through separate funds, the Department took over their responsibilities and consolidated the funds into the Veterans Trust Fund in 1961.

There are roughly 350,000 veterans living in Wisconsin today and the department is charged with the responsibility of administering its various programs to the eligible veterans across the state. The department operates three nursing homes, three memorial cemeteries, and offers assistance to veterans. DVA offers housing assistance, mental health programs, workforce training, programs offered through Wisconsin's G.I Bill, and assistance with other grants and credits that veterans may be eligible for. The department also operates the Wisconsin Veterans Museum which is located in Madison near the Wisconsin State Capitol building.

Today, the Ddepartment is headed by a Secretary who must be a Veteran and is appointed by the Governor with advice and consent of the senate. Under the direction of the Secretary, services are administered through six divisions. In addition, the agency is guided by the board of veterans affairs composed of 9 members appointed by the governor with senate approval. Similar to other boards, members serve staggered 4-year terms. All board members must be veterans, as defined by statute, and must, through their combined makeup, represent all of Wisconsin's congressional districts.

The Department of Veterans Affairs is located just west of downtown Madison.

# AGENCY DESCRIPTION, MISSION, & FUNCTION

Information in this section was pulled directly from public sources on the Department of Administration and Department of Veterans Affairs websites.

### **Agency Descriptions**

The Wisconsin Department of Veterans Affairs (WDVA) was created by Chapter 580, Laws of 1945, to ensure that the state's veterans receive the state benefits to which they are entitled and to assist them in securing their federal veterans benefits. The department's programs, benefits and services are generally designed to provide health, educational assistance, economic assistance and other services to specified veterans of the armed forces of the United States.

The department has major facilities around the state. It operates the Wisconsin Veterans Home at King, which provides long-term care for veterans and their spouses. Licensed to provide skilled nursing care for up to 721 members, it currently houses three individually licensed skilled nursing facilities.

The Wisconsin Veterans Home at Union Grove opened in 2001 on the campus of the Southern Wisconsin Center. It currently houses a 158-bed skilled nursing facility.

The Wisconsin Veterans Home at Chippewa Falls is a 72-bed skilled nursing facility that opened in February 2013.

The department's facilities also include the nationally renowned Wisconsin Veterans Museum, located on the Capitol Square in Madison, three Veterans Memorial Cemeteries, and three Veterans Housing and Recovery Program (VHRP) sites located throughout the state. The majority of the department's programs are financed by the Veterans Trust Fund (VTF), formed in 1961 to consolidate separate state funds for veterans' benefits. Through the VTF, the department provides grants for education, job training, health care aid and subsistence aid. The VTF also finances the Wisconsin Veterans Museum; the Veterans Housing and Recovery Program (VHRP), which helps homeless veterans and those at risk of becoming homeless get the services required to obtain employment and affordable housing; a claims assistance office, which assists veterans with their applications for disability benefits from the U.S. Department of Veterans Affairs; and the Veterans Outreach and Recovery Program (VORP), with a special focus on treatment and recovery, connects Veterans to community services and provides case management and support.



A Department Secretary, appointed by the Governor, with the advice of six veterans service organizations and consent of the Senate, heads the department. Administrative power and duties of the department are vested in the Secretary of Veterans Affairs.

#### Mission

To work on behalf of Wisconsin's veterans community - veterans, their families and their survivors - in recognition of their service and sacrifice to our state and nation.

#### Function

The Department of Veterans Affairs' functions are organized within its four divisions and multiple offices:

#### Office of Legal Counsel

Similar to legal offices in other state agencies, the Office of Legal Counsel's main responsibility is providing legal counsel, opinions and policy support to the Secretary and the leadership team. Additional duties involve overseeing staff attorneys and, serving as administrative law judge for benefit appeals.

#### Office of Public Affairs

This office is responsible for promoting the programs, services and benefits available to Wisconsin's veterans. The office is also the main contact for the media and approves external communications from the department.

#### Division of Enterprise Services

The Enterprise Services Division provides administrative services for DVA including, human resources, information technology, finance, and budget.

#### Division of Veterans Benefits

The division is responsible for the administration of benefits to eligible veterans' and their families. They also offer the Military Funeral Honors program and operate the state's three veteran cemeteries.

#### Division of Veteran Homes

The Division of Veteran Homes operates the department's three nursing homes for veterans; Union Grove, King, and Chippewa Falls. These facilities offer varying levels of long-term care for eligible Wisconsin veterans.

#### Veterans Museum

The Department of Veterans Affairs also operates the Wisconsin Veterans' Museum in downtown Madison. The museum highlights over 26,000 artifacts dating back from the Civil War to modern day.

# **AGENCY BUDGET TRENDS**

The state budget process begins in September of every even year when each agency sends its budget requests to the Department of Administration. The Governor then has several months to put together the executive budget proposal that is forwarded to the Legislature. The Legislature, through the work of the Joint Finance Committee, then holds hearings and votes on the budget through the spring and summer of the odd year. This culminates with the signing of the budget document that summer. While technically due by July 1 of the budget year, often budget debates will drag into the Summer and sometimes the Fall. However, the government does not shut down in Wisconsin as it does at the federal level when there is a budget impasse - it simply continues on the current spending plan until a new budget is adopted.

The Department of Veterans Affairs' budget has remained relatively flat over the past couple of years, but has increased slightly.

## **Agency Budget Trend**

Fund	Fund 2017 ACT 59 2		2021 ACT 58
GPR	\$3,908,400	\$5,227,300	\$4,845,800
FED	\$5,592,400	\$5,927,000	\$5,960,000
PR	\$222,241,800	\$226,871,500	\$239,793,300
SEG	\$51,488,900	\$40,153,100	\$39,576,600
TOTAL	\$283,231,500	\$278,178,900	\$290,175,700

## **FTE Position Summary**

Fund	2017 ACT 59	2019 ACT 9	2021 ACT 58
GPR	0	0	0
FED	16	16.5	16.5
PR	1,147.30	1,146.74	1,119.81
SEG	97.9	106.12	106.12
TOTAL	1261.2	1,269.36	1242.43

## **AGENCY LEADERSHIP**

As the head of a cabinet agency, the Secretary is appointed by the Governor with the advice and consent of the Senate and serves at the pleasure of the Governor. The Secretary of each agency then must appoint the other members of their team to help them carry out the duties and responsibilities of the agency. Descriptions of each appointed position are listed below:

#### Secretary

Appointed by the Governor, the Secretary leads and represents the agency. The position is responsible for directing and managing the agency to execute the Governor's agenda while ensuring the efficient operation of the agency per state statute. The position is also responsible for reporting on the agency's matters to the Governor and Legislature.

#### **Deputy Secretary**

The Deputy Secretary serves at the pleasure of the Secretary and is primarily responsible for assisting the Secretary with carrying out the mission of the agency including but not limited to, personnel management, day-to-day operations, and external affairs.

#### **Assistant Deputy Secretary**

The Assistant Deputy Secretary also serves at the pleasure of the Secretary and is responsible for assisting both the Secretary and Deputy Secretary. Responsibilities may include but are not limited to day-to-day operations and external affairs aligned with the agency's mission.

#### Chief Legal Counsel

The Chief Legal Counsel serves at the pleasure of the Secretary and provides legal counsel and support involving the agency's affairs.

#### Legislative Liaison

The Legislative Liaison is primarily responsible for facilitating and managing relationships with the Legislature and external stakeholders to provide information as needed and requested. The position also helps develop the agency's legislative agenda to align with the Governor's priorities, current industry standards and respond to stakeholder concerns.

#### Communications Director

The Communications Director supports the Secretary's Office in strategic communications and responds to media inquiries. The position may also speak on behalf of the Secretary and represent the agency in the media.



#### Division Administrator

Division Administrators, appointed by the Secretary, are responsible for providing leadership, personnel management and guidance on day-to-day operations for their assigned division. These positions typically report to the Deputy Secretary, communicating activities and providing advice to ensure the division is in line with the agency's mission.

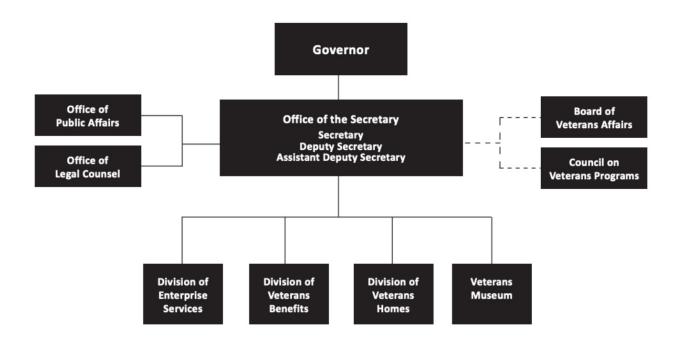
These appointments may change during the 4-year term of a governor. Listed here are the teams serving under Gov. Evers in mid-2022, as well as the team that served at the end of Gov. Walker's final term.

### **Agency Leadership**

POSITION	EVERS	WALKER
SECRETARY	Mary Kolar	Dan Zimmer- man
DEPUTY SECRETARY	James Bond	Tom Rhatican
ASSISTANT DEPUTY SECRETARY	Kathleen Still	Kathleen Still
CHIEF LEGAL COUNSEL	Chad Koplien	Chad Koplien
COMMUNICATIONS DIRECTOR	Colleen Flaherty	Carla Vigue
LEGISLATIVE DIRECTOR	Shaun Stoeger	Kathy Still
DIVISION ADMINISTRATORS		
DIVISION OF ENTERPRISE SERVICES	James Parker	James Parker
DIVISION OF VETERANS BENEFITS	Scott Williams	James Bond
DIVISION OF VETERANS HOMES	Diane Lynch de Combhs	Randy Nitschke
DIVISION OF VETERANS SERVICES	Division eliminat- ed	Ken Grant
DIVISION OF WISCONSIN VETERANS MUSEUM	Christopher Kola- kowski	Michael Tetzrow

# **ORGANIZATION CHART** -





# ATTACHED COUNCILS, TASK FORCES, & COMMITTEES

Like most agencies, the Department of Veterans Affairs has Boards and Councils that are charged with various responsibilities. Generally, these groups either give advice to the Secretary or they are part of the regulatory process itself.

#### **Board of Veterans Affairs**

The Board is the main governance board for the agency and provides input and policy recommendations to the Secretary. The nine members of the board are appointed by the Governor and must be Veterans.

#### Council on Veterans Programs

The council is different from the Board of Veterans Affairs by functioning in a supporting role for both the nine member board and the Secretary. The council gives its advice on the operation of department programs and gives updates on the issues facing veterans in Wisconsin.

# MAJOR PAST INITIATIVES (2011-Present)

Most major policy initiatives happen during the budget process. The Governor, and sometimes the Legislature, will propose a major reduction or increase in spending for any number of programs. The major initiatives dating from 2011 to the present for the Department of Veterans Affairs is listed below:

## **Major Past Initiatives**

INITIATIVE	GOVERNOR	ENACTED
\$100K Study to establish a veteran's trust fund foundation	Walker	Yes
Permanently establish Veterans Outreach and Recovery program	Walker	Yes
Additional mental health services at the Veterans Home at King.	Walker	Yes
Increase funding and staffing at all three Veterans Homes	Walker	Yes
Waive recreation fees on Memorial Day week- end and Veterans Day	Walker	Yes
Task force to explore future operations of the Veterans Homes	Walker	Yes
Eliminate state residency requirement assistance for needy veterans program	Walker	No
Transfer Veterans employment grant program from DWD to DVA	Walker	Yes
\$2.6 million in Operational Maintenance for Vet Homes	Walker	Yes
CVSO Liaison Position at DVA	Walker	Yes
Reduce Veterans Loan Bond Authority	Walker	Yes
Add 7.0 additional Direct Care Positions	Walker	Yes
Increase grant amounts from VSO	Walker	Yes
Increase grant funding for County Veteran Service Offices	Evers	Yes
Eliminate Veterans Mortgage Loan Program	Evers	Yes
Increase contract funding to Chippewa Falls Veterans Home	Evers	Yes

## **STAKEHOLDERS**

Every agency has a number of organizations, professions, and industries that are uniquely interested in the policy or regulatory decisions that could affect their membership or industry. The groups are commonly organized into trade associations and are represented by registered lobbyists that stay in touch with agency leadership. These lobbyists keep their membership informed on current policy debates and use their expertise to educate policy makers on the issues important to their industries. Below is a non exhaustive list of stakeholders that are interested in the Department of Veterans Affairs

STAKEHOLDER	TYPICAL ISSUES		
Heroes for Healthcare	Advocates on healthcare issues on behalf of veterans		
Board of Veterans Affairs	Advises DVA - Nine member board with representation from each congressional district		
Council on Veterans Programs	Advises the Board and the DVA on public policy related to veterans		
The American Legion	Veteran Issues		
Wisconsin Veterans Chamber of Commerce	Advocates for veteran owned businesses		
Federal Dept of Veterans Affairs	Major source of programs and funding		
Disabled American Veter- ans Wisconsin	Services to disabled veterans in Wisconsin		
Wisconsin Veterans Net- work	Provides assistance to veterans		
11 Native American Tribes of Wisconsin	Representing Veterans in their communities		

## PAST EXECUTIVE ORDERS

Formal actions by the Governor are conveyed through executive order. These orders often direct state agencies to carry out the Governor's policy goals within their statutory authority. They can be used to create councils to explore public policy solutions, bring the state into compliance with federal requirements, direct agencies to take certain actions, and carry out powers granted to the Governor under Chapter 14 of the Wisconsin Statutes. Below is a list of executive orders that pertain to the Department of Veterans Affairs.

### **Executive Orders**

GOVERNOR	EO#	DATE	DESCRIPTION	STATUS
Evers	27	5/9/2011	General Obligation Bonds for the Veterans Home Loan Program	Expired
Evers	66	5/2/2012	Implement a "Lean Government" Ini- tiative	Expired
Walker	72	5/25/2012	Disabled-Veteran-Owned Businesses	
Walker	137	6/13/2014	Wisconsin Veterans Employment Ini- tiative	Expired
Walker	150	1/26/2015	Council on Veterans Employment Re-Creation of Nonstatutory Commit- tees	Renewed
Walker	214	9/22/2016	Governor's Task Force on Opioid Abuse	Expired
Walker	228	1/5/2017	Veterans Homes provide care for opioid prescription and pain management.	Expired
Walker	272	1/18/2018	Creation Wisconsin Shared Services Executive Committee	Expired
Evers	1	1/07/2019	Prohibiting Discrimination in State Employment	Active
Evers	6	1/28/2019	Council on Veterans Employment Re-Creation of Nonstatutory Commit- tees	Active
Evers	59	11/12/2019	Diversity, Equity, and Inclusion in State Government	Active
Evers	67	1/29/2020	Creation Governor's Task Force on Stu- dent Debt	Active
Evers	157	2/21/2022	Governor's Blue Ribbon Commission on Veteran Opportunity	Active

# GOVERNMENT REFORM OPPORTUNITIES

Wisconsin government has grown too big and too expensive. This has pre-cipitated issues across the whole of the executive branch that have become a barrier to the success of Wisconsin residents and businesses alike. The Institute for Reforming Government endeavors to shine light on these issues as prime opportunities for bold reform. Below you will find a non-exhaustive list of policy concerns that we have highlighted for the Department of Veterans Affairs.

#### Nursing Home Care for Veterans

There is a well documented and long-running problem of unacceptable levels of care being provided to Veterans in DVA nursing homes. Recent news articles have documented incidents of over-medicating patients, failing to provide water, and alleged physical abuse of veterans by employees. DVA has struggled to maintain its workforce, and turnover rates are high - partly due to bureaucratic and antiquated state employment rules. The health-care industry as a whole is facing a shortage of workers too, but problems as grave as we see in the homes operated by DVA are rare by comparison. Providing care to veterans who sacrificed so much for our country and our state is an essential responsibility that the state needs to get right.

#### Trust Fund

The Veterans Trust Fund is the main source of revenue for many of the critical services that Wisconsin Veterans depend on. In recent budgets, the legislature has needed to add state tax dollars to keep the trust fund going. Lawmakers must continue to ensure that Wisconsin can provide the services and programs for current and future generations of veterans.

#### Future Needs of Wisconsin's Veterans

Policymakers must ensure that current and future veterans receive benefits in a timely and streamlined manner. This should include an analysis of what care veterans leaving service now are more likely to need, such as stronger mental health care, so the department can be ready to meet those needs.

## **CONCLUSION**

At the Institute for Reforming Government we know that the government isn't the way of the future - people are. And we believe that in order to empower people and ideas to flourish, our government needs to get out of the way.

This is nothing new for Wisconsinites- we have a long history as the standard bearer for government reform - we were the first state to implement unemployment insurance, Wisconsin Works (W-2), and we were on the cutting edge of major collective bargaining reform. But today the state we love is beginning to lag behind. Our executive branch has become bloated, slow, and expensive - a burden to the state's economy instead of a catalyst.

The solution to this problem isn't more government, it's less. What we need is a conservative vision for the state. This introductory document lays bare the issues and problems that are standing in the way for Wisconsin. In the coming months, IRG will be releasing a series of reforms that will cast a conservative vision for key executive branch agencies in the state.

Now is the time to renew our faith in the people of Wisconsin, not the government.

