



Legislative Fiscal Bureau

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June 1, 2001

Joint Committee on Finance

Paper #988

Milwaukee Veterans War Memorial Education Center Grant (Veterans Affairs -- Trust Fund Programs and Veterans Benefits)

[LFB 2001-03 Budget Summary: Page 704, #6]

CURRENT LAW

No provision.

GOVERNOR

Create a biennial appropriation to fund a grant to the Wisconsin Veterans War Memorial/Milwaukee, Inc., to develop a veterans education center and provide \$200,000 SEG in 2001-02 for this purpose. Include a nonstatutory provision authorizing the Department of Veterans Affairs (DVA) to make one grant of \$100,000 SEG during the 2001-03 biennium for the veterans education center. Repeal the new appropriation, effective July 1, 2003.

DISCUSSION POINTS

1. The Department proposes to make a seed grant to the Wisconsin Veterans War Memorial in Milwaukee to offset some of the concept planning costs and private sector fund raising costs associated with the establishment of a veterans education center at the facility.

2. The agency states that the purpose of the new center will be to educate primary and secondary level students by "communicating a compelling veteran's message and preserving and displaying Wisconsin's veterans' contributions to society." The Department's rationale for locating the facility in Milwaukee is that this site will place the facility within easy travel distance for an estimated 40% of the state's school aged population. In addition, the Department anticipates

developing a distance learning capability at the facility so that the remaining student population in the state can be reached by the center. While the Department indicates that this type of education facility could be developed at the Wisconsin Veterans Museum in Madison, a facility in Madison would not be nearly as optimally located to serve the target student audience.

3. The Department argues that the development of the Milwaukee facility is an important component of its educational mission to tell the story of Wisconsin veterans and to perpetuate their legacy. The agency indicates that once the educational center has been constructed at the Milwaukee War Memorial, the Wisconsin Veterans Museum will assume overall responsibility for its operation.

4. It is anticipated that the educational center will be completed by 2003, and the costs of operation of the facility by the Wisconsin Veterans Museum will be the subject of a 2003-05 biennial budget request. Future, on-going operational costs of the education center in Milwaukee are currently projected by the Department at \$500,000 SEG annually to be funded from the Veterans Trust Fund. The Department has projected that the Veterans Trust Fund balance will be approximately \$27.8 million at the conclusion of the current fiscal year. However, under the bill, this balance is projected to fall to approximately \$5.9 million by the end of the 2001-03 biennium. The veterans education center's future operating budget, if included as a new cost item in the 2003-05 biennium, would have to be financed from this balance.

5. If the Committee believes that the anticipated benefits of the proposed veterans education center in Milwaukee have sufficient merit to warrant providing a \$200,000 SEG seed grant to help establish the facility during the current biennium, with an implied commitment of on-going funding in the following biennium and thereafter, then it could approve the Governor's recommendation.

6. However, if the Committee chooses to fund the planning grant for the Wisconsin Veterans War Memorial/Milwaukee, Inc., the following consideration should be noted. As the bill is currently drafted, the nonstatutory provision that governs the payment of the grant would provide only one grant of \$100,000 SEG for the Wisconsin Veterans War Memorial/Milwaukee, Inc. If the Committee wishes to provide the full \$200,000 SEG for the Milwaukee facility, the draft should be modified to allow for the full payment to be made during the biennium.

7. Alternatively, if the Committee has concerns either that the establishment of a veterans education center in Milwaukee will result in future, on-going funding commitments from a diminished Veterans Trust Fund, then it could either provide a single grant of \$100,000 SEG in 2001-02 or delete the provision and \$200,000 SEG in 2001-02.

8. Finally, the Senate Committee on Health, Utilities and Veterans and Military Affairs has also submitted a recommendation to this Committee that the Governor's proposal to provide a grant to the Milwaukee Veterans War Memorial education center be deleted from the bill. The Senate Committee's recommendation noted that the Governor's proposal would use Veterans Trust Fund resources to assist a private fund raising venture and would be inconsistent with the mission of

the Trust Fund, which is to fund veterans programs and benefits.

ALTERNATIVES TO BILL

1. Approve the Governor’s recommendation but with the technical correction that the Department may provide one grant of \$200,000 SEG during the 2001-03 biennium to the Wisconsin Veterans War Memorial/Milwaukee, Inc.

2. Modify the Governor’s recommendation to provide a single grant of \$100,000 SEG during the 2001-03 biennium to the Wisconsin Veterans War Memorial/Milwaukee, Inc.

Alternative 2	SEG
2001-03 FUNDING (Change to Bill)	- \$100,000

3. Delete the Governor’s recommendation.

Alternative 3	SEG
2001-03 FUNDING (Change to Bill)	- \$200,000

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