

**Clearinghouse Rule 22-042**

**STATE OF WISCONSIN  
Department of Veterans Affairs**

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

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

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) (mg), (mr), and (6); relating to the employment and entrepreneurship grants transition program.

**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) (mg), (mr), and (6) are created to read:

**VA 2.08 (3) (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) VETERAN 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.

(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 has a signed memorandum of agreement with the regional Veterans Integrated Services Network for the purpose of assisting servicemembers throughout the transition process from military through civilian life.
2. It is a Wisconsin nonprofit organization that currently serves veterans.
3. It is current on all federal and state tax obligations.
4. It is a financially viable nonprofit organization.
5. It is registered and in good standing with the Wisconsin department of financial institutions.
6. It has been in existence for a minimum of 5 consecutive years preceding the application.
7. 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 copy of the signed memorandum of agreement with the regional Veterans Integrated Services Network as required under par. (c) 2.

7. 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.

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

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

10. 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.

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

12. 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.

(END OF RULE TEXT)