

WISCONSIN LEGISLATURE

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JFC Senators Ask DOA to Protect Veterans Trust Fund Legislators estimate nearly \$1 million overpayment for Veterans Museum Lease

MADISON— State Senator Howard Marklein (R-Spring Green), Senator Duey Stroebel (R-Saukville, Senator Devin LeMahieu (R-Oostburg), Senator Tom Tiffany (R-Minocqua), Senator Alberta Darling (R-River Hills) and Senator Luther Olsen (R- Ripon) sent a letter to Department of Administration (DOA) Secretary Joel Brennan today regarding the recent passive review related to the Wisconsin Veterans Museum lease. The legislators asked the administration to renegotiate the terms of the long-term lease to save nearly \$1 million for the Wisconsin Veterans Trust Fund.

The Legislature's Joint Finance Committee (JFC) recently allowed the passive review of the Wisconsin Veterans Museum to proceed without objection due to a tight timeline for a preliminary commitment required by the landlord. However, based on a review of the lease terms, the legislators estimate that the Museum could save nearly \$1 million over five years if the terms were negotiated to align with current advertised rates for other space in the same building.

"We understand that the lease has been renewed with similar terms since 1989. However, we also understand that there has been little – to no – negotiation on the terms of the lease for the Veterans Museum," Marklein said. "By our calculations, we believe that the museum is paying nearly \$1 million more than necessary over the next five-year period. These are dollars that could be dedicated to serving the needs of veterans throughout Wisconsin."

"The payments for the lease for the Veterans Museum are paid for by the Veterans Trust Fund," LeMahieu said. "Under state law, this fund cannot be in deficit. As a result, Wisconsin taxpayers have made substantial investments to ensure the fund remains solvent. Mismanagement of the Veterans Trust Fund not only hurts veterans, but all Wisconsin taxpayers."

"While we have allowed the passive review to proceed without objection, we are asking the administration to negotiate for better terms with the landlord for the Wisconsin Veterans Museum immediately," Stroebel said. "As the anchor tenant for the building with a predictable stream of funding, we expect the landlord to negotiate for reasonable terms. In fact, vacant space in the building is currently offered for a much lower price and better terms than we, as a long-time tenant and predictable anchor in the building, have been offered."

"I join my Republican colleagues in calling on the Department of Administration to re-negotiate the terms of the lease for the Veterans Museum. Both veterans and taxpayers will benefit from better renewal terms. Sending additional dollars back to the Veteran's Trust Fund is an important investment that we should be making," Tiffany said.

"We owe it to both veterans and taxpayers to always look out for their best interests," Darling said, "I urge the Evers administration to renegotiate the Veterans Museum lease so the savings can be better used for high-quality programs to benefit the brave veterans who served our nation."

"As members of the Joint Finance Committee, it is our obligation to ensure funds in the Veterans Trust Fund are used responsibly. Wisconsin holds itself to a high standard when it comes to making sure our veterans and their families receive the services they rightfully deserve. We believe there could be savings for the fund, so it makes sense to renegotiate the lease so that future savings can go towards resources for our veterans," Olsen said.

The Veterans Museum accounts for 22% of the total annual expenditures for the Wisconsin Veterans Trust Fund. Only 27% of the fund is distributed directly to veterans through benefit programs. The other 51% is used for benefit program administration and other administrative costs.

The letter is attached.

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