State of Wisconsin Department of Workforce Development

NOTICE OF PUBLIC HEARING

Wisconsin Fast Forward Workforce Training Grants

DWD 801, Wis. Adm. Code

NOTICE IS HEREBY GIVEN that pursuant to sections 103.005(1) and 106.27(2g), Stats., the Department of Workforce Development proposes to hold a public hearing to consider the creation of rules relating to workforce training grants under the Wisconsin Fast Forward program.

Hearing Information

Monday	MADISON
July 15, 2013	G.E.F. 1 Building, B 103
10:00 a.m.	201 E. Washington Avenue

Interested persons are invited to appear at the hearing and will be afforded the opportunity to make an oral presentation of their positions. Persons making oral presentations are requested to submit their facts, views, and suggested rewording in writing.

Visitors to the GEF 1 building are requested to enter through the left East Washington Avenue door and register with the customer service desk. The entrance is accessible via a ramp from the corner of Webster Street and East Washington Avenue. If you have special needs or circumstances regarding communication or accessibility at the hearing, please call (608) 266-9427 at least 10 days prior to the hearing date. Accommodations such as ASL interpreters, English translators, or materials in audiotape format will be made available on request to the fullest extent possible.

Analysis Prepared by the Department of Workforce Development

Statutory authority: Sections 103.005(1) and 106.27(2g), Stats. **Statute interpreted:** Section 106.27, Stats.

Explanation of agency authority. 2013 Wisconsin Act 9 creates a program in the Department of Workforce Development (DWD) for the development and implementation of workforce training grants to be used for the training of unemployed and underemployed workers in this state or for the training of incumbent employees of businesses in this state.

Act 9 mandates that grantees report to DWD regarding how grant money was used and the outcomes achieved, and requires DWD to promulgate rules prescribing the information to be contained in these reports. It also requires DWD to create grant application forms, procedures, and criteria, and permits DWD to audit and inspect the records of grantees.

Summary of the proposed rule. This rule establishes the general criteria, procedures, requirements and conditions for the award of Wisconsin Fast Forward workforce training grants. It allows for grant applications from any public or private organization, including an employer or an economic development agency or training provider that is working with an employer. The rule provides for the solicitation of applications for grants in the form of Grant Program Announcements (GPAs). Each grant applicant will be asked to provide information about itself and a description of the its proposed training program, including the proposed program budget and the proposed matching funds to be provided by the applicant.

The proposed rule provides that grant applications shall receive a preliminary review to ensure that they meet the basic requirements of the GPA. Applications which satisfy this review shall then be evaluated and ranked in relation to a series of factors relating to the capability of the applicant, the specifics of the proposal, and the potential economic and workforce capacity impacts of the proposal. The Department may also consider factors such as underserved populations and geographic areas.

The rule establishes an overall procedure for awarding grants and guidelines for grant administration, the use of grant funds and the provision of matching funds by grantees. Each grantee will be required to report on the use and effect of the grant funds in terms of information on the number of trainees, the trainees that have completed the program, and whether trainees have obtained new employment with increased wages or increased hours of work.

Summary of analytical methodology.

The rules of other public grant programs were reviewed as part of the process for developing this proposed rule. No other data or analysis was needed.

Comparison to federal law.

The federal Workforce Investment Act of 1998 provides funding for employment and training programs to the state with the guidance of the State Council for Workforce Investment. Grant allocations go to 11 regional workforce development boards, which fund and supervise local programs. Programs for employment placement and retention, job training, and education-related training are delivered through the <u>Wisconsin Job Centers</u>.

Comparison with statutes and rules in adjacent states

Minnesota. The Minnesota Job Skills Partnership Program is a state grant program which links state businesses with colleges, technical colleges, and universities to provide skill development training to workers. Approximately 70% of the grants go to state manufacturers; the next most numerous category is health care industries. It is a financial match program in which employers

provide approximately 2 dollars for every public dollar provided. Partnership grants are awarded in amounts up to \$400,000. About 80% of the grants are awarded to Colleges and Technical Colleges within the Minnesota State Community and Technical College system.

Illinois. The Illinois Department of Commerce and Economic Opportunity, Office of Business Development, offers a grant program entitled Employer Training Investment Program. Grants may be awarded to individual businesses or to intermediary organizations operating multi-company training programs. The grants are intended to enable companies to remain competitive, expand into new markets or introduce more efficient technology. ETIP grants may reimburse Illinois companies for up to 50 percent of the eligible cost of training their employees. In fiscal year 2010 this program gave out 15 grants totaling \$6.4 million ranging from \$60,000 to \$1.1 million.

Iowa. The Skilled Iowa Initiative offers assessments, certification programs and internships in cooperation with public schools, community colleges, and universities, to work with employers seeking to expand the number of available "middle-skill" workers.

Michigan. The Michigan Industry Cluster Approach strategy focuses on five industry clusters (agriculture, energy, healthcare, information technology, and manufacturing) and works with employers to identify industry demand and vacancies, and provide input into the design of educational program offerings and skills requirements. The state's policy is to aligns services and programs with the identified needs for workers and skills.

Programs are listed on Michigan's "WIA Eligible Training Provider List" based on input from employers.

Effect on small business. The proposed rule has no effect on a small business that does not apply for a workforce training grant. Any business that chooses to apply for a grant, with or without partners, will have to comply with the administration and reporting requirements of the rule and the grant agreement.

Analysis used to determine effect on small business. The analysis is based upon the text of 2013 Wisconsin Act 9 and the proposed rule.

Agency contact for program issues:

Dennis C. Schuh, Program Manager DWD Office of Skills Development P.O. Box 7946 Madison WI 53707

(608) 267-3803 Dennisc.Schuh@dwd.wisconsin.gov

Agency contact for rulemaking issues:

Howard Bernstein, DWD Legal Counsel P.O. Box 7946 Madison WI 53707

(608) 266-9427 Howard.Bernstein@dwd.wisconsin.gov

Written comments and deadline for submission. Written comments may be submitted to Howard Bernstein, Office of Legal Counsel, Dept. of Workforce Development, P.O. Box 7946, Madison, WI 53707-7946 or by email to <u>Howard.Bernstein@dwd.wisconsin.gov</u>. The deadline for submission is July 17, 2013. Written comments will be given the same consideration as testimony presented at the hearing.

Administrative rules website. The proposed rules are available at the website <u>http://adminrules.wisconsin.gov</u>. This site allows you to view documents associated with this rule's promulgation, register to receive email notification whenever the Department posts new information about this rulemaking order, and submit comments and view comments by others during the public comment period. You may receive a paper copy of the rule by contacting Howard Bernstein at the addresses given above or by telephone at (608) 266-9427.

Secretary or designee

Date