

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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| <p>1. Type of Estimate and Analysis<br/><input checked="" type="checkbox"/> Original   <input type="checkbox"/> Updated   <input type="checkbox"/> Corrected</p>  | <p>2. Date<br/>04/10/2020</p>   |
| <p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable)<br/>802 Technical Education Equipment Grants</p>   |   |
| <p>4. Subject<br/>Workforce Training Grants under Wis. Stat. § 106.275</p>  |   |
| <p>5. Fund Sources Affected<br/><input checked="" type="checkbox"/> GPR   <input type="checkbox"/> FED   <input type="checkbox"/> PRO   <input type="checkbox"/> PRS   <input type="checkbox"/> SEG   <input type="checkbox"/> SEG-S</p>  | <p>6. Chapter 20, Stats. Appropriations Affected<br/>Wis. Stat. § 20.445(1)(cg)</p> |
| <p>7. Fiscal Effect of Implementing the Rule<br/><input checked="" type="checkbox"/> No Fiscal Effect   <input type="checkbox"/> Increase Existing Revenues   <input type="checkbox"/> Increase Costs   <input type="checkbox"/> Decrease Costs<br/><input type="checkbox"/> Indeterminate   <input type="checkbox"/> Decrease Existing Revenues   <input type="checkbox"/> Could Absorb Within Agency's Budget</p>   |   |
| <p>8. The Rule Will Impact the Following (Check All That Apply)<br/><input type="checkbox"/> State's Economy   <input type="checkbox"/> Specific Businesses/Sectors<br/><input checked="" type="checkbox"/> Local Government Units   <input type="checkbox"/> Public Utility Rate Payers<br/><input type="checkbox"/> Small Businesses <b>(if checked, complete Attachment A)</b></p>   |   |
| <p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1).<br/>\$0</p>   |   |
| <p>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)?<br/><input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p>  |   |
| <p>11. Policy Problem Addressed by the Rule<br/>The proposed rule implements the requirement in Wis. Stat. § 106.275(4), that the Department promulgate rules that establish the procedures and requirements for applying for a grant, including the information that must be submitted with a grant application; establish the procedures and criteria for awarding a grant; and outline the reporting requirement for each school district that receives a grant.</p> |   |
| <p>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.<br/>The Department provided an opportunity for the public, including the above entities, to submit comments on the economic impact for 14 days. The Department did not receive any comments.</p>  |   |
| <p>13. Identify the Local Governmental Units that Participated in the Development of this EIA.<br/>As noted above, the Department did not receive any comments from local government units.</p>   |   |
| <p>14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)<br/>The proposed rule will effectuate the anticipated economic impact intended by the Legislature in enacting 2017 Wis. Act 59, section 1407k.</p>  |   |
| <p>15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule<br/>Promulgating the rule will bring the Department into compliance with Wis. Stat. § 106.275(4)</p>   |   |
| <p>16. Long Range Implications of Implementing the Rule<br/>The Department will be in compliance with Wis. Stat. § 106.275(4) and award grants for technical education equipment to school districts.</p>   |   |
| <p>17. Compare With Approaches Being Used by Federal Government<br/>The grants awarded under the rule will complement existing job training opportunities under the Wisconsin Fast Forward</p>  |   |

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programs, the federal Workforce Innovation and Opportunity Act of 2014, and other local, state, and federal workforce training programs.

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18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

The Technical Education Equipment Grant program in Wisconsin is comparable to the grant programs in the states surrounding Wisconsin as it applies to the acquisition of technical equipment. A couple of the surrounding states offer funding for other costs associated with a Technical Education program that Wisconsin does not include in this grant.

Minnesota – The Partnership Program allows Minnesota participating businesses to partner with an accredited Minnesota educational institutions to develop and deliver custom training specific to business needs. Grants up to \$400,000 are available for training related costs such as curriculum development, instruction, training materials and supplies, training equipment, and instructor travel.

Illinois – The Industrial Development Assistance Law allows local school districts and community colleges to apply for and receive grants under Act 100-0679 for the acquisition of land, construction of facilities, and purchase of equipment, dedicated solely to the instruction of occupations in manufacturing.

Iowa – The Registered Apprenticeship Program (RAP) use apprenticeship training program funds to support grants to Registered Apprenticeship program sponsors – which are typically employers, labor management partnerships, or industry associations to subsidize the cost of RAP. Such costs included related classroom instruction, purchasing equipment for the apprenticeship program, and establishing new locations to expand apprenticeship training.

Michigan – The Michigan Department of Education (MDE) in 2018 to create more opportunities for in-demand career skills for 14 districts and intermediate districts with an award of \$5 million in grants to purchase specialized equipment and expand programs as part of the Career and Technical Education (CTE) Innovation and Equipment Grants. These grants allow districts to obtain equipment to expand career and technical education programs in manufacturing with an emphasis on mechatronics, computer numerical control machining, and welding.

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20. Contact Phone Number

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**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

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5. Describe the Rule's Enforcement Provisions

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes    No
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