

# **STATEMENT OF SCOPE**

## **Department of Workforce Development**

### **Rule No.**

DWD 295 and DWD 296

### **Relating to**

Apprenticeship Program; Equal Employment Opportunity

### **Rule Type**

Emergency

### **Finding/Nature of Emergency**

The department is recognized by the U.S. Department of Labor, Office of Apprenticeship, as a state apprenticeship agency. Due to the changes under 29 CFR Part 29 and 29 CFR Part 30, the department is required to implement federal changes by January 18, 2019. If these changes are not implemented on the state level, the department risks losing this recognition and will no longer be permitted to register apprentices. The department is currently in the process of promulgating a permanent rule relating to this matter.

### **Detailed Description of the Objective of the Proposed Rule**

The emergency rule will incorporate changes to ch. DWD 295 relating to apprenticeship to be in compliance with ch. DWD 296 relating to federal equal employment opportunity standards for apprenticeship programs to conform to state and federal regulations. 29 CFR Part 29 and 29 CFR Part 30 were updated and directs the department to incorporate rules for all apprenticeship programs. This rule will implement those changes under chs. DWD 295 and DWD 296.

### **Description of Existing Policies Relevant to the Rule, New Policies Proposed to be Included in the Rule, and an Analysis of Policy Alternatives**

Under 29 CFR 30.18 the department is directed to incorporate rules for all apprenticeship programs registered with the state for federal purposes to comply with the requirements of the state equal employment opportunity plan and promulgate rules that correspond to the requirements under 29 CFR 30 including all the following:

- Adds age, disability, sexual orientation and genetic information as additional protected bases.
- Clarifies specific actions that sponsors must undertake to provide equal opportunity in apprenticeship programs.
- Streamlines and clarifies the outreach and recruitment obligation so all sponsors engage in three (3) effective outreach and recruitment activities to generate referrals across demographic groups within the sponsor's recruitment area.
- Simplifies procedures for selecting apprentices by eliminating four (4) proscriptive categories.

In addition, this rule will make minor and technical changes to ch. DWD 295.

The policy alternative is to do nothing. The department is recognized by the U.S. Department of Labor, Office of Apprenticeship, as a state apprenticeship agency. If the department does not promulgate an emergency rule, the department will be at risk of losing this recognition and will not be permitted to register apprentices.

### **Detailed Explanation of Statutory Authority for the Rule (Including the Statutory Citation and Language)**

*Section 106.01 (11) (a) and (b), Stats.*

**106.01 (11)** *The department shall promulgate rules to implement this section, including rules providing for all of the following:*

*(a) The provisions that are required to be included in an apprentice contract.*

*(b) Procedures for approving and for rescinding approval of apprenticeship programs.*

### **Estimate of Amount of Time that State Employees Will Spend Developing the Rule and of Other Resources Necessary to Develop the Rule**

The estimated time is 240 hours.

### **List with Description of All Entities that May Be Affected by the Proposed Rule**

The emergency rule will impact all employers or organizations employing an apprentice (an apprentice may be any person 16 year of age or over that enters into a contract to serve as an apprentice) under Wis. Stats. ch. 106.

### **Summary and Preliminary Comparison with Any Existing or Proposed Federal Regulation that is Intended to Address the Activities to be Regulated by the Proposed Rule**

29 CFR 29 sets forth the labor standards to safeguard the welfare of apprentices, promote apprenticeship opportunity, and to extend the application of such standards by prescribing policies and procedures concerning the registration of acceptable apprenticeship programs with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship. These labor standards, policies and procedures cover the registration, cancellation and deregistration of apprentice programs and of apprenticeship agreements, the recognition of a state agency as an authorized agency for registering apprentice programs for certain federal purposes.

29 CFR 30 promotes equal opportunity for apprentices and applicants for apprenticeship in registered apprenticeship program by prohibiting discrimination based on race, color, religion, national origin, sex, sexual orientation, age (40 or older), genetic information and disability. 29 CFR 30 also prescribes affirmative action efforts sponsors must take to ensure equal opportunity for apprentices and applicants for apprenticeship. The regulations also establish procedures for deregistration of an apprenticeship program in the event of noncompliance of regulations and prescribe the equal opportunity requirements for state apprenticeship agencies.

### **Anticipated Economic Impact of Implementing the Rule (Note if the Rule is Likely to Have a Significant Economic Impact on Small Businesses)**

There is no anticipated economic impact of implementing the emergency rule. Under ch. DWD 296, sponsors of an apprentice are required to promote equality of opportunity in apprenticeship by prohibiting discrimination based on the specified protected classes.

**Contact Person:** Karen Morgan, Apprenticeship Bureau Director, (608) 266-3133,  
[Karen.Morgan@dwd.wisconsin.gov](mailto:Karen.Morgan@dwd.wisconsin.gov)