

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<p>1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected</p>	<p>2. Date 11.25.2024</p>
<p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) DWD 802 - Technical Education Grants</p>	
<p>4. Subject Emergency rule regarding grant uses, grant eligibility for school district consortia, matching funds, grants to school districts eligible for sparsity aid, and maximum amount of grants</p>	
<p>5. Fund Sources Affected <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 Section 20.445 (1) (cg), Stats.</p>
<p>7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <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) <input type="checkbox"/> State's Economy <input type="checkbox"/> Specific Businesses/Sectors <input checked="" type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)</p>	
<p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$-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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>11. Policy Problem Addressed by the Rule The Department promulgated ch. DWD 802 to establish requirements and procedures for awarding technical education equipment grants to school districts under s. 106.275, Stats., which was created by 2017 Wisconsin Act 59. 2023 Wisconsin Act 165 made changes to s. 106.275, Stats., regarding the subjects listed in item 4. As a result, ch. DWD 802 no longer aligns with s. 106.275, Stats. The purpose of this emergency rule is to align ch. DWD 802 with the revised statute so that the Department can award grants in early 2025. The Department is in the process of promulgating a permanent rule (see Scope Statement SS 085-24) that has the same purpose as the emergency rule. However, the Department will not be able to complete the process for promulgating the permanent rule in time to award the grants in early 2025.</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. Not applicable. Section 227.137 (3) (intro.), Stats., requires this information for an economic impact analysis (EIA). Section 227.137 (5), Stats., provides that an EIA is not required for emergency rules.</p>	
<p>13. Identify the Local Governmental Units that Participated in the Development of this EIA. Not applicable. Section 227.137 (3) (intro.), Stats., requires this information for an EIA. Section 227.137 (5), Stats., provides that an EIA is not required for emergency rules.</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) The emergency rule effectuates the anticipated economic impact intended by the Legislature in enacting 2023 Wisconsin Act 165. As noted above, the Department is working on promulgating a permanent rule that has the same effect.</p>	
<p>15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The emergency rule ensures that ch. DWD 802 aligns with s. 106.275, Stats., as revised by 2023 Wisconsin Act 165, while the Department works on promulgating the permanent rule noted above.</p>	

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The alternative is to not promulgate the emergency rule. If the Department does not promulgate the emergency rule, ch. DWD 802 will not align with the revised statute when the Department awards grants in early 2025.

16. Long Range Implications of Implementing the Rule

An emergency rule is temporary and has no long range implications.

17. Compare With Approaches Being Used by Federal Government

The grants awarded under the emergency rule will complement existing job training opportunities under the Wisconsin Fast Forward programs, the federal Workforce Innovation and Opportunity Act of 2014, and other local, state, and federal workforce training programs.

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

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 Iowa Department of Education announced \$1.7 million in Credentials to Career grants to support high schoolers in earning industry-recognized credentials in January 2024. The Credentials to Career grants are available to Iowa School Districts to align secondary career and technical education programs with industry-recognized credentials. Funding through the Credentials to Careers grant can be used by school districts to develop, broaden and enhance CTE pathway programs. Allowable costs include student exam fees, instructional equipment, non-consumable instructional supplies, computer equipment and software, wired and wireless internet connections, installation costs, instructor training related to new equipment purchases, instructor training expenses required to offer the credential and curriculum enhancements.

Michigan. The Michigan Department of Education (MDE) awards grants of up to \$250,000 through the Career Pathways Grant (CPG) opportunity for entities that are eligible for funding under the federal Strengthening Career and Technical Education for the 21st Century Act, which is commonly called Perkins V. Applicants for the grants may apply for more than one instructional classification or occupational career, which could include engineering technology, drafting and design technology/architectural, biotechnology, plumbing/pipefitting, heating, air conditioning, ventilation, refrigeration, small engine repair, etc. The CPG grant supports Michigan's state plan for career and technical education under Perkins V.

Minnesota. The Partnership Program allows Minnesota participating businesses to partner with 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.

19. Contact Name

John Roos, Director, Office of Skills Development, Division of Employment Training, Department of Workforce Development

20. Contact Phone Number

(608) 733-3918

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ATTACHMENT A

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)

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

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:

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

5. Describe the Rule's Enforcement Provisions

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

- Yes No
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