

## Clearinghouse Rule 07-117

The Wisconsin Department of Commerce adopts an order to create ch. Comm 4, relating to grants for construction career academies and affecting small business.

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### Analysis of Rule

#### **1. Statutes Interpreted**

Statutes Interpreted: s. 101.31, Stats., as created by 2007 Wisconsin Act 20.

#### **2. Statutory Authority**

Statutory Authority: ss. 101.02 (1) and 101.31, Stats., as created by 2007 Wisconsin Act 20.

#### **3. Related Statute or Rule**

None

#### **4. Explanation of Agency Authority**

Under the authority of chapter 101, Stats., the Department of Commerce has oversight of various construction programs to protect public safety. Under 2007 Wisconsin Act 20, the department has been directed to administer a grant program for construction career academies.

#### **5. Summary of Proposed Rules**

The proposed rules establish administrative procedures for the submittal and approval of grants for construction career academies.

#### **6. Summary of, and Comparison with, Existing or Proposed Federal Regulations**

An internet search on federal grants for construction career academies in the U.S. federal regulations and U.S. federal register yielded no results.

#### **7. Comparison with Rules in Adjacent States**

An Internet-based search of grants programs for construction career academies in the states of Illinois, Iowa, Michigan and Minnesota found that none of the states have specific rules or programs regarding these types of grants.

#### **8. Summary of Factual Data and Analytical Methodologies**

The proposed rules were developed by reviewing the provisions under s. 101.31, Stats., as created by 2007 Wisconsin Act 20, as well as existing administrative rules for grant programs administered by the Department of Commerce.

**9. Analysis and Supporting Documents used to Determine Effect on Small Business or in Preparation of Economic Impact Report**

The proposed rules establish procedures for the issuance of grants to assist construction career academies, as instructed under s. 101.31, Stats., of 2007 Wisconsin Act 20. The enabling legislation affords certain entities the opportunity to acquire funds to further education in the various fields of construction. Based upon the conditions established under the enabling legislation, it is anticipated that construction organizations, high schools and technical colleges will be the likely applicants for the grants. These types of entities are not small businesses by definition. Therefore, the department does not believe that the proposed rules will have a direct effect on small business.

An economic impact report has not been required to be prepared.

**10. Agency Contact.**

James Quast, Program Manager, [jim.quast@wisconsin.gov](mailto:jim.quast@wisconsin.gov), (608) 266-9292

**11. Public Hearing Comments.**

The hearing record on this proposed rulemaking will remain open until February 8, 2008. Written comments on the proposed may be submitted to James Quast, at the Department of Commerce, P.O. Box 2689, Madison, WI 53701-2689, or Email at [jim.quast@wisconsin.gov](mailto:jim.quast@wisconsin.gov).

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SECTION 1. Chapter Comm 4 is created to read:

**Chapter Comm 4**  
**Grants for Construction Career Academies**

**Comm 4.01 Purpose.** The purpose of this chapter is to establish procedures for the submission and approval of grants for construction career academies as provided by s. 101.31, Stats.

**Comm 4.02 Definitions.** In this chapter:

(1) “Department” means the department of commerce.

**Comm 4.10 Eligibility. (1)** (a) Only applicants meeting all of the criteria specified in s. 101.31 (2) and (3), Stats., may applied and receive grants under this chapter.

**Note:** Section 101.31 (2) and (3), Stats., reads: (2) An organization is eligible for a grant under this section if it proposes to operate a construction career academy that meets the following minimum criteria:

(a) It has established a partnership between a school board operating a high school, or a local business or sponsoring organization, and a technical college district board or baccalaureate degree granting institution in which the partners have committed to participate in the operation of the construction career academy for a minimum of 3 years.

(b) It provides high school pupils with the opportunity to receive up to 3 years of training in construction-related careers.

(c) It incorporates industry concepts into core academic areas.

(d) It incorporates into its curriculum work experience in construction-related industries.

(e) It coordinates classroom credits with a technical college district or with a baccalaureate degree granting institution.

(f) It uses a learning community curriculum approved by the department in consultation with the department of public instruction.

(g) It awards a certificate of recognition to each pupil who successfully completes the construction career academy’s plan of study.

(3) The recipient of a grant under this section shall provide matching funds equal to 50 percent of the grant amount awarded to the recipient.

(b) Grants shall only be awarded for construction career academies located in Wisconsin.

(c) An applicant who has failed to comply with any condition imposed by the statutes or the department on any previous grant received under this chapter shall not be eligible for to apply for another grant.

(2) A grant awarded under this chapter shall only be used to cover the costs established under s. 101.31 (4), Stats.

**Note:** Section 101.31 (4), Stats., reads: (4) The recipient of a grant under this section may use the grant funds only for the following purposes:

(a) To purchase materials and equipment, fund field trips, and make improvements to facilities, or for other specific needs relating to the construction career academy.

(b) For developing a core curriculum, for professional development, or for other administrative needs of the recipient.

**Comm 4.11 Application.** An application for a grant under this chapter shall be submitted to the department on a form specified by the department.

**Note:** Application forms are available from the Department of Commerce, Safety and Buildings Division, P.O. Box 2689, Madison, WI 53701-2689, telephone 608/267-7201, or at the Safety and Buildings Web site at [www.commerce.wi.gov/SB/](http://www.commerce.wi.gov/SB/).

**Comm 4.11 Awarding of grants. (1)** (a) The amount of an award shall be limited pursuant to s. 101.31 (5), Stats.

**Note:** Section 101.31 (4), Stats., reads: **(5)** (a) The department may award a grant for the purposes described under sub. (4) (a) in an amount that equals not more than \$900 for each pupil enrolled in the construction career academy at the time that the award is granted.

(b) The department may award a grant for the purposes described under sub. (4) (b) in an amount not exceeding \$50,000.

(b) Once all the money under the grant program of this chapter has been committed, the department shall not accept or act upon additional grant applications.

**(2)** (a) Successful applicants shall be required to enter into a contract with the department for the purpose of implementing the proposed grant.

(b) The contract shall be signed by the secretary of the department and the person or persons authorized by the applicant to enter into the contract.

(c) The department may void a contract and seek a return of any funds released under the contract for failure by the recipient to perform its obligations under the contract.

(d) Amendments to these contracts may adopted by the consent of both parties.

**(3)** (a) Each successful applicant shall provide the department periodic reimbursement documentation and program reports on the project.

(b) A financial audit and final program report shall be submitted at the end of each contract.

(c) The financial audit shall be performed to the satisfaction of the department.

(d) The reimbursement documentation, audit and program reports shall be submitted to the department by a date specified in the contract.

(e) The reimbursement documentation, financial audit and the program reports become the property of the department and are open to public inspection.

**(4)** The department shall release grant funds after review and acceptance of the required reimbursement documentation.

(END)

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**EFFECTIVE DATE**

Pursuant to s. 227.22 (2) (intro.), Stats these rules shall take effect on the first day of the month following publication in the Wisconsin Administrative Register.

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