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**DATE:** March 4, 2022

**TO:** Michael J. Queensland  
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PO Box 7882  
Madison, WI 53707-7882

Edward A. Blazel  
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**FROM:** Amy Pechacek, Secretary-designee  
Department of Workforce Development

**SUBJECT:** **Notice and Report for Final Draft Form of Proposed Rule  
Clearinghouse Rule 22-010 – chs. DWD 100 to 150**

Pursuant to s. 227.19 (2), Stats., the Department of Workforce Development is submitting for legislative review the attached proposed rule in final draft form for Clearinghouse Rule 22-010. The governor approved this proposed rule on March 3, 2022. The analysis required under s. 227.14 (2), Stats., is included in the proposed rule. Also attached is the Fiscal Estimate & Economic Impact Analysis and the Rules Clearinghouse report and comments.

### *Basis and Purpose*

Certain unemployment insurance rules in chs. DWD 102 and 147 refer to Standard Industrial Classification (SIC) codes. The SIC codes have not been updated since 1987. In 1997, the federal Office of Management and Budget adopted codes under the North American Industry Classification System (NAICS) to replace SIC codes. NACIS codes are updated every five years. The proposed rule replaces the SIC code references with references to the 2022 version of the NAICS codes.

The proposed rule also makes minor and technical changes to the following unemployment insurance rules:

- Section DWD 103.01 (2) is amended to align with ch. 108, Stats.
- Section DWD 111.05 is repealed because it is obsolete.
- Section DWD 132.04 (1) is amended to correct a cross-reference.

- Section DWD 149.001 (2) (c) 1. is amended to correctly refer to the Labor and Industry Review Commission.
- The title of ch. DWD 150 is repealed and recreated to reflect the purpose of that chapter.

### ***Public Hearings***

On January 4, 2022, the Department held a preliminary public hearing and comment period on the proposed rule and no comments were received. On February 24, 2022, the Department held a public hearing on the proposed rule and no comments were received.

### ***Changes to the Analysis or Fiscal Estimate***

The Department revised the analysis to indicate that no comments were filed and that the Attorney General consented to the proposed rule's incorporation of 2022 NAICS codes by reference. The Department made no other changes to the analysis or fiscal estimate.

### ***Responses to Rules Clearinghouse***

The Rules Clearinghouse made comments and recommendations related to form, style and placement in the Administrative Code. The Department revised the rule in accordance with all of the recommendations. Note that, regarding comment 2c., the Department revised the rule to refer to the 2022 version of the NAICS code. Regarding comment 2d., the Department obtained the Attorney General's consent to adopt NAICS codes, which is indicated in the rule analysis.

### ***Final Regulatory Flexibility Analysis and Response to SBRRB***

The proposed rule does not have an effect on small businesses, as defined in s. 227.114 (1), Stats. Therefore, the Department did not submit the proposed rule to the Small Business Regulatory Review Board (SBRRB) and a final regulatory analysis is not required.