STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION DOA-2049 (R09/2016) DIVISION OF EXECUTIVE BUDGET AND FINANCE 101 EAST WILSON STREET, 10TH FLOOR P.O. BOX 7864 MADISON, WI 53707-7864 FAX: (608) 267-0372

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

| 1. Type of Estimate and Analysis | | 2. Date | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------|--|--|
| ☐ Original ☐ Updated ☐ Corrected | | 12/27/2018 | | |
| 3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) ch. DWD 295 Apprenticeship ch. DWD 296 Federal Equal Opportunity Standards for Apprenticeship Programs | | | | |
| 4. Subject | | | | |
| Implement federal regulations in the apprenticeship program Standards. | to comply w | vith federal equal employment opoprtunity | | |
| 5. Fund Sources Affected | 6. Chapter 20, Stats. Appropriations Affected | | | |
| ☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S | 20.445 (1) (b) and (1) (nd) | | | |
| 7. Fiscal Effect of Implementing the Rule | | | | |
| ☑ No Fiscal Effect ☐ Increase Existing Revenues | ☐ Increase Costs ☐ Decrease Costs | | | |
| ☐ Indeterminate ☐ Decrease Existing Revenues | ☐ Could Ab | osorb Within Agency's Budget | | |
| 8. The Rule Will Impact the Following (Check All That Apply) | | | | |
| · | ific Businesse | | | |
| | · | | | |
| | | (if checked, complete Attachment A) | | |
| 9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0 | | | | |
| 10. Would Implementation and Compliance Costs Businesses, Loca | al Government | tal Units and Individuals Be \$10 Million or more Over | | |
| Any 2-year Period, per s. 227.137(3)(b)(2)? | | | | |
| ☐ Yes No | | | | |
| 11. Policy Problem Addressed by the Rule | | | | |
| The department is directed to incorporate rules for all apprent | | | | |
| purposes to comply with the requirements of the state equal employment opportunity plan and promulgate rules that | | | | |
| correspond to the requirements under 29 CFR 29 and 29 CFR 30. Because Wisconsin is recognized as a state | | | | |
| apprenticeship agency, federal regulations required states to i | • | | | |
| 30 by January 18, 2018. Wisconsin received a federal extens | sion which ex | kpires on January 18, 2019. The department is | | |
| currently promulgating a permanent rule. | | | | |
| 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. | | | | |
| This rule will impact businesses with registered apprenticeship programs, businesses that apply for registered | | | | |
| apprenticeship programs, applicants for apprenticeship and apprentices in a registered apprenticeship program. | | | | |
| 13. Identify the Local Governmental Units that Participated in the Development of this EIA. | | | | |
| N/A | | | | |
| 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) This rule will impact specific businesses that hire apprentices. Federal regulations prohibit the discrimination and | | | | |
| harassment of an applicant for apprenticeship or an apprentice in a registered apprenticeship program because of their | | | | |
| race, color, religion, national origin, sex, sexual orientation, age (40 or older), genetic information, or disability. There | | | | |
| are no implementation or compliance costs expected to be inc | | | | |
| 15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule | | | | |
| 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. | | | | |

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| 16. Long Range Implications of Implementing the Rule The department will maintain federal recognition as a state apprenticeship agency. |
|-----------------------------------------------------------------------------------------------------------------------------------------|
| 17. Compare With Approaches Being Used by Federal Government |

The emergency rule reflects changes under federal regulations 29 CFR 29 (Labor Standards for the Registration of Apprenticeship) and 29 CFR 30 (Equal Employment Opportunity in Apprenticeship). Prior to an update in January 2017, the federal regulations were last revised in 1978, prohibiting discrimination based on race, sex, color, religion and national origin and requiring sponsors with more than five apprentices to develop and implement a written affirmative action plan for minorities and the inclusion of female apprentices. Currently, these regulations are intended to provide for more uniform training of apprentices and promote equal opportunity in apprenticeship.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota) Minnesota operates a recognized state apprenticeship agency organized under 29 CFR 29.13 (Minn. Stat. Ch. 178). Illinois, Iowa and Michigan have not established state apprenticeship agencies and registered apprenticeship in those states operates under federal law only.

| 19. Contact Name | 20. Contact Phone Number |
|------------------|--------------------------|
| Karen Morgan | 608-266-3133 |

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ATTACHMENT A

| 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 |