

**Order of the Wisconsin
Department of Workforce Development**

The Wisconsin Department of Workforce Development proposes an order to renumber and amend DWD 802.06, to amend DWD 802.03 (1) and (4), 802.04 (2) (b), (c) and (e), 802.05 (3), 802.07, 802.08, and 802.09 (3) and (4), and to create 802.06 (1) and (2), relating to technical education equipment grants.

The statement of scope for this rule, SS 102-24, was approved by the Governor on October 10, 2024, published in Register No. 826A3, on October 21, 2024, and approved by the Department of Workforce Development on November 12, 2024. This emergency rule was approved by the Governor on November 27, 2024.

Finding of Emergency

The Department of Workforce Development finds an emergency exists and that an emergency rule is necessary for the Division of Employment and Training to issue a Grant Program Announcement and award funds in a timely manner. The emergency rule is needed to align with statutory changes.

2023 Wisconsin Act 165 makes changes to s. 106.275, Stats., relating to technical education equipment grants. 2017 Wisconsin Act 59 created s. 106.275, which allows the Department to award technical education equipment grants to school districts. As required by 2017 Wisconsin Act 59, the Department promulgated rules in ch. DWD 802 to implement the grant procedures and requirements. 2023 Wisconsin Act 165 amended s. 106.275, Stats., to allow the grants to be used to enhance or improve technical education facilities; allow a consortium of school districts to receive a grant; vary the amount of required matching funds based on whether the funds are from private or public sources; require that not less than one-third of the grant monies awarded in a fiscal biennium are provided to school districts that are eligible for sparsity aid; and increase the maximum award amount from \$50,000 to \$100,000. The effective date for the changes to s. 106.275, Stats., was March 23, 2024. Those statutory changes apply to technical education equipment grants awarded after that date.

School districts and consortia of school districts are interested in participating in the Technical Education Equipment Grant program to allow students to access additional equipment and technology. An emergency rule is necessary to ensure that funds can be awarded to school districts (individually or in consortia) without delay to assist those schools in improving technical education training. The current administrative code provisions are contrary to recent statutory changes and need to be updated, consistent with recent statutory changes. While the Department is in the process of completing the rulemaking process for the permanent rule (see Scope Statement 085-24), that process cannot be completed in time to release a Grant Program Announcement to be awarded in early 2025.

Analysis Prepared by the Department of Workforce Development

Statutes Interpreted: Section 106.275, Stats.

Statutory Authority: Section 106.275 (4), Stats.

Explanation of Statutory Authority.

Section 106.275, Stats, allows the Department to award technical education equipment grants to school districts and requires the Department to promulgate rules to implement the grant procedures and requirements.

Related Statute or Rules: None

Plain Language Analysis.

This rule revises procedures and requirements in ch. DWD 802 for the Department to award technical education equipment grants to school districts in this state. This rule will align ch. DWD 802 with changes to s. 106.275, Stats., that were made in 2023 Wisconsin Act 165. Those changes do all of the following: allow the grants to be used to enhance or improve technical education facilities; allow a consortium of school districts to receive a grant; vary the amount of required matching funds based on whether the funds are from private or public sources; require that not less than one-third of the grant monies awarded in a fiscal biennium are provided to school districts that are eligible for sparsity aid; and increase the maximum amount of a grant from \$50,000 to \$100,000.

Summary of, and comparison with, existing or proposed federal regulations.

The federal Workforce Investment and Opportunity Act of 2014 (WIOA) provides funding for employment and training programs. The Department, with the approval of the Council on Workforce Investment, provides grant allocations to 11 regional workforce development boards, which fund and supervise local programs. Programs for employment placement/retention, job training, and education-related training programs are delivered through Wisconsin Job Centers.

Summary of comments on the statement of scope and description of how the comments were taken into account in drafting the rule

A preliminary hearing on the Statement of Scope for this rule, SS 102-24, was held on November 11, 2024. The Department received no comments on the Statement of Scope.

Comparison with rules in adjacent states.

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.

Summary of factual data and analytical methodologies.

As part of the process for developing this rule, the Department reviewed the changes to s. 106.275, Stats., made by 2023 Wisconsin Act 165. No other data or analysis was needed.

Development of this rule did not involve the gathering, analysis, or use of data. Therefore, s. 227.14 (2m), Stats., does not apply to this rulemaking.

Analysis and supporting documents used to determine effect on small business or in preparation of an economic impact analysis.

The proposed rule will have no significant economic impact on small businesses as defined in s. 227.114 (1), Stats.

Agency contact person.

Questions and comments related to this rule may be directed to:

John Roos, Director, Office of Skills Development, Division of Employment Training
Department of Workforce Development
Division of Employment Training
P.O. Box 7972
Madison, WI 53707
Telephone: (608) 733-3918
E-Mail: John.Roos@dwd.wisconsin.gov

Place where comments are to be submitted and deadline for submission.

Comments may be submitted to the contact person shown above. Information as to the place, date, and time of the public hearing, as well as the deadline for submitting comments, will be published in the Wisconsin Administrative Register.

Text of Rule

SECTION 1. DWD 802.03 (1) is amended to read:

DWD 802.03 **(1)** “Applicant” means a school district or a consortium consisting of multiple school districts in this state that applies to the department for a grant.

SECTION 2. DWD 802.03 (4) is amended to read:

DWD 802.03 **(4)** “Grantee” means ~~a school district~~ an applicant awarded a grant by the department.

SECTION 3. DWD 802.04 (2) (b) is amended to read:

DWD 802.04 (2) (b) The projected outcomes ~~that the applicant is seeking~~ sought to ~~achieve~~ be achieved as a result of receiving the grant.

SECTION 4. DWD 802.04 (2) (c) is amended to read: DWD 802.04 (2) (c) A summary of the applicant’s proposed budget for ~~acquiring~~ the enhancement or improvement of a technical education facility or for the acquisition of equipment used in advanced manufacturing or construction fields in the workplace, including any software necessary for the operation of that equipment and any instructional material necessary to train pupils in the operation of that equipment, and including the amount, form, and source of the matching funds required under s. DWD 802.06.

SECTION 5. DWD 802.04 (2) (e) is amended to read:

DWD 802.04 (2) (e) A narrative description of the program for which the applicant will enhance or improve a technical education facility or acquire equipment used in advanced manufacturing or construction fields in the workplace.

SECTION 6. DWD 802.05 (3) is amended to read:

DWD 802.05 **(3) MAKING AWARDS.** For each GPA, the department shall award grants to the applicants so that not less than one-third of grant moneys awarded in a fiscal biennium are provided to applicants that are either school districts that are eligible for sparsity aid under s. 115.436, Stats., or consortia that include at least one school district that is so eligible. The department shall award grants to applicants with the highest numerical scores under sub. (2) (b).

SECTION 7. DWD 802.06 is renumbered DWD 802.06 (intro.) and amended to read:

DWD 802.06 Match requirement. (intro.) An applicant may not be awarded a grant unless the applicant provides matching funds ~~equal to 200 percent of the amount of the grant that is awarded.~~ The matching funds may be in the form of money; or the monetary value of equipment; that are contributed from private sources or the applicant or from both private sources and the applicant- and that are equal to one of the following:

SECTION 8. DWD 802.06 (1) and (2) are created to read: DWD 802.06 (1) Except as provided in sub. (2), if the matching funds are contributed from private sources, 100 percent of the grant amount awarded.

(2) If any of the matching funds are contributed from school district funds, 200 percent of the grant amount awarded.

SECTION 9. DWD 802.07 is amended to read:

DWD 802.07 Use of grant funds. A grantee may use grant funds only for the enhancement or improvement of technical education facility or for the acquisition of equipment that is used in advanced manufacturing or construction fields in the workplace, together with any software necessary for the operation of that equipment and any instructional material necessary to train pupils in the operation of that equipment.

SECTION 10. DWD 802.08 is amended to read:

DWD 802.08 Amount of grants. The amount of a grant shall be based on the amount requested by the applicant and approved by the department, except that no grant may be less than \$5,000 nor more than ~~\$50,000~~ \$100,000.

SECTION 11. DWD 802.09 (3) is amended to read:

DWD 802.09 **(3)** Share the best practices employed by the grantee regarding the training of pupils in the use of ~~the~~ any equipment acquired with the grant moneys.

SECTION 12. DWD 802.09 (4) is amended to read:

DWD 802.09 **(4)** Include a plan for sustainability of ~~the~~ any such training described in sub. (3).

SECTION 13. EFFECTIVE DATE. This rule takes effect upon publication in the state newspaper and shall remain in effect for 150 days, as provided in s. 227.24 (1) (c), Stats., subject to extensions under s. 227.24 (2), Stats.

Signed this 5th day of December, 2024.

Amy Pechacek, Secretary-designee