

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-2336/1	Introduction Number AB-294	
Subject Equal pay commission		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5.Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
Fund Sources Affected		Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		445(1)(a); 445(1)(gr)
Agency/Prepared By	Authorized Signature	Date
DWD/ Barbara Murphy (608) 266-3348	Kimberly Markham (608) 267-3200	5/23/01

Fiscal Estimate Narratives

DWD 5/24/01

LRB Number	01-2336/1	Introduction Number	AB-294	Estimate Type	Original
Subject					
Equal pay commission					

Assumptions Used in Arriving at Fiscal Estimate

This bill authorizes the department, through its Equal Rights Division, to award compensatory and punitive damages in some of the employment discrimination cases handled by the division. There is a cost to the department when legislation involves an expected increase in workload sufficiently large enough to require increased staff. The division currently finds a violation in an average of one or two cases per year that would be eligible for damages under this bill. Adding this additional responsibility to the workload of the division administrative law judges would not result in significantly increased costs, although some hearings may be longer and more complex.

This bill also creates an appropriation to the division of 10% of any damages awarded. It is anticipated that this would result in approximately \$5,000 per year in increased revenue.

AB294 also requires the department to appoint a committee to study wage disparities between men and women and between minority group members and non-minority group members and to recommend solutions and policy alternatives. There is no current data source that is comprehensive enough to provide the necessary information for this review and analysis, therefore, the department anticipates having to develop a survey instrument to collect the necessary data. In addition, the department's labor market information and related staff are federally-funded, and this survey is outside the scope of allowable activities for this staff. Therefore, project staff would need to be hired.

The department would incur approximately \$508,700 in one time costs during the 16 months the bill requires a committee to study the wage disparity issue. This includes \$352,700 for one project staff for one year to staff and coordinate committee activities and an additional four project staff for 18 months to design, conduct and analyze the survey data, \$150,000 for the survey itself and \$6,600 in travel and related expenses for the committee members. In addition, a one-time cost of approximately \$2,000 is estimated for the reprinting of informational materials for the Equal Rights Division.

Local governments could incur increased costs if they were found in violation of the law for one of the bases where damages are allowed.

Long-Range Fiscal Implications

Passage of this legislation may result in a long-term increase in complaints filed with the Equal Rights Division that could result in the need for additional staff. In addition, if the survey is to be ongoing, rather than one-time, those staff and survey costs identified under the "Assumptions Used In Arriving At Fiscal Estimate" section will be permanent.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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Subject Equal pay commission		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$508,700 for staff for the committee and to conduct the study, expenses for the committee members and reprinting educational materials available to employers.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS (\$5,000)	5,000	
SEG/SEG-S		
TOTAL State Revenues	\$5,000	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$5,000	\$
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Authorized Signature Kimberly Markham (608) 267-3200		Date 5/23/01