

Fiscal Estimate — 2001 Session

- Original Updated
 Corrected Supplemental

LRB Number 01-2210/1	Amendment Number if Applicable
Bill Number AB 66	Administrative Rule Number

Subject
 Increase in the minimum hourly wage

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs — May be possible to absorb within agency's budget.
 Yes No
 Decrease Costs

Local: No Local Government Costs

- | | | |
|--|---|--|
| 1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:
<input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations
 20.370(1)(mu),(8)(mu),(4)(ma), (2)(br)

Assumptions Used in Arriving at Fiscal Estimate

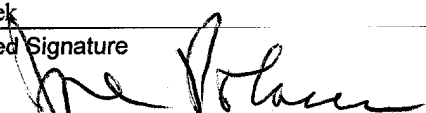
Bill Summary:

This bill directs the Department of Workforce Development (DWD) to calculate the minimum hourly wage for various classes of employes using a calculation based on the federal poverty line. The bill would raise the general minimum wage from \$5.15/hour to \$6.80/hour, and would also raise the minimum wage for other categories of minimum wage employes. The bill requires DWD to revise the minimum wage annually using annually revised federal poverty line information.

Fiscal Estimate:

The Department of Natural Resources employed some limited term employes in year 2000 who were paid less than the minimum wage proposed in this bill. These employes were largely in the Forestry and Nursery area, and also in Wildlife Management, Fisheries and Habitat, Air Management, and Communication and Education. It is estimated that the Department's costs to raise these wages to the new minimum would be \$29,000 in the first year after the bill passes, and would increase annually.

Long-Range Fiscal Implications

Prepared By: Joe Polasek	Telephone No. 266-2794	Agency Department of Natural Resources
Authorized Signature 	Telephone No. 266-2794	Date (mm/dd/ccyy) 02-01-01

Fiscal Estimate Worksheet — 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original Updated
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LRB Number 01-2210/1	Amendment Number if Applicable
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Subject
 Increase in the minimum hourly wage

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
 None

Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations — Salaries and Fringes		\$ 29,000	\$ -
(FTE Position Changes)		(FTE)	(FTE)
State Operations — Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
Total State Costs by Category		\$ 29,000	\$ -
B. State Costs by Source of Funds			
GPR		\$ 936	\$ -
FED			-
PRO/PRS		247	-
SEG/SEG-S		27,817	-
State Revenues	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Revenue	Decreased Revenue
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
Total State Revenues		\$	\$ -

Net Annualized Fiscal Impact

	<u>State</u>	<u>Local</u>
Net Change in Costs	\$ 29,000	\$
Net Change in Revenues	\$	\$

Prepared By: Joe Polasek	Telephone No. 266-2794	Agency Department of Natural Resources
Authorized Signature 	Telephone No. 266-2794	Date (mm/dd/ccyy) 07-01-01