

### Fiscal Estimate — 2001 Session

- Original       Updated  
 Corrected       Supplemental

LRB Number 01-1272/1	Amendment Number if Applicable
Bill Number SB 33	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<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:<br><input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues<br><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**

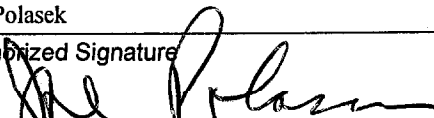
**Bill Summary:**

This bill directs the Department of Workforce Development (DWD) to calculate the minimum hourly wage for various classes of employees 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 employees. 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 employees in year 2000 who were paid less than the minimum wage proposed in this bill. These employees 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**

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**Fiscal Estimate Worksheet — 2001 Session**  
 Detailed Estimate of Annual Fiscal Effect

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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
<b>A. State Costs by Category</b>			
State Operations — Salaries and Fringes		\$ 29,000	\$ -
(FTE Position Changes)		( FTE )	( FTE )
State Operations — Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
<b>Total State Costs by Category</b>		\$ 29,000	\$ -
<b>B. State Costs by Source of Funds</b>			
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			-
<b>Total State Revenues</b>		\$	\$ -

**Net Annualized Fiscal Impact**

	State	Local
Net Change in Costs	\$ 29,000	\$
Net Change in Revenues	\$	\$

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