

Fiscal Estimate Narratives

DWD 3/20/2008

LRB Number	07-3798/2	Introduction Number	SB-568	Estimate Type	Original
Description Payment of the prevailing wage rate to laborers, workers, mechanics, and truck drivers employed on a publicly funded private construction project, submission of certain payroll information on a weekly basis by a contractor, subcontractor, or agent performing work on a project that is subject to the prevailing wage law to the local governmental unit, state agency, or owner or developer authorizing the work, inspection of the payroll records of contractors, subcontractors, and agents performing work on projects that are subject to the prevailing wage law, granting rule-making authority, and providing penalties					

Assumptions Used in Arriving at Fiscal Estimate

The provision within SB 568 to limit charges to complainants for the cost of investigations to those complaints that are invalid and were filed frivolously will decrease department revenues by about \$250.00 per year.

The expansion of projects covered under state prevailing wage laws to include private projects that directly or indirectly receive public financing will double the number of projects covered by the law. The department therefore will have to issue in the vicinity of 3,000 project determinations per year rather than the current 1,500 per year. The department anticipates doubling the number of covered projects will also double the number of complaints the department receives alleging violations of state prevailing wage laws [from 82 to 164 per year]. The department estimates it will need one additional Equal Rights Officer-Senior to investigate these cases. The annual cost of funding the Equal Rights Officer-Senior position for salary, fringe benefits and supplies/services would be \$68,100.00.

There would also be a one-time cost of \$6,500 to set up the ERO position for office equipment.

The department doesn't anticipate the proposed changes in SB 568 will require local government entities to incur any mandatory costs.

Long-Range Fiscal Implications

None.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The division will incur a one-time cost of \$6,500 for equipping an office for an Equal Rights Officer.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$55,900	\$
	(FTE Position Changes)	(1.0 FTE)	
	State Operations - Other Costs	12,200	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$68,100	\$
B. State Costs by Source of Funds			
	GPR	68,100	
	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		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$68,100	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date

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