



## Fiscal Estimate Narratives

DWD 2/9/2018

LRB Number	17-0287/1	Introduction Number	AB-0814	Estimate Type	Original
<b>Description</b> a state minimum wage, permitting the enactment of local minimum wage ordinances, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, providing an exemption from rule-making procedures, and requiring the exercise of rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

This bill raises the minimum wage for employees generally as follows: on effective date \$8.50 per hour; one year after effective date \$10 per hour; two years after effective date \$11.50 per hour; three years after effective date \$13 per hour; four years after effective date \$14 per hour; five years after effective date \$15 per hour.

Six years after the bill's effective date, the bill requires the Department of Workforce Development annually to promulgate rules revising the minimum wages by determining the percentage difference between the consumer price index for the preceding 12-month period and the consumer price index for the year before the preceding year.

The bill eliminates the prohibition of a city, village, town, or county from enacting and administering an ordinance establishing a minimum wage.

The Department of Workforce Development estimates this legislation would create 200 additional wage complaints annually because the state minimum wage rates would be higher than the federal rates. To meet this increased workload, the DWD Equal Rights Division would require an additional Equal Rights Officer (1.0 FTE) at a cost of \$69,000 GPR. There would be a one-time GPR start-up cost of \$3,500 to staff the position. Finally, annual GPR costs of \$5,000 are needed to update and reprint existing documentation relating to state minimum wage laws.

Local governments that employ people at the current minimum wage would have to raise the wage rate each year, however, the cost to local governmental units are indeterminate at this time.

### Long-Range Fiscal Implications

To meet this increased workload, the DWD Equal Rights Division would require an additional Equal Rights Officer (1.0 FTE) at a cost of \$69,000 GPR. Annual GPR costs of \$5,000 are needed to update and reprint existing documentation relating to state minimum wage laws.

## Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
  Updated
  Corrected
  Supplemental

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<b>Description</b> a state minimum wage, permitting the enactment of local minimum wage ordinances, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, providing an exemption from rule-making procedures, and requiring the exercise of rule-making authority		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  One-time GPR start-up cost of \$3,500 to staff the position.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$49,800	\$
(FTE Position Changes)	(1.0 FTE)	
State Operations - Other Costs	24,200	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$74,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	74,000	
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$74,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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