



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Assembly Bill 49

**Assembly Substitute
Amendment 1**

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Current Law

Currently, both the state and federal governments have established a minimum wage that must be paid to certain employees for each hour the employee works. Currently, both state and federal law provide for a minimum wage for most nonexempt, hourly employees of \$5.15 per hour. Special minimum wage rates apply for new employees under 20 years of age, tipped employees, agricultural employees, and certain disabled employees. Generally, federal law provides that when an employee is covered by both the state and federal minimum wages, the more generous one will apply.

2005 Assembly Bill 49

Generally, 2005 Assembly Bill 49 requires that the state's minimum wage law be construed as an enactment of statewide concern for the purpose of providing a living wage that is uniform throughout the state. As a result, the bill preempts, with limited exceptions, local ordinances establishing a living wage ordinance unless the ordinance *strictly conforms* to the state's minimum wage law.

Assembly Substitute Amendment 1

Assembly Substitute Amendment 1 also provides that the state minimum wage law is to be construed as an enactment of statewide concern for the purpose of providing a living wage that is uniform throughout the state. The substitute amendment, however, prohibits a city, village, town, or county from enacting a living wage ordinance *regardless of whether the ordinance strictly conforms* to the state living wage law. In addition, the amendment voids any city, village, town, or county living wage ordinance in effect on the effective date of the bill.

The amendment does not apply, however, to local ordinances that:

1. Require employees employed on a public works project contracted for by a city, village, town, or county to be paid at the prevailing wage rate required under the statutes.
2. Require an employee of a county, city, village, or town to be paid at a minimum wage rate.
3. Require an employee who performs work under a contract for the provision of services to a county, city, village, or town to be paid at a minimum wage rate.
4. Require an employee who performs work that is funded by financial assistance from a county, city, village, or town to be paid at a minimum wage rate.

Legislative History

Assembly Substitute Amendment 1 was offered by Representative Nass on May 3, 2005. On the same day, the Assembly adopted Assembly Substitute Amendment 1 on a voice vote and passed the bill, as amended, on a vote of Ayes, 58; Noes, 37; Paired, 2.

RJC:rv:ksm