



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2009 Senate Bill 1

**Senate Substitute
Amendment 1 and Senate
Amendment 1 to Senate
Substitute Amendment 1**

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Current Law

Currently, the state minimum wage law requires that employers pay a living wage to their employees. Under that law, the Department of Workforce Development (DWD) has promulgated rules setting forth minimum wages for various types of employees, including employees, generally; minor employees; opportunity employees, which are defined as employees under 20 years of age in their first 90 days of employment with a particular employer; tipped employees; agricultural employees; camp counselors; golf caddies; students employed at independent colleges and universities for less than 20 hours per week; student learners employed in bona fide school training programs; and individuals who are unable to earn the standard minimum wage because of a disability.

DWD has provided, by rule, an exemption from the minimum wage law for employees who have performed less than 15 hours per week of casual employment, such as baby-sitting or lawn mowing, in or around an employer's home; employees who provide companionship services to elderly or infirm individuals; and elementary and secondary school students performing work-like activities in their schools. In addition, DWD has promulgated rules providing allowances against the minimum wage for employers who provide meals or lodging for their employees.

Senate Substitute Amendment 1

Senate Substitute Amendment 1 provides that DWD will continue to provide the exemptions listed above and separate minimum wages for students employed at independent colleges and universities for less than 20 hours per week, student learners employed in bona fide school training programs, and individuals who are unable to earn the standard minimum wages because of a disability. For other employees however, the substitute amendment sets the minimum wages, effective on June 1, 2009, or on the day after publication of the substitute amendment, whichever is later.

The following tables show the minimum wages as provided for in Senate Bill 1 and the changes made, if any, by Senate Substitute Amendment 1.

	<i>SENATE BILL 1</i>	<i>SENATE SUBSTITUTE AMENDMENT 1</i>
<i>Employees Generally</i>		
Current minimum wage	\$6.50 per hour	Same as Senate Bill 1
Minimum wage on effective date	\$7.60 per hour	Same
<i>Minor Employees</i>		
Current minimum wage	\$5.90 per hour	Same
Minimum wage on effective date	\$6.90 per hour	\$7.25 per hour
<i>Opportunity Employees</i>		
Current minimum wage	\$5.90 per hour	Same
Minimum wage on effective date	\$6.90 per hour	Same
<i>Tipped Employees</i>		
Current minimum wage	\$2.33 per hour for nonopportunity employees.	Same
	\$2.13 per hour for opportunity employees.	Same
Minimum wage on effective date	\$2.75 per hour for nonopportunity employees. \$2.50 per hour for opportunity employees.	Same
<i>Adult Camp Counselors</i>		
Current minimum wage		\$315 per week if meals and lodging not furnished. \$240 per week if meals, but not lodging, furnished. \$189 per week if meals and lodging furnished.
Minimum wage on effective date	\$369 per week if meals and lodging not furnished. \$281 per week if meals but not lodging furnished. \$221 per week if meals and lodging furnished.	\$350 per week if meals and lodging not furnished. \$265 per week if meals, but not lodging, furnished. \$210 per week if meals and lodging furnished.

	SENATE BILL 1	SENATE SUBSTITUTE AMENDMENT 1
<i>Minor Camp Counselors</i>		
Current minimum wage		\$275 per week if meals and lodging not furnished. \$209 per week if meals, but not lodging, furnished. \$165 per week if meals and lodging furnished.
Minimum wage on effective date	\$322 per week if meals and lodging not furnished. \$245 per week if meals, but not lodging, furnished. \$193 per week if meals and lodging furnished.	\$350 per week if meals and lodging not furnished. \$265 per week if meals, but not lodging, furnished. \$210 per week if meals and lodging furnished.
<i>Golf Caddies</i>		
Current minimum wage	\$10.50 for 18 holes \$5.90 for 9 holes	Same Same
Minimum wage on effective date	\$12.30 for 18 holes \$6.90 for 9 holes	Same Same

The substitute amendment also increases the allowance against the minimum wage that an employer who provides room and board for an employee may take as follows:

	SENATE BILL 1	SENATE SUBSTITUTE AMENDMENT 1
<i>Employees Generally</i>		
Lodging		
Current allowance	\$52 per week or \$7.40 per day	Same
Allowance on effective date	\$61 per week or \$8.65 per day	Same
Meals		
Current allowance	\$78 per week or \$3.70 per meal	Same
Allowance on effective date	\$91 per week or \$4.35 per meal	Same
<i>Minor Employees</i>		
Lodging		

	<i>SENATE BILL 1</i>	<i>SENATE SUBSTITUTE AMENDMENT 1</i>
Current allowance	\$47.20 per week or \$6.75 per day	Same
Allowance on effective date	\$55.20 per week or \$7.90 per day	\$58 per week or \$8.30 per day
<i>Meals</i>		
Current allowance	\$70.80 per week or \$3.35 per meal	Same
Allowance on effective date	\$82.85 per week or \$3.90 per meal	\$87 per week or \$4.15 per meal
<i>Opportunity Employees</i>		
<i>Lodging</i>		
Current allowance	\$47.20 per week or \$6.75 per day	Same
Allowance on effective date	\$55.20 per week or \$7.90 per day	Same
<i>Meals</i>		
Current allowance	\$70.80 per week or \$3.35 per meal	Same
Allowance on effective date	\$82.85 per week or \$3.90 per meal	Same
<i>Adult Agricultural Employees</i>		
<i>Lodging</i>		
Current allowance	\$41.20 per week or \$5.90 per day	Same
Allowance on effective date	\$48.20 per week or \$6.90 per day	\$58 per week or \$8.30 per day
<i>Meals</i>		
Current allowance	\$61.80 per week or \$2.95 per meal	Same
Allowance on effective date	\$72.30 per week or \$3.45 per meal	\$87 per week or \$4.15 per meal
<i>Minor Agricultural Employees</i>		
<i>Lodging</i>		
Current allowance	\$34 per week or \$4.85 per day	Same

	<i>SENATE BILL 1</i>	<i>SENATE SUBSTITUTE AMENDMENT 1</i>
Allowance on effective date	\$39.80 per week or \$5.65 per day	\$58 per week or \$8.30 per day
<i>Meals</i>		
Current allowance	\$51 per week or \$2.40 per meal	Same
Allowance on effective date	\$59.65 per week or \$2.80 per meal	\$87 per week or \$4.15 per meal

Beginning on June 1, 2010, the substitute amendment requires DWD to annually promulgate rules revising the minimum wages and allowances for meals and lodging established under the substitute amendment by determining the percentage difference between the Consumer Price Index for the preceding year and the Consumer Price Index for the current year. Adjusting the minimum wages and allowances in effect on May 31 of the current year by that percentage difference, and rounding that result to the nearest multiple of \$0.05 or, in the case of a camp counselor, the nearest dollar. The substitute amendment modifies the bill to provide that this requirement does not apply if the Consumer Price Index for the current year has not increased over the Consumer Price Index for the preceding year.

Current law prohibits a city, village, town, or county from enacting an administrative ordinance establishing a living wage. The original bill and the substitute amendment eliminate the prohibition.

Senate Amendment 1 to Senate Substitute Amendment 1

The substitute amendment provided that the minimum wage set forth in the bill applied to wages earned before “June 1, 2010” and for wages earned beginning on “June 1, 2010” at an amount set by rule by DWD. Senate Amendment 1 changes the “June 1” date to “September 1” throughout the bill. The substitute amendment required DWD to base their calculation of the Consumer Price Index on the 12-month period ending the last day of February. Senate Amendment 1 changes that date to May 31.

Legislative History

Senate Bill 1 was introduced on January 8, 2009, by Senators Decker and Kreitlow and others; and cosponsored by Representatives Mason and Sinicki and others. The bill was referred to the Senate Committee on Labor, Elections, and Urban Affairs. Senator Decker offered Senate Substitute Amendment 1 on January 23, 2009 and the committee held a public hearing on the legislation on January 30, 2009. The Senate Committee on Labor, Elections, and Urban Affairs in an executive session on January 30, 2009 reported adoption of Senate Substitute Amendment 1 and passage of the bill, as amended, on separate votes of Ayes, 3; Noes, 2.

The Senate adopted Senate Amendment 1 to Senate Substitute Amendment 1, offered by Senator Decker on a voice vote. The Senate voted on February 10, 2009 to pass Senate Substitute Amendment 1, as amended, on a vote of Ayes, 18; Noes, 14.

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