



2013 SENATE BILL 626

February 20, 2014 - Introduced by Senator GROTHMAN, cosponsored by Representative KAPENGA. Referred to Committee on Economic Development and Local Government.

1 **AN ACT to amend** 104.001 (3) (b); and **to create** 66.0903 (1r) of the statutes;
2 **relating to:** preemption of city, village, town, or county living wage ordinances
3 with respect to employees who perform work that is funded, in whole or in part,
4 with state funds and preemption of residency requirements for laborers,
5 workers, mechanics, and truck drivers employed on local projects of public
6 works to which the prevailing wage law applies who perform work that is
7 funded with state funds.

Analysis by the Legislative Reference Bureau

Under current law, a city, village, town, or county may not enact and administer an ordinance establishing a living wage (local living wage ordinance), which is defined under current law as compensation sufficient to enable an employee to maintain himself or herself under conditions consistent with his or her welfare. Current law, however, exempts from that prohibition an ordinance that requires an employee of a county, city, village, or town, an employee who performs work under a contract for the provision of services to a county, city, village, or town, or 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 specified in the ordinance.

This bill provides that a local living wage ordinance is preempted with respect to an employee who performs work that is funded, in whole or in part, with funds of the state or federal funds passing through the state treasury.

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Under current law, no local governmental unit may require, as a condition of employment, that any employee or prospective employee reside within any jurisdictional limit.

This bill prohibits a local governmental unit from requiring that any laborer, worker, mechanic, or truck driver employed on a project of public works to which the prevailing wage law applies who performs work that is funded, in whole or in part, with funds of this state or federal funds passing through the state treasury reside within any jurisdictional limit. Generally, the prevailing wage law applies to any single-trade project of public works for which the estimated project cost of completion is \$48,000 or more and to any multiple-trade project of public works for which the estimated project cost of completion is \$100,000 or more.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.0903 (1r) of the statutes is created to read:

2 66.0903 (1r) RESIDENCY REQUIREMENTS PROHIBITED. (a) The legislature finds
3 that residency requirements for laborers, workers, mechanics, and truck drivers
4 employed on projects of public works to which this section applies who performs work
5 that is funded, in whole or in part, with funds of this state or federal funds passing
6 through the state treasury are a matter of statewide concern.

7 (b) Except as provided in par. (c), no local governmental unit may require that
8 any laborer, worker, mechanic, or truck driver employed on a project of public works
9 to which this section applies who performs work that is funded, in whole or in part,
10 with funds of this state or federal funds passing through the state treasury reside
11 within any jurisdictional limit. If a local governmental unit has a residency
12 requirement described in this paragraph that is in effect on the effective date of this
13 paragraph [LRB inserts date], the residency requirement does not apply and may
14 not be enforced.

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1 (c) This subsection does not affect any statute that requires a person described
2 in par. (b) to reside within the jurisdictional limit of any local governmental unit or
3 any provision of state or local law that requires a person described in par. (b) to reside
4 in this state.

5 **SECTION 2.** 104.001 (3) (b) of the statutes is amended to read:

6 104.001 (3) (b) An ordinance that requires an employee of a county, city, village,
7 or town, an employee who performs work under a contract for the provision of
8 services to a county, city, village, or town, or an employee who performs work that is
9 funded by financial assistance from a county, city, village, or town, to be paid at a
10 minimum wage rate specified in the ordinance, except that this section preempts
11 such an ordinance with respect to an employee who performs work that is funded,
12 in whole or in part, with funds of this state or federal funds passing through the state
13 treasury. Any ordinance described in this paragraph that is in effect on the effective
14 date of this paragraph [LRB inserts date], is void with respect to an employee who
15 performs work that is funded, in whole or in part, with funds of this state or federal
16 funds passing through the state treasury.

17 **SECTION 3. Initial applicability.**

18 (1) COLLECTIVE BARGAINING AGREEMENTS. This act first applies to an employee
19 who is affected by a collective bargaining agreement that contains provisions that
20 are inconsistent with this act on the day on which the collective bargaining
21 agreement expires or is modified, extended, or renewed, whichever occurs first.

22 (END)