

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

FISCAL ESTIMATE

DOA-2048 N(R10/94)

Subject

Increase in the minimum hourly wage

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

- | | | |
|---|---|---|
| <p>1. <input type="checkbox"/> Increase Costs
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>2. <input type="checkbox"/> Decrease Costs
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>3. <input type="checkbox"/> Increase Revenues
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>4. <input type="checkbox"/> Decrease Revenues
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>5. Types of Local Government Units Affected:</p> <p><input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities</p> <p><input type="checkbox"/> Counties <input type="checkbox"/> WTCS Districts</p> <p><input type="checkbox"/> School Districts <input type="checkbox"/> Others</p> |
|---|---|---|

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

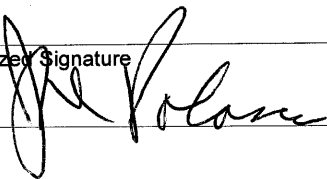
20.370 (1)(mu), (4)(ma), (8)(mu), 8)(ma)

Assumptions Used in Arriving at Fiscal Estimate

SUMMARY OF BILL - This bill directs the Department of Workforce Development (DWD) to calculate the minimum hourly wage for various classes of employes using a calculation based on the federal poverty line. The bill would raise the general minimum wage from \$5.15/hour to \$6.55/hour, and would also raise the minimum wage for other categories of minimum wage employes, including opportunity, tipped, and agricultural. The bill requires DWD to revise the minimum wages annually using annually revised federal poverty line information. The bill eliminates the requirement that DWD consider the effect that an increase in the living wage might have on the state's economy in determining the living wage.

FISCAL EFFECT - The Department of Natural Resources employed 329 limited term employes in 1999 who were paid less than the minimum wage proposed in this bill. It is estimated that the Department's costs to raise these wages to the new minimum would be \$47,100 annually in the first year after the bill passes, and would increase annually.

Long-Range Fiscal Implications

Agency	Prepared By	Phone No.	Authorized Signature	Phone No.	Date
DNR	Joe Polasek	(608) 266-2794		(608) 266-2794	09/17/1999

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No. SB 193, 99-2648/1	Amendment No.
--	---------------

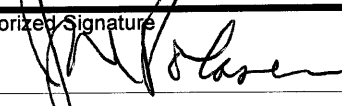
Subject
Increase in the minimum hourly wage

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
A. State Costs by Category		Increased Costs	Decreased Costs
State Operations - Salaries and Fringes		\$47,100	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$47,100	
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$2,800	
FED			
PRO/PRS			
SEG/SEG-S		\$44,300	
III. State Revenues:		Increased Rev.	Decreased Rev.
<small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>			
GPR Taxes			
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues			

NET ANNUALIZED IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$47,100	
NET CHANGE IN REVENUES		

Agency DNR	Prepared By Joe Polasek	Phone No. (608) 266-2794	Authorized Signature 	Phone No. (608) 266-2794	Date 09/17/1999
---------------	----------------------------	-----------------------------	--	-----------------------------	--------------------