

Fiscal Estimate Narratives
DWD 11/26/2003

LRB Number 03-1714/3	Introduction Number AB-682	Estimate Type Original
Subject Drug-free construction sites		

Assumptions Used in Arriving at Fiscal Estimate

The department has two responsibilities under this bill. It must investigate complaints filed by persons alleging that contractors are not maintaining a bona fide drug testing program for their employees who work on prevailing wage rate projects. The department anticipates it will receive less than 10 complaints a year. The department may also initiate investigations on its own to ensure contractors are complying with this law. Limited resources and tight budgets may limit the department's ability to conduct investigations. The investigation of ten complaint investigations per year would cost the department about \$5,000. The department assumes it would take an Equal Rights Officer-Senior approximately 28 hours to investigate each complaint. At a cost of \$17.59 per hour with fringe benefits the approximate cost per investigation would be about \$500 per complaint. The department assumes it would be able to absorb this cost.

The second responsibility under the bill for the department is to ensure that employees tested for drugs are properly paid for time spent in the testing process. The department anticipates that once employers become fully aware of the need to compensate employees for time spent in drug testing the employers will pay their employees properly for this work time.

The department anticipates local governments will encounter some increased costs on public works projects due to the bill's requirements that contractors working on these projects must have a drug testing program and that employee time on the project spent testing for the presence of drugs will be paid work time. It is anticipated the contractor will pass these increased costs on to the local government entities that own the projects. However, the contractors may save money by having a drug testing system if they are able to reduce lost time due to drug use by employees.

Long-Range Fiscal Implications

Same as short range.

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Drug-free construction sites			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
None.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$5,000	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$5,000	\$
B. State Costs by Source of Funds			
	GPR	5,000	
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$5,000	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By			
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