

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number 05-3029/1		Introduction Number AB-537	
Subject Minimum wage; index to changes in consumer price index			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Decrease Costs			
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input checked="" type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input checked="" type="checkbox"/> Towns		<input checked="" type="checkbox"/> Village	
<input checked="" type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input checked="" type="checkbox"/> School Districts		<input checked="" type="checkbox"/> WTCS Districts	
<input checked="" type="checkbox"/> Cities			
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.445(1)(a)			
Agency/Prepared By		Authorized Signature	
DWD/ Robert Anderson (608) 266-3345		JoAnna Richard (608) 267-3200	
		Date	
		7/15/2005	

Fiscal Estimate Narratives

DWD 7/15/2005

LRB Number	05-3029/1	Introduction Number	AB-537	Estimate Type	Original
Subject					
Minimum wage; index to changes in consumer price index					

Assumptions Used in Arriving at Fiscal Estimate

In the past 8 years there has been only one state minimum wage increase. Consequently there has been very low demand for minimum wage brochures and posters. Annual increases in the minimum wage will create an increased demand for these publications from employers and the public. The department anticipates it will need to print and distribute an additional 50,000 brochures or posters each year over current distribution levels. The cost of printing these materials will be approximately \$1,100 per year. The department anticipates it will individually mail out approximately 20,000 of these materials to requesters each year at a cost of \$0.40 per mailing or \$8,000 per year.

The department doesn't believe annual increases in the state minimum wage will affect the number of complaints it receives alleging employers are not receiving the minimum wage.

Indexing the minimum wage to the consumer price index will mean labor costs for minimum wage employees of government units will annually increase at the rate of inflation. The exact cost to government units will be dependent on the amount of minimum wage employees a government unit has and how many hours those employees work per year.

Long-Range Fiscal Implications

The department anticipates the annualized costs cited above will continue for the foreseeable future.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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 Corrected
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Subject			
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The department will have to amend its minimum wage regulations to incorporate the changes made in this bill. The department anticipates it can make these changes using current staff and without incurring any additional costs.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$0	0	
(FTE Position Changes)	(0.0 FTE)	(0.0 FTE)	
State Operations - Other Costs	9,100	0	
Local Assistance	0	0	
Aids to Individuals or Organizations	0	0	
TOTAL State Costs by Category	\$9,100	\$0	
B. State Costs by Source of Funds			
GPR	9,100	0	
FED	0	0	
PRO/PRS	0	0	
SEG/SEG-S	0	0	
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	\$0	\$0	
GPR Earned	0	0	
FED	0	0	
PRO/PRS	0	0	
SEG/SEG-S	0	0	
TOTAL State Revenues	\$0	\$0	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$9,100	\$	
NET CHANGE IN REVENUE	\$0	\$	
Agency/Prepared By		Authorized Signature	Date
DWD/ Robert Anderson (608) 266-3345		JoAnna Richard (608) 267-3200	7/15/2005