

## Fiscal Estimate - 2005 Session

Original    
  Updated    
  Corrected    
  Supplemental

LRB Number <b>05-1415/1</b>	Introduction Number <b>AB-406</b>	
<b>Subject</b> Equal pay commission		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" 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		
<b>5. Types of Local Government Units Affected</b> <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <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)		
<b>Agency/Prepared By</b> DWD/ LeAnna Ware (608) 266-1997	<b>Authorized Signature</b> JoAnna Richard (608) 266-3131	<b>Date</b> 5/18/2005

## Fiscal Estimate Narratives

DWD 5/18/2005

LRB Number 05-1415/1	Introduction Number AB-406	Estimate Type Original
<b>Subject</b> Equal pay commission		

### Assumptions Used in Arriving at Fiscal Estimate

This bill permits a person who has been discriminated against under the Wisconsin Fair Employment Law or the department to bring an action in circuit court to recover damages. Passage of this bill may cause a small increase in caseload for the equal rights division of the department but not significant enough to require increased staff, since an Equal Rights Officer is expected to complete 132 cases per year. Informational brochures on the law that are published by the Equal Rights Division will need to be reprinted at an estimated cost of \$2,000 (GPR funded).

This bill also creates an appropriation to the division of 10% of any damages awarded. It is anticipated that this would result in approximately \$5,000 per year in increased revenue since less than 10 cases per year are expected to reach the circuit court and be eligible for a damage award.

AB406 also requires the department to appoint a committee to study wage disparities between men and women and between minority group members and non-minority group members and to recommend solutions and policy alternatives. There is no current data source that is comprehensive enough to provide the necessary information for this review and analysis, therefore, the department anticipates having to develop a survey instrument to collect the necessary data. In addition, the department's labor market information and related staff are federally-funded, and this survey is outside the scope of allowable activities for this staff. Therefore, project staff would need to be hired.

The department would incur approximately \$572,200.00 in one time costs during the 16 months the bill requires a committee to study the wage disparity issue. This includes \$415,400.00 for one project staff to coordinate committee activities and an additional four project staff to design, conduct and analyze the survey data, \$150,000 for the survey itself and \$6,800 in travel and related expenses for the committee members.

#### Local Costs:

The costs to local government are difficult to estimate since only those local governments that were found in violation of the law would have increased costs. It appears some local government costs will probably be incurred, however, since local governments do have employment discrimination complaints filed against them.

### Long-Range Fiscal Implications

There are no expected long-range fiscal implications for the department.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 05-1415/1		<b>Introduction Number</b> AB-406	
<b>Subject</b>			
Equal pay commission			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<p>The department would incur approximately \$572,200.00 in one time costs during the 16 months the bill requires a committee to study the wage disparity issue. This includes \$415,400.00 for one project staff to coordinate committee activities and an additional four project staff to design, conduct and analyze the survey data, \$150,000 for the survey itself and \$6,800 in travel and related expenses for the committee members. In addition, there is a one-time \$2,000 cost for reprinting of informational materials about the law</p>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$0	0
	(FTE Position Changes)	(0.0 FTE)	(0.0 FTE)
	State Operations - Other Costs	0	0
	Local Assistance	0	0
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$0</b>	<b>\$0</b>
<b>B. State Costs by Source of Funds</b>			
	GPR	0	0
	FED	0	0
	PRO/PRS	0	0
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned	5,000	
	FED		
	PRO/PRS		
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$5,000</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$0	\$
NET CHANGE IN REVENUE		\$5,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>

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