

Fiscal Estimate Narratives

DWD 4/23/2007

LRB Number	07-2164/1	Introduction Number	AB-0274	Estimate Type	Original
Description A state minimum wage and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

AB 274, if enacted into law, would increase Wisconsin's minimum wage for adult employees in non-agricultural occupations on September 1, 2007 from \$6.50 per hour to \$7.25 per hour with corresponding raises to Wisconsin's other minimum wage rates. The new law would also require the department annually to adjust the minimum wage based upon changes in the consumer price index. Given these changes the department makes the following assumptions:

1. Passage of this bill will result in fewer than 20 additional complaints filed with the department annually alleging minimum wage violations. The department bases this assumption upon its recent experiences with the 2005 and 2006 minimum wage increases that resulted in less than 20 additional minimum wage complaints being filed each year. Since the department annually processes in excess of 4,000 unpaid wage complaints a year of all types the department believes it can absorb this additional workload.
2. The annual cost of updating the minimum wage rates in the administrative rule, reprinting the new administrative rule and publicizing the new rule will be about \$1,500 per year.

Long-Range Fiscal Implications

The annual review and updating of Wisconsin's minimum wage will continue to cost the department about \$1,500 per year to update the administrative rule, print copies of the new rule and supporting brochures and publicize the new rates each year.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-2164/1		Introduction Number AB-0274	
Description A state minimum wage and granting rule-making authority			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$1,500 will be needed to update Wisconsin's minimum wage regulations, reprint copies of the rule and minimum wage literature and to publicize the new wage rates.			
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	0	0	
Local Assistance	0	0	
Aids to Individuals or Organizations	0	0	
TOTAL State Costs by Category	\$0	\$0	
B. State Costs by Source of Funds			
GPR	0	0	
FED	0	0	
PRO/PRS (0)	0	0	
SEG/SEG-S (0)	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	0	
SEG/SEG-S (0)	0	0	
TOTAL State Revenues	\$0	\$0	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$0	\$	
NET CHANGE IN REVENUE	\$0	\$	
Agency/Prepared By		Authorized Signature	Date
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