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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2007-08

(session year)

Joint

(Assembly, Senate or Joint)

Committee for Review of Administrative Rules...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (August 2012)

Jim Doyle
Governor

Roberta Gassman
Secretary



OFFICE OF THE SECRETARY

201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
Fax: (608) 266-1784
<http://www.dwd.state.wi.us/>

State of Wisconsin
Department of Workforce Development

Notification of Rule Referral

Proposed Rules Relating to Minimum Wage
Chapter DWD 272
CR 08-069

August 22, 2008

In accordance with s. 227.19, Stats., the Department of Workforce Development has referred:

Clearinghouse Rule Number: 08-069

Rule Number: DWD 272

Relating to: The Minimum Wage

to the Senate and Assembly clerks for referral to the appropriate standing committees for legislative review.

Howard Bernstein
Legal Counsel, Wisconsin Department of Workforce Development
P. O. Box 7946
Madison WI 53707

(608) 266-9427
howard.bernstein@dwd.state.wi.us

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State of Wisconsin
Department of Workforce Development

Rule Analysis for Legislative Review

**Proposed Rules Relating to Minimum Wage
Chapter DWD 272
CR 08-069**

Basis and Purpose of the Proposed Rules

Under the Fair Labor Standards Act (FLSA), the federal minimum wage will be \$7.25 per hour effective July 24, 2009. The Department proposes to increase the state minimum wage to \$7.25 per hour effective July 24, 2009, to match the federal rate. A detailed discussion of changes to particular wage categories and which employees are subject to the state minimum wage is included in the analysis printed with the rule text.

Public Hearing Summary

A public hearing was held in Madison, Wisconsin on August 7, 2008.

There were four registrations to testify:

One testified in support of the proposed rule.

Three testified in opposition to the proposed rule.

One person registered in opposition to the proposed rule but did not present testimony.

Three people registered as observers for information only.

There were seven submissions of written testimony, six in support of the proposed rule and one in opposition to the increase of minimum wages for camp counselors.

The following registered in support of the proposed rule:

Representative Christine Sinicki (D-20th Assembly District), Milwaukee

Thomas G. Cannon, Legal Aid Society of Milwaukee, Inc., Milwaukee

Deborah Blanks, CEO, Social Development Commission, Milwaukee

Phil Neuenfeldt, Secretary-Treasurer, Wisconsin State AFL-CIO, Milwaukee

David R. Riemer, Community Advocates, Milwaukee

Robert J. Andersen, Legal Action of Wisconsin, Madison

Sangita Nayak, Organizer, 9 to 5, Milwaukee

The following 4 individuals registered in opposition to the proposed rule:

Michael Metz, Wisconsin Independent Business, Madison

Chris Tackett, Wisconsin Merchants Federation, Madison

Bill G. Smith, National Federation of Independent Business, Madison

Chad Zuleger, Independent Business Association of WI, Madison

The following 3 individuals observed the hearing for information only:

Brenda Christensen, WI Petroleum Wholesalers & Convenience Store Association, Madison

Holly Paterson, Wisconsin Restaurant Association, Madison

Dustin Weis, WTDY Radio, Madison

Testimony and statements in favor of the rule

Representative Christine Sinicki supports raising Wisconsin's minimum wage to match the federal minimum wage. She is a former appointee to the Minimum Wage Council. Rep. Sinicki states that "since neither minimum wage, state or federal, is indexed to the rate of inflation, even a new minimum wage of \$7.25 an hour lags behind what the true minimum wage would be if it had been indexed over the last few decades. However, it certainly begins to address the grave implications of very low wages for those at the bottom of the economic ladder."

Legal Aid Society of Milwaukee, Thomas Cannon, Executive Director, supports the proposed rule to increase Wisconsin's minimum wage. He testified that many of their clients are employed in minimum wage positions and are unable to provide the necessities of life – food, shelter, and clothing for themselves. He states that in the last year, the cost of necessities has skyrocketed as a result of global and national economic conditions. A modest increase of 11% in the minimum wage is insufficient but at least a starting point.

9 to 5 National Association of Working Women, Sangita Nayak sent a letter in support of the minimum wage increase. She writes that many of our “members and the larger Milwaukee community are facing dire conditions of poverty. An increase in the minimum wage will raise the floor in Wisconsin and takes one step to lift working families out of poverty.”

Legal Action of Wisconsin, Bob Andersen submitted a letter in support of the minimum wage increase. “The proposed increase in minimum wage will greatly benefit families whose income is below the minimum wage now and it will also benefit low-income families whose incomes are only marginally higher. It will help address the problems of poverty in our society.”

Wisconsin State AFL-CIO, Phil Neuenfeldt, Secretary-Treasurer, submitted comments strongly supporting the increase in the state minimum wage. “This will be a helpful boost to those Wisconsin workers who are struggling in this tough economy but do not work for employers covered by the federal minimum wage law.”

Social Development Commission, Deborah Blanks, CEO, submitted a letter in support of increasing the Wisconsin minimum wage. “The SDC is committed to increasing the assets of low-income families via several programs... However, the program and services are only one piece of the solution. Increasing the minimum wage will provide low-income families with greater purchasing power and savings power.”

Community Advocates, David Reimer, Director of Policy and Planning, submitted a letter in support of raising the minimum wage. He proposes a series of minimum wage increases “Wisconsin would be able to reclaim its historic leadership position as a state where full-time employment lifts a growing percent of working families out of poverty...”

Testimony In Opposition to the rule

Wisconsin Independent Businesses - Michael Metz testified against the rule. “. . . When the federal minimum wage exceeds the state minimum wage, the state wage applies only to businesses grossing under \$500,000 a year. These are Wisconsin’s smallest employers and they employ Wisconsin’s most at-risk workers. . . . The businesses that will feel the greatest impact are in Northern Wisconsin. Those businesses are struggling and there can be no doubt that they will react to added mandated costs by controlling their payroll. That means less job creation and the potential for elimination of some jobs. The proposal to increase the minimum wage is honorable but not timely.”

Department response: The testimony states that businesses with annual gross sales of less than \$500,000 will not be impacted by the upcoming federal minimum wage increase on July 24, 2009. That is not entirely correct. Businesses grossing less than \$500,000 may still be impacted by the federal raise if those businesses either engage in interstate trade or receive federal funds. When one takes those two factors into consideration it greatly increases the number of small business impacted by the upcoming federal increases. This in turn greatly reduces the number of Wisconsin businesses and employees impacted by the proposed state increase

Wisconsin Merchants Federation - Chris Tackett, President and CEO, testified against the rule. “. . . Supporters of minimum wage increases often claim that the typical minimum wage employee is struggling to raise a family on a single income. According to U.S. government data, in 2006 over 80% of minimum wage recipients were teenagers living with their parents, adults living alone, or dual-earner married couples. . . . The economy today is in a fragile state. Many economists think we are headed for a recession or already in one. Employment opportunities for minorities and single mothers could be at risk. Raising the state minimum wage could further exacerbate their situation. We ask you to consider the impact this rule will have on thousands of small businesses in Wisconsin.”

Department response: The U.S government data in 2006 did find that 80% of minimum wage recipients were either adults living alone, dual-earner married couples or teenagers living with their parents. These individuals in most instances were working to provide the necessary income for these families or individuals to survive. In recent years surveys of homeless individuals have found that many of these persons held full or part-time jobs but didn't earn enough money to afford any type of housing in which to live. Raising the minimum wage is necessary to help these individuals and their families offset the recent increases in food, utility and transportation costs.

The testimony suggests that raising Wisconsin's minimum wage will impact thousands of workers in Wisconsin. This simply is not true. On July 24, 2009 the federal minimum wage is increasing to \$7.25 per hour regardless of what Wisconsin does with its minimum wage rates. Department estimates predict that only about 2,800 Wisconsin workers will be directly affected by the department's proposed increase who would not already be impacted by the federal increase.

National Federation of Independent Business – Wisconsin - Bill Smith, State Director for the National Federation of Independent Business, testified against the rule. “We . . . agree with the department's conclusion that an increase in the minimum wage increases payroll costs by \$175 million, a figure probably much closer to \$200 million or more in 2009. . . . We believe the negative economic impact of a minimum wage increase is substantial, and that it will seriously compromise the ability of a significant percentage of our state's small business community to create the jobs, hire the workers, and provide the

products and services that sustain the state's overall growth. The elimination of the rate for minors will jeopardize employment opportunities for young people, and we recommend the minimum wage differential for minors be restored. I am, therefore, requesting the Department do the economic analysis as required by Wisconsin's Act 145..."

Department response: At no point in time has the Department suggested that the proposed July 24, 2009 minimum wage increase would cost Wisconsin businesses an additional \$175,000,000 in payroll expenses.

In reviewing the analysis submitted with the rule, the Department is predicting that only about 2,800 Wisconsin employees will be directly impacted by the wage increase who are not already going to be impacted by the federal increase that has been approved for this same date. The Department's analysis found that most of the 2,800 affected workers were already earning more than \$7.00 per hour. Even if we assumed that each of the 2,800 affected workers was a full-time 40 hour a week employee and presently earning \$6.50 per hour that would mean the total financial impact would be about \$4.2 million in additional payroll costs. Since many of these workers are part-time and / or seasonal employees and most are currently earning more than \$7.00 per hour the actual economic impact would be much lower.

Mr. Smith also suggests that in addition to minimum wage employees a minimum wage increase will likely impact many employees who currently earn slightly more than the minimum wage. Whether or not that happens is up to the employer to decide. Wisconsin is not mandating that higher paid employees receive any type of a raise when the minimum wage is increased.

Mr. Smith proposed restoring Wisconsin's minimum age differential for minors. The Department has maintained the separate wage classification for minors. The Department chose to set the minor minimum wage rate at \$7.25 per hour in the proposal to match the federal rate to minimize confusion for employers attempting to comply with both state and federal minimum wage pay requirements. For the vast majority of minors employed in Wisconsin the employer would have had to pay the \$7.25 per hour federal minimum wage rate anyway. The Department anticipates the \$7.25 minor rate in the rule proposal will impact less than 1,000 Wisconsin minors.

Statement In Opposition to the rule

The Madison Jewish Community Council, Steven Morrison, Executive Director, submitted a letter describing the impact that the increase in camp counselor wages would have on their summer camp program. The costs would need to be passed on to families in the form of a fee increase. It would likely be impossible to raise sufficient funds for

the campers who receive full or partial scholarships, causing the camp, for the first time, to turn away children because of their family's inability to pay camper fees.

Department response: As noted in the rule analysis, the camp counselor minimum wage is a weekly salary based on the hourly rate of \$7.25 per hour for 48 hours. The state has a special salary rate for camp counselors due to the difficulty in interpreting hours worked in many camp situations. The responsibilities of a camp counselor can vary widely. Some counselors work 24 hours per day for 6 days per week under the interpretation of hours worked in s. DWD 272.12. The minimum weekly salary for camp counselors is an attempt at a reasonable and affordable rate for the special circumstances. The rule increases the camp counselor rate in a manner that is proportional to the general minimum wage increase scheduled to take effect on July 24, 2009. The department has not received comments or objections from any other employers of camp counselors.

Response to Legislative Council Staff Recommendations

All comments were accepted.

Final Regulatory Flexibility Analysis

The rule will affect small businesses but will not have a significant economic impact on a substantial number of small businesses as defined in s. 227.114(1), Stats. The number of workers that will be covered by the state minimum wage increase but are not covered by the federal minimum wage is very small. Also, most of the amusement and recreational workers who were paid less than \$7.25 per hour in 2007 were already being paid at least \$7.00 per hour.

Agency contacts

Bob Anderson, Director, Bureau of Labor Standards, bob.anderson@dwd.state.wi.us,
(608) 266-3345

Howard Bernstein, DWD Legal Counsel, howard.bernstein@dwd.state.wi.us,
(608) 266-9427



**WISCONSIN LEGISLATIVE COUNCIL
RULES CLEARINGHOUSE**

Ronald Sklansky
Clearinghouse Director

Richard Sweet
Clearinghouse Assistant Director

Terry C. Anderson
Legislative Council Director

Laura D. Rose
Legislative Council Deputy Director

CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 08-069

AN ORDER to repeal DWD 272.07 (3g); to amend DWD 272.03 (1m) (intro.) and (3m) (intro.), 272.05, and 272.07 (3r); and to repeal and recreate DWD 272.03 (1) and (3) and 272.07 (3), relating to increasing Wisconsin's minimum wages and affecting small businesses.

Submitted by **DEPARTMENT OF WORKFORCE DEVELOPMENT**

06-30-2008 RECEIVED BY LEGISLATIVE COUNCIL.

07-07-2008 REPORT SENT TO AGENCY.

RS:JK

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]
Comment Attached YES NO
2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]
Comment Attached YES NO
3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]
Comment Attached YES NO
4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS [s. 227.15 (2) (e)]
Comment Attached YES NO
5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]
Comment Attached YES NO
6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL REGULATIONS [s. 227.15 (2) (g)]
Comment Attached YES NO
7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]
Comment Attached YES NO



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

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CLEARINGHOUSE RULE 08-069

Comments

[NOTE: All citations to “Manual” in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated January 2005.]

2. Form, Style and Placement in Administrative Code

- a. In the Analysis, “Stats.” following “Chapter 104” should be removed, and “s.” should be inserted before “227.11” in the “Statutes interpreted” section. [s. 1.07, Manual.]
- b. In the Analysis, the agency should insert a heading titled “Related statute or rule” and insert information under that heading. [s. 1.02 (2), Manual.]
- c. The effective date section should be labeled as SECTION 9. [s. 1.02 (4), Manual.]

5. Clarity, Grammar, Punctuation and Use of Plain Language

- a. In the Analysis, “mail” should replace “mails” in the last sentence of the first paragraph on page 2.
- b. In the Analysis, “7” should replace “seven” and “6” should replace “six” in the bullet points following the third paragraph on page 2. [s. 1.01 (5), Manual.]
- c. In ss. DWD 272.03 (1) and (3) and 272.07 (3), “is” should replace “becomes.”
- d. In s. DWD 272.03 (1) and (1m), “may” should replace “shall.” “Shall” should not be used with a negative subject. [s. 1.01 (2), Manual.] Also, either “as follows” or “the following” should replace “is indicated below.” [s. 1.01 (9), Manual.]
- e. In s. DWD 272.05 (2) (a) and (b), the stricken-through lodging and meal rates for employees 17 years of age and under in the chart appear to be incorrect.

f. In s. DWD 272.07 (3) and (3r), it appears that "shall" should replace "may," given the mandatory nature of the minimum wage. [s. 1.01 (2), Manual.]

LRB or Bill No./Adm. Rule No.
DWD 272

Amendment No. if Applicable

FISCAL ESTIMATE
DOA-2048 N(R03/97)

- ORIGINAL UPDATED
- CORRECTED SUPPLEMENTAL

Subject

Increasing Wisconsin's minimum wages

Fiscal Effect

State: No State Fiscal Effect

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

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

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

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

- Towns Villages Cities
- Counties Others _____
- School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

All government employees are covered by the federal minimum wage.

Long-Range Fiscal Implications

None

Agency/Prepared by: (Name & Phone No.)
DWD/Bob Anderson (608) 266-3345

Authorized Signature/Telephone No.

Howard Bernstein
266-9427

Date

6/30/08



**State of Wisconsin
Department of Workforce Development
Equal Rights Division**

Increasing Wisconsin's Minimum Wages

DWD 272

The Wisconsin Department of Workforce Development proposes to repeal DWD 272.07(3g); to amend DWD 272.03(1m)(intro.) and (3m)(intro.), 272.05, and 272.07(3r); to repeal and recreate DWD 272.03(1) and (3), and 272.07(3), relating to increasing Wisconsin's minimum wages and affecting small businesses.

Analysis Prepared by the Department of Workforce Development

Statutory authority: Sections 104.04 and 227.11, Stats.

Statutes interpreted: Chapter 104 and s. 227.11, Stats.

Related statutes and rules: Section 103.02, Stats, and Chapter DWD 274.

Explanation of agency authority. Chapter 104, Stats., and Chapter DWD 272 provide that Wisconsin's minimum wage should be sufficient to enable the employee receiving it to maintain himself or herself under conditions consistent with his or her reasonable comfort, physical well-being, decency, and moral well-being. Section 104.04, Stats., directs the Department to determine the state's minimum wage taking into consideration the effect of the wage on the economy of the state, including employment opportunities for low-wage workers and regional economic conditions within the state.

Summary of the proposed rule. Under the Fair Labor Standards Act (FLSA), the federal minimum wage will be \$7.25 per hour effective July 24, 2009. The Department proposes to increase the state minimum wage to \$7.25 per hour effective July 24, 2009, to match the federal rate. The minimum wage rate and various special rates will be increased as follows:

Category	Current Rate	Proposed Rate 7/24/09	Federal Rate 7/24/09
Non-Agricultural work			
Adult	\$6.50	\$7.25	\$7.25
Minor	\$5.90	\$7.25	\$7.25
Opportunity	\$5.90	no change	\$4.25

Category	Current Rate	Proposed Rate 7/24/09	Federal Rate 7/24/09
Agricultural work			
Adult	\$5.15	\$7.25	\$7.25
Minor	\$4.25	\$7.25	\$7.25
Camp Counselors	<u>Salary per week</u>	<u>Salary per week</u>	
Adults, no board or lodging	\$315	\$350	exempt
Adults, with board only	\$240	\$265	exempt
Adults, with board and lodging	\$189	\$210	exempt
Minors, no board or lodging	\$275	\$350	exempt
Minors, with board only	\$209	\$265	exempt
Minors, with board and lodging	\$165	\$210	exempt

The proposed rule will affect employees not covered by or exempt from the federal minimum wage law. The federal minimum wage law applies to employees of businesses that have annual gross sales or value of business done of at least \$500,000. It also applies to employees of smaller businesses if the employees are engaged in interstate commerce or in the production of goods for commerce, such as employees who work in transportation or communications or who regularly use the mail or telephones for interstate communications.

In addition, the FLSA covers employees who perform duties that are closely related and directly essential to interstate activities, including guards, janitors, and maintenance workers. It also applies to employees of government agencies, hospitals, and schools, and it generally applies to domestic workers.

The FLSA exempts any employee employed by an establishment that is an amusement or recreational establishment, organized camp, or religious or non-profit educational conference center, if either of the following apply:

- It does not operate for more than 7 months in any calendar year.
- During the preceding calendar year, its average receipts for any 6 months of the year were not more than 33 1/3% of its average receipts for the other six months of the year.

The proposed increase to the state minimum wage may affect camp counselors and other seasonal amusement and recreational workers. In 2007, there were 2,401 Wisconsin workers that were paid less than \$7.25 per hour in the Standard Occupational Classification codes for the categories of amusement and recreational attendants; recreation workers; lifeguards, ski patrol, and other recreational protective service workers; and tour guides and escorts. The Department does not know how many of these workers were employed by an establishment that is seasonal.

Summary of related federal law. The current federal minimum wage rate is \$5.85 per hour. It will increase to \$6.55 per hour on July 24, 2008, and to \$7.25 per hour on July 24, 2009.

Comparison with laws in adjacent states. Illinois. The minimum wage rate will be \$7.75 effective July 1, 2008; \$8.00 effective July 1, 2009; and \$8.25 effective July 1, 2010.

Michigan. The minimum wage rate will be \$7.40 per hour effective July 1, 2008.

Iowa. The minimum wage rate is \$7.25 per hour.

Minnesota. The minimum wage rate is \$6.15 per hour. The Governor recently vetoed a bill that would have increased the minimum wage rate to \$6.75 per hour in July 2008 and \$7.75 per hour in July 2009.

Summary of factual data and analytical methodologies. The proposed rule increases the state minimum wage rate to match the federal minimum wage rate effective July 24, 2009. Under the proposed rule, minors and agricultural workers will have the same minimum wage rate as adult nonagricultural workers. There are no special rates for minors or agricultural workers under federal law. The proposed rule does not eliminate these special categorical rates, which may differ from the adult nonagricultural rate in the future.

The camp counselor minimum wage is a weekly salary based on the hourly rate of \$7.25 per hour for 48 hours. Camp counselors are exempt from the federal minimum wage law. The state has a special salary rate for camp counselors due to the difficulty in interpreting hours worked in many camp situations. The responsibilities of a camp counselor can vary widely. Some counselors are working 24 hours per day for 6 days per week under the interpretation of hours worked in s. DWD 272.12. The minimum weekly salary for camp counselors is an attempt at a reasonable and affordable rate for the special circumstances.

Effect on small business. The rule will affect small businesses but will not have a significant economic impact on a substantial number of small businesses as defined in s. 227.114(1), Stats.

Analysis used to determine effect on small businesses. The number of workers that will be covered by the state minimum wage increase but are not covered by the federal minimum wage is very small. Also, most of the amusement and recreational workers who were paid less than \$7.25 per hour in 2007 were already being paid at least \$7.00 per hour.

Agency contact person. Bob Anderson, Director, Bureau of Labor Standards, bob.anderson@dwd.state.wi.us, (608) 266-3345.

Place where comments are to be submitted and deadline for submission. Comments may be submitted to Bob Anderson, Equal Rights Division; P.O. Box 8928, 201 E. Washington Avenue, Madison, WI 53708-8928 or bob.anderson@dwd.state.wi.us. The comment deadline is August 7, 2008.

SECTION 1. DWD 272.03 (1) is repealed and recreated to read:

DWD 272.03 Minimum rates. (1) MINIMUM RATES. This subsection is effective on July 24, 2009. Except as provided in ss. DWD 272.05 to 272.09, no employer may employ any employee in any occupation, trade, or industry at a lesser hourly rate than as follows:

- (a) All employees except opportunity and minor employees \$7.25 per hour.
- (b) Minor employees \$7.25 per hour.
- (c) Opportunity employees \$5.90 per hour.

SECTION 2. DWD 272.03 (1m) (intro.) is amended to read:

DWD 272.03 (1m) MINIMUM RATES. This subsection ~~becomes effective on~~ is in effect from June 1, 2006, to July 23, 2009. Except as provided in ss. DWD 272.05 to 272.09, no employer may employ any employee in any occupation, trade, or industry at a lesser hourly rate than as follows:

SECTION 3. DWD 272.03 (3) is repealed and recreated to read:

DWD 272.03 (3) ALLOWANCE FOR BOARD AND LODGING. This subsection is effective on July 24, 2009. Where board or lodging or both are furnished by the employer in accordance with s. DWD 272.04, and accepted and received by a particular employee, an allowance may be made not to exceed the following amounts:

- (a) *Lodging.* 1. All employees except opportunity and minor employees \$58.00 per week or \$8.30 per day.
- 2. Minor employees \$58.00 per week or \$8.30 per day.
- 3. Opportunity employees \$47.20 per week or \$6.75 per day.

(b) *Meals*. 1. All employees except opportunity and minor employees \$87.00 per week or \$4.15 per meal.

2. Minor employees \$87.00 per week or \$4.15 per meal.

3. Opportunity employees \$70.80 per week or \$3.35 per meal.

SECTION 4. DWD 272.03 (3m) (intro.) is amended to read:

DWD 272.03 (3m) ALLOWANCE FOR BOARD AND LODGING. This subsection ~~becomes effective on~~ is in effect from June 1, 2006, to July 23, 2009. Where board or lodging or both are furnished by the employer in accordance with s. DWD 272.04, and accepted and received by a particular employee, an allowance may be made not to exceed the following amounts:

SECTION 5. DWD 272.05 is amended to read:

DWD 272.05 Agriculture. (1) MINIMUM RATES. The minimum wage of employees employed in agriculture shall be as follows:

(a) Employees 18 years of age and over: . . . ~~\$5.15~~ \$7.25 per hour.

(b) Employees 17 years of age and under: . . ~~\$4.25~~ \$7.25 per hour.

(2) ALLOWANCE FOR BOARD AND LODGING. Where board or lodging or both are furnished by the employer in accordance with s. DWD 272.04, and accepted and received by the employee, an allowance may be made not to exceed the following amounts:

(a) Lodging—Employees 18 years of age and over:	\$41.20 <u>\$58.00</u> per week or \$5.90 <u>\$8.30</u> per day.
Employees 17 years of age and under:	\$34.00 <u>\$58.00</u> per week or \$4.85 <u>\$8.30</u> per day.
(b) Meals — Employees 18 years of age and over:	\$61.80 <u>\$87.00</u> per week or \$2.95 <u>\$4.15</u> per meal.
Employees 17 years of age and under:	\$51.00 <u>\$87.00</u> per week or \$2.40 <u>\$4.15</u> per meal.

SECTION 6. DWD 272.07 (3) is repealed and recreated to read:

DWD 272.07 (3) COUNSELORS. This subsection is effective on July 24, 2009. The minimum wage of counselors employed in seasonal recreational or educational camps and day camps may be computed on a weekly basis as follows:

(a) Adult counselors 18 years of age and over:

PER WEEK

1. If board and lodging are not furnished.....\$350.00
2. If board only is furnished.....\$265.00
3. If board and lodging are furnished.....\$210.00

(b) Counselors 17 years of age and under:

PER WEEK

1. If board and lodging are not furnished.....\$350.00
2. If board only is furnished.....\$265.00
3. If board and lodging are furnished.....\$210.00

SECTION 7. DWD 272.07 (3g) is repealed.

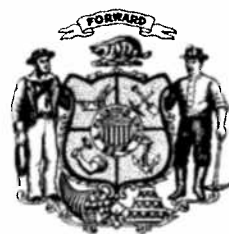
SECTION 8. DWD 272.07 (3r) (intro.) is amended to read:

DWD 272. 07(3r) COUNSELORS. This subsection ~~becomes effective on~~ is in effect from June 1, 2007, to July 23, 2009. The minimum wage of counselors employed in seasonal recreational or educational camps and day camps may be computed on a weekly basis as follows:

SECTION 9. EFFECTIVE DATE. This rule shall take effect the first day of the month following publication in the Administrative Register as provided in s. 227.22 (2) (intro.), Stats.



WISCONSIN STATE LEGISLATURE





WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

Ronald Sklansky
Clearinghouse Director

Terry C. Anderson
Legislative Council Director

Richard Sweet
Clearinghouse Assistant Director

Laura D. Rose
Legislative Council Deputy Director

CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE **08-069**

AN ORDER to repeal DWD 272.07 (3g); to amend DWD 272.03 (1m) (intro.) and (3m) (intro.), 272.05, and 272.07 (3r); and to repeal and recreate DWD 272.03 (1) and (3) and 272.07 (3), relating to increasing Wisconsin's minimum wages and affecting small businesses.

Submitted by **DEPARTMENT OF WORKFORCE DEVELOPMENT**

06-30-2008 RECEIVED BY LEGISLATIVE COUNCIL.

07-07-2008 REPORT SENT TO AGENCY.

RS:JK

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]
Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]
Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]
Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]
Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]
Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]
Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]
Comment Attached YES NO



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CLEARINGHOUSE RULE 08-069

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated January 2005.]

2. Form, Style and Placement in Administrative Code

- a. In the Analysis, "Stats." following "Chapter 104" should be removed, and "s." should be inserted before "227.11" in the "Statutes interpreted" section. [s. 1.07, Manual.]
- b. In the Analysis, the agency should insert a heading titled "Related statute or rule" and insert information under that heading. [s. 1.02 (2), Manual.]
- c. The effective date section should be labeled as SECTION 9. [s. 1.02 (4), Manual.]

5. Clarity, Grammar, Punctuation and Use of Plain Language

- a. In the Analysis, "mail" should replace "mails" in the last sentence of the first paragraph on page 2.
- b. In the Analysis, "7" should replace "seven" and "6" should replace "six" in the bullet points following the third paragraph on page 2. [s. 1.01 (5), Manual.]
- c. In ss. DWD 272.03 (1) and (3) and 272.07 (3), "is" should replace "becomes."
- d. In s. DWD 272.03 (1) and (1m), "may" should replace "shall." "Shall" should not be used with a negative subject. [s. 1.01 (2), Manual.] Also, either "as follows" or "the following" should replace "is indicated below." [s. 1.01 (9), Manual.]
- e. In s. DWD 272.05 (2) (a) and (b), the stricken-through lodging and meal rates for employees 17 years of age and under in the chart appear to be incorrect.

f. In s. DWD 272.07 (3) and (3r), it appears that "shall" should replace "may," given the mandatory nature of the minimum wage. [s. 1.01 (2), Manual.]