

Fiscal Estimate Narratives

DWD 3/31/2009

LRB Number	09-1495/1	Introduction Number	AB-0167	Estimate Type	Original
Description The inapplicability of the prevailing wage law to projects in which the construction is contracted for by a private owner or developer and the completed project is acquired by a local governmental unit or state agency					

Assumptions Used in Arriving at Fiscal Estimate

State Impact:

About 10-12 of the public works projects undertaken each year would be exempted from coverage of state prevailing wage laws each year. The department currently issues about 1,500 project determinations each year for covered projects. It takes about 15 minutes of a Program Assistant III's time to process a determination. The overall cost savings from issuing 12 fewer determinations per year would be minimal.

The department doesn't believe the reduction in covered projects from about 1,500 per year to 1,488 projects would have any impact upon the number of complaints the department annually receives concerning potential violations of the prevailing wage laws.

The department will incur one-time costs of about \$2,000 to revise its publications to reflect the changes in this bill.

Local Impact:

In those instances where the set prevailing wage rates reflect local county pay rates there will be no change in project costs on projects not covered due to this legislation. In those instances where there is a difference in the prevailing wages set by the department and the rates paid in a municipality there may be a slight savings on the projects not covered due to this legislation. It is not possible to predict the extent of those savings.

Long-Range Fiscal Implications

None.

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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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 incur one-time costs of \$2,000 to revise and reprint publications on prevailing wage to reflect the changes made in this bill.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$0		\$
(FTE Position Changes)	(0.0 FTE)		
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$0		\$
B. State Costs by Source of Funds			
GPR	0		
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	\$0		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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