



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2009 Assembly Bill 885

Assembly Amendment 1

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2009 Assembly Bill 885 creates a wage council in the Department of Workforce Development (DWD). Early in each regular session of the Legislature, the wage council must convene for the purpose of studying the need for an increase in the living wage and making recommendations to DWD for any changes in the living wage that may be necessary to ensure that the wages paid to any employee are a living wage. The wage council must consider changes in the consumer price index (CPI) for the previous two-year period and the effect that any change in CPI might have on the real income of employees in this state. The wage council *may* also consider the effect that an increase in the living wage might have on the economy of the state, including the effect of a living wage increase on job creation, retention, and expansion; on the availability of entry-level jobs; and on regional economic conditions within the state.

Further, the bill requires that the wage council submit a report of its findings and recommendations to the DWD secretary and others. DWD must consider the findings and recommendations of the wage council and, if DWD approves those findings and recommendations, DWD may promulgate rules to revise the living wage. DWD may promulgate an emergency rule revising the living wage without providing evidence that the emergency rule is necessary to preserve the public peace, health, safety, or welfare and without a finding of emergency.

Lastly, the bill provides that the biennial living wage revision procedure does not preclude DWD from promulgating rules to increase the living wage at other times if, upon investigation, DWD finds that there is reasonable cause to believe that the wages paid to any employee are not a living wage. If DWD makes that finding, DWD must convene the wage council, which must study the need for an increase in the living wage and report its findings and recommendations.

Assembly Amendment 1 provides that the wage council *shall* consider the effect that an increase in the living wage might have on the economy of the state and removes references to the promulgation of emergency rules. In addition, the amendment modifies the provision in the previous paragraph to provide that the biennial living wage revision procedure does not preclude DWD from convening the

wage council at other times during the regular session of the Legislature if, upon investigation, DWD finds that there is reasonable cause to believe that the wages paid to any employee are not a living wage. The wage council so convened must study the need for an increase in the living wage and report its findings and recommendations.

Legislative History

Assembly Amendment 1 was offered by the Assembly Committee on Labor. On April 7, 2010, the committee recommended adoption of the amendment on a vote of Ayes, 6; Noes, 0. The committee then recommended passage of Assembly Bill 885, as amended, on a vote of Ayes, 5; Noes, 1.

JKR:ksm