



## Fiscal Estimate Narratives

DWD 3/17/2016

LRB Number	<b>15-3615/1</b>	Introduction Number	<b>SB-780</b>	Estimate Type	<b>Original</b>
<b>Description</b> Minimum wage required to be paid to tipped employees					

### Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 780 increases the tipped employee minimum wage from \$2.33 to \$7.08 per hour through a series of annual increases of \$.95. Once this wage rate is reached, SB 780 eliminates the separate minimum wage altogether, subjecting tipped employees to the general minimum wage (currently \$7.25 per hour or \$5.90 an hour for opportunity employees).

Administratively, this legislation would create 300 wage complaints annually that cannot be absorbed at current staffing levels. To meet this increased workload, two Equal Rights Officers and one attorney would need to be hired at an added annual cost of \$230,000. Additional one-time costs of \$5 000 are also needed to update and reprint existing documentation relating to minimum wage laws.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>15-3615/1</b>	<b>Introduction Number</b> <b>SB-780</b>	
<b>Description</b> Minimum wage required to be paid to tipped employees		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  Additional one-time costs of \$5 000 are needed to update and reprint existing documentation relating to discrimination law.		
<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	\$230,000	\$
(FTE Position Changes)	(3.0 FTE)	
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$230,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	230,000	
FED		
PRO/PRS		
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, ets.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$230,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		
<b>Date</b>		
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