

Fiscal Estimate Narratives

DWD 2/15/2024

LRB Number	23-3990/1	Introduction Number	AB-0901	Estimate Type	Original
Description heat-related illness prevention					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Workforce Development (DWD) to develop and implement a program to prevent illness to employees who are working in high-heat conditions, including the following:

- standards for employers to provide "cool drinking water" and paid time to employees to consume it,
- standards for employers to provide shaded areas close to where employees are working and paid time to rest in the shade,
- guidelines for administrative controls to prevent heat-related illness to employees, and
- standards for air conditioning and ventilation systems to reduce the heat index in an enclosed area to below 80 degrees Fahrenheit.

The bill does not include new funding or position authority for the department to implement these requirements nor provide ongoing oversight.

Implementation and oversight costs are estimated to increase, but the annualized fiscal impact is indeterminate. The anticipated increase in costs is not absorbable within the department's current operating budget.

For the purposes of this fiscal estimate, the department assumes that DWD's Equal Rights Division (ERD) would enforce this bill's provisions. However, because multiple employment industries would be impacted by the newly formed program, including the agricultural sector, the responsibilities set forth in the bill may affect workloads in the Division of Employment and Training (DET) where staff provide services to migrant seasonal farm workers. It is anticipated that DET will likely experience an increase in staff time spent referring heat-related illness complaints to ERD.

Estimating the annualized costs associated with ongoing oversight for this new program requires making assumptions about the number of employees working in conditions of high heat, how many of these employees would be in settings where the proposed standards are not met, and then how many employees would pursue a complaint process through ERD. Given that high-heat conditions can exist in many employment settings including but not limited to, agricultural, industrial, service, and manual labor sectors, establishing a reliable estimate for these assumptions is not possible at this time. Due to current uncertainty about the volume of complaints and associated investigations that could be experienced on an annual basis, the annualized fiscal impact is indeterminate.

Because the bill does not provide increased funding or position authority, and because the department's General Purpose Revenue (GPR) funding is fully subscribed, DWD's assumption for this estimate is that the base-level GPR budget for ERD will be re-allocated to meet the new annual work demands.

Implementing resource allocation adjustments to address the additional workload is anticipated to increase the average time needed to complete case resolutions, resulting in a reduction to ERD's annual completed caseload counts that generate federal revenues of \$830 per completed case from the Equal Employment Opportunities Commission (EEOC) reimbursement contract. These revenues are received in appropriation s. 20.445(1)(o). The department is unable to estimate the bill's impact to EEOC federal revenue at this time, but the reduction is anticipated to be material.

Local governments, as employers, may also incur costs related to provisions in the bill. Local government counterparts to ERD may experience an increase in complaints and may need to update publications. These costs are indeterminate.

Long-Range Fiscal Implications