

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-4025/1</b>	<b>Introduction Number</b> <b>SB-0627</b>
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**Description**  
 the rights of employees to request and receive work schedule changes; predictable work schedules for retail, food service, and cleaning employees; granting rule-making authority; and providing a penalty

**Fiscal Effect**

**State:**

- No State Fiscal Effect
- Indeterminate
  - Increase Existing Appropriations
  - Decrease Existing Appropriations
  - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
  - Yes
  - No
- Decrease Costs

**Local:**

- No Local Government Costs
  - Indeterminate
    - 1.  Increase Costs      3.  Increase Revenue
    - Permissive  Mandatory       Permissive  Mandatory
    - 2.  Decrease Costs      4.  Decrease Revenue
    - Permissive  Mandatory       Permissive  Mandatory
- 5. Types of Local Government Units Affected**
- Towns       Village       Cities
  - Counties       Others
  - School Districts       WTCS Districts

**Fund Sources Affected** **Affected Ch. 20 Appropriations**

GPR   
  FED   
  PRO   
  PRS   
  SEG   
  SEGS   
 20.445(1)(a), 20.445(1)(o)

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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## Fiscal Estimate Narratives

DWD 12/20/2023

LRB Number	<b>23-4025/1</b>	Introduction Number	<b>SB-0627</b>	Estimate Type	<b>Original</b>
<b>Description</b> the rights of employees to request and receive work schedule changes; predictable work schedules for retail, food service, and cleaning employees; granting rule-making authority; and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a new provision in Wisconsin labor standards law at s. 103.035 to establish that any employee of an employer with at least 15 employees has the right to request and receive changes to the employee's work schedule if it directly relates to:

- A serious health condition of the employee,
- Responsibilities of the employee as a caregiver for a family member,
- Enrollment of the employee in certain educational or training programs, or
- A part-time employee's work scheduling conflicts with the employee's other employment.

The bill requires employers to approve the request unless there is a bona fide business reason, as defined in the bill, for denying it. The bill also requires employers to provide certain service employees a set work schedule, before or on their first day of work, and provide advanced notice of schedule changes.

This bill requires the Department of Workforce Development (DWD) to oversee the work schedule flexibility and predictability provisions, investigate complaints filed against employers, and enforce payment of penalties if a violation is found to have occurred. The bill also allows DWD to promulgate rules to apply the protections afforded under the bill to additional occupations if DWD determines that at least 10% of individuals employed in an occupation do not receive advance notice of schedule changes or are regularly experiencing fluctuations in their scheduled hours.

The bill does not provide funding or position authority for the department to implement these requirements or provide ongoing oversight.

This bill's fiscal impact on the department is estimated at \$444,000 for ongoing annual expenditures, \$6,000 in one-time costs, and an indeterminate decrease to federal revenues because DWD is unable to absorb the annual costs within its' current base-level General Purpose Revenue GPR operating budget.

The proposed bill would expand the scope of Wisconsin labor standards law. Based on the department's current experience with labor standards law complaints and investigations, the bill is estimated to increase complaints by 10% to 20% annually. Additionally, these investigations are anticipated to require more time than the average complaint to resolve. For the purposes of this estimate, a 15% increase in complaints is assumed. In the last year, DWD managed 2,350 labor standards law complaints. The estimated 15% increase is approximately 350 additional complaints per year. This number of complaints as well as the anticipated complexity of the cases corresponds to the workload of four positions composed of three equal rights officers and one administrative law judge. In total, the fiscal effect of this bill's new administrative responsibilities is estimated at \$444,000, which is equivalent to the salary, fringe, and operations costs for those four positions.

Because this bill does not provide increased funding or position authority, and because the department's GPR funding is fully subscribed, DWD assumes that the base GPR budget for the Equal Rights Division (ERD) will be re-allocated to meet the new annual workload demands.

Implementing resource reallocations to address the additional workload is anticipated to increase the average time needed to complete case resolutions. This will result 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.

The department estimates a one-time cost of \$6,000 to revise and update online materials. These costs are absorbable within the current operating budget.

Local governments, as employers, may 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 at this time.

**Long-Range Fiscal Implications**