



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-3342/1
MIM:amn

2019 ASSEMBLY BILL 961

February 28, 2020 - Introduced by Representatives SARGENT, SUBECK, ANDERSON, BOWEN, BROSTOFF, CROWLEY, GOYKE, HESSELBEIN, OHNSTAD, POPE, RIEMER, SINICKI, SPREITZER, STUCK, C. TAYLOR, ZAMARRIPA, CABRERA, CONSIDINE, FIELDS, HEBL, NEUBAUER and STUBBS, cosponsored by Senators WIRCH, CARPENTER, LARSON, JOHNSON, RINGHAND, RISSER, SMITH and L. TAYLOR. Referred to Committee on Labor and Integrated Employment.

1 **AN ACT to repeal** 104.001, 104.01 (5g), 104.01 (7m) and 104.045 (1); **to amend**
2 104.045 (title); **to repeal and recreate** 104.035; and **to create** 104.01 (1g) and
3 227.01 (13) (Lw) of the statutes; **relating to:** a state minimum wage, allowing
4 the enactment of local minimum wage ordinances, and requiring the exercise
5 of rule-making authority.

Analysis by the Legislative Reference Bureau

Currently, the state minimum wage law requires that employers pay the applicable minimum wage set in statute to their employees. Under that law, the current minimum wage for employees generally is \$7.25 per hour. This bill raises the minimum wage for employees generally as follows:

Minimum wage on effective date	\$8.50 per hour
Minimum wage one year after effective date	\$10 per hour
Minimum wage two years after effective date	\$11.50 per hour
Minimum wage three years after effective date	\$13 per hour
Minimum wage four years after effective date	\$14 per hour
Minimum wage five years after effective date	\$15 per hour

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Beginning six years after the bill's effective date, the bill requires the Department of Workforce Development annually to revise the minimum wage established under the bill by determining the percentage difference between the consumer price index for the preceding 12-month period (year) and the consumer price index for the year before the preceding year, adjusting the minimum wage then in effect by that percentage difference, and rounding that result to the nearest multiple of five cents. DWD, however, is not required to revise the general minimum wage if the consumer price index for the preceding year has not increased over the consumer price index for the year before the preceding year. DWD is required to publish the revised minimum wage in the Wisconsin Administrative Register and on DWD's Internet site.

The bill also repeals 1) provisions establishing a separate, lower minimum wage for tipped employees; 2) a provision that requires DWD to promulgate rules governing the counting of tips or similar gratuities toward payment of the minimum wage; 3) provisions setting specific meal and lodging allowances; and 4) provisions establishing minimum wages for minor employees, opportunity employees, agricultural employees, and others and instead requires DWD to establish the minimum wage for those employees by rule.

Finally, current law prohibits a city, village, town, or county from enacting and administering an ordinance establishing a minimum wage. This bill eliminates that prohibition.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 104.001 of the statutes is repealed.

2 **SECTION 2.** 104.01 (1g) of the statutes is created to read:

3 104.01 (1g) "Consumer price index" means the average of the consumer price
4 index over each 12-month period for all urban consumers, U.S. city average, all
5 items, not seasonally adjusted, as determined by the bureau of labor statistics of the
6 U.S. department of labor.

7 **SECTION 3.** 104.01 (5g) of the statutes is repealed.

8 **SECTION 4.** 104.01 (7m) of the statutes is repealed.

9 **SECTION 5.** 104.035 of the statutes is repealed and recreated to read:

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1 **104.035 Minimum wage; established. (1) EMPLOYEES GENERALLY.** Except
2 as provided in subs. (2) and (3), the minimum wage is as follows:

3 (a) For wages earned before the first day of the 15th month beginning after
4 publication [LRB inserts date], \$8.50 per hour.

5 (b) For wages earned beginning on the first day of the 15th month beginning
6 after publication [LRB inserts date], and ending on the last day of the 26th month
7 beginning after publication [LRB inserts date], \$10 per hour.

8 (c) For wages earned beginning on the first day of the 27th month beginning
9 after publication [LRB inserts date], and ending on the last day of the 38th month
10 beginning after publication [LRB inserts date], \$11.50 per hour.

11 (d) For wages earned beginning on the first day of the 39th month beginning
12 after publication [LRB inserts date], and ending on the last day of the 50th month
13 beginning after publication [LRB inserts date], \$13 per hour.

14 (e) For wages earned beginning on the first day of the 51st month beginning
15 after publication [LRB inserts date], and ending on the last day of the 62nd month
16 beginning after publication [LRB inserts date], \$14 per hour.

17 (f) For wages earned beginning on the first day of the 63rd month beginning
18 after publication [LRB inserts date], and ending on the last day of the 74th month
19 beginning after publication [LRB inserts date], \$15 per hour.

20 (g) For wages earned beginning on the first day of the 75th month beginning
21 after publication [LRB inserts date], the amount determined by the department
22 under sub. (4).

23 **(2) MINIMUM WAGE ESTABLISHED BY DEPARTMENT.** The department shall
24 promulgate rules providing the minimum wage for all of the following:

25 (a) Opportunity employees.

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1 (b) Agricultural employees.

2 (c) Camp counselors.

3 (d) Golf caddies.

4 (e) An employee or worker with a disability covered under a license under s.
5 104.07.

6 (f) A student learner.

7 (g) A student employed by an independent college or university for less than
8 20 hours per week.

9 **(3) EMPLOYMENT EXEMPTED BY DEPARTMENT.** The department shall promulgate
10 rules exempting from the minimum wage requirement under subs. (1) and (2) all of
11 the following:

12 (a) A person engaged in casual employment in and around an employer's home
13 on an irregular or intermittent basis for not more than 15 hours per week.

14 (b) A person who resides in the home of an employer who, due to advanced age
15 or physical or mental disability, cannot care for his or her own needs, for the purpose
16 of companionship and who spends not more than 15 hours per week on general
17 household work for the employer.

18 (c) An elementary or secondary school student performing student work-like
19 activities in the student's school.

20 **(4) DEPARTMENT TO REVISE.** (a) Subject to par. (b), by the date specified in sub.
21 (1) (g) and annually thereafter, the department shall revise the minimum wage
22 under sub. (1) (g) by calculating the percentage difference between the consumer
23 price index for the 12-month period ending on the last day of the last month for which
24 that information is available and the consumer price index for the 12-month period
25 ending on the last day of the month 12 months prior to that month, adjusting the

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1 minimum wage then in effect by that percentage difference, and rounding that result
2 to the nearest multiple of 5 cents. The department shall annually have the revised
3 amount published in the Wisconsin Administrative Register and on the
4 department's Internet site.

5 (b) Paragraph (a) does not apply if the consumer price index for the 12-month
6 period ending on the last day of the last month for which that information is available
7 has not increased over the consumer price index for the 12-month period ending on
8 the last day of the month 12 months prior to that month.

9 **(5) GENDER-SPECIFIC MINIMUM WAGE PROHIBITED.** The department may not
10 establish a different minimum wage for men and women.

11 **SECTION 6.** 104.045 (title) of the statutes is amended to read:

12 **104.045 (title) ~~Tips, meals, Meals, lodging, and hours worked.~~**

13 **SECTION 7.** 104.045 (1) of the statutes is repealed.

14 **SECTION 8.** 227.01 (13) (Lw) of the statutes is created to read:

15 227.01 **(13)** (Lw) Adjusts the minimum wage under s. 104.035 (8m).

16 **SECTION 9. Effective date.**

17 (1) **MINIMUM WAGE.** This act takes effect on the first day of the 3rd month
18 beginning after publication.

19 **(END)**