HOUSE BILL 630

Introduced by Tuss, et al.

2/15	Introduced
2/15	Referred to Labor & Employment
•	Relations
2/15	First Reading
2/18	Hearing
2/18	Tabled in Committee
2/20	Fiscal Note Received
2/20	Fiscal Note Printed

B

INTRODUCED BY

I has Christian Saran

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE MINIMUM

WAGE; INDEXING FUTURE INCREASES TO INCREASES IN THE FEDERAL

MINIMUM WAGE; AND AMENDING SECTION 39-3-409, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-3-409, MCA, is amended to read:

*39-3-409. Adoption of minimum wage rates -- exception.

- (1) The--commissioner--shall--adopt--rules--to--establish--a minimum--wage--that, except Except as provided in subsection subsections (2) and (3), must-be the same minimum hourly wage rate is \$5.50 an hour, as-provided-under-the-federal Pair-babor-Standards-Act-(29--U-S-C---206(a)(1)), excluding the value of tips received by the employee and the special provisions for a training wage.
- (2) The minimum wage rate for a business whose annual gross sales are \$110,000 or less is \$4 \$4.35 an hour.
- (3) The commissioner shall adopt rules to establish future increases in the minimum hourly wage that are indexed to increases in the federal minimum wage as provided under the federal Fair Labor Standards Act (29 U.S.C. 206(a)(1))."

-End-



HB 630
INTRODUCED BILL

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0630, as introduced.

<u>DESCRIPTION OF PROPOSED LEGISLATION</u>: An act increasing the minimum wage and indexing future increases to increases in the federal minimum wage.

ASSUMPTIONS:

- The Employment Relations Division existing staff will be able to absorb additional workload created by this proposed legislation.
- 2. The additional workload would require: a) writing, noticing, and promulgation of administrative rules; b) development and printing costs for brochures explaining the wage change and specific suggestions regarding how employers could comply with the new law; c) postage costs for a mass mailing to all employers to familiarize them with the new law; d) revising and reprinting other related wage and hour public information documents, namely the Wage Hour Laws of the State of Montana pamphlet, and the Quick Reference Guide [to] Montana's Wage/Hour Laws brochure; and e) additional travel costs for a wage & hour unit compliance officer to explain to business associations and other state groups, the impact of the new law, and to conduct on-site payroll inspections to test compliance to the new law.

FISCAL IMPACT:

FY '94				FY_'95		
Expenditures:	urrent Law	Proposed Law	<u>Difference</u>	Current Law	Proposed Law	<u>Difference</u>
Operating Expenses	0	\$17,993	\$17,993	0	\$5,160	\$5,160
Funding: UI Administrative Tax (0)	3) 0	\$17,993	\$17,993	0	\$5,160	\$5,160

Revenues: Revenues will not be increased by this legislation.

Impact: Reduces balance of UI Administrative Tax

DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

CARLEY TUSS, PRIMARY SPONSOR

Fiscal Note for <u>HB0630</u>, as introduced

HB 630