



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 675 HLS 14RS 481
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Table with metadata: Date: April 1, 2014 8:27 AM; Author: HUNTER; Dept./Agy.: City of West Monroe; Subject: Local Minimum Wage; Analyst: Anne Burns

EMPLOYMENT/WAGES-MINIMUM OR +\$205,000 LF EX See Note Page 1 of 2
Provides for a local minimum wage in West Monroe

Purpose of Bill: This measure would establish a local minimum wage in the City of West Monroe. It would be set at \$7.25 per hour beginning January 1, 2015 and then \$8.25 per hour beginning January 1, 2016. It requires that the employers of tipped employees make up the difference between the \$2.13 per hour paid to the employee plus tips and the local minimum wage. It further requires that if the federal minimum wage is raised, the local minimum wage shall also be raised. This measure establishes legal liability for an employer who fails to pay an employee local minimum wage.

Table with 7 columns: EXPENDITURES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There may be an increase in Agency-Self Generated and Local Fund expenditures as a result of this measure. We surveyed several agencies in the area and were informed that expenditures may increase due to the mandatory increase in hourly wages from \$7.25 to \$8.25.

State Impact

Louisiana Delta Community College - There may be an increase in Agency Self-Generated Fund expenditures of \$2,500 in fiscal year 2015-2016 and \$5,000 in subsequent fiscal years.

Department of State Civil Service - The Department was unable to provide us with an estimated fiscal impact due to lack of data regarding number of state employees currently employed in the City of West Monroe.

Local Impact

City of West Monroe - There may be an estimated increase in Local Fund expenditures of \$94,500 in fiscal year 2015-2016 increasing to \$189,000 in subsequent fiscal years.

Quachita Parish School Board - There may be an increase in Local Fund expenditures of \$8,000 in fiscal year 2015-2016 increasing to \$16,000 in subsequent fiscal years.

Quachita Parish Police Jury - There is no anticipated effect on Local Fund expenditures as a result of this measure because all current positions (in West Monroe) receive above the \$8.25 minimum wage provided for in this bill.

Quachita Parish Sheriff - There is no anticipated effect on Local Fund expenditures as a result of this measure because all current positions receive above the \$8.25 minimum wage provided for in this bill.

REVENUE EXPLANATION

The impact of this bill on governmental revenues is indeterminable. We were unable to determine the overall impact of this bill on governmental revenues due to the lack of reliable data regarding the impact of minimum wage increases on governmental revenues.

Senate Dual Referral Rules House
[ ] 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
[X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} [ ] 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
[ ] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} [ ] 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}
Joy Irwin
Director of Advisory Services



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**CONTINUED EXPLANATION from page one:**

Senate      Dual Referral Rules      House       6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
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**Joy Irwin**  
**Director of Advisory Services**