



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-4002/1
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2021 ASSEMBLY BILL 477

July 26, 2021 - Introduced by Representatives SUBECK, HONG, S. RODRIGUEZ, BROSTOFF, POPE, NEUBAUER, CABRERA, SHELTON, L. MYERS, GOYKE, STUBBS, OHNSTAD, RIEMER, EMERSON, CONLEY, BALDEH, SNODGRASS, ANDERSON, HEBL, BOWEN, SPREITZER, VINING, SINICKI, DRAKE, BILLINGS, MOORE OMOKUNDE and HESSELBEIN, cosponsored by Senators AGARD, WIRCH, CARPENTER, ROYS, JOHNSON, RINGHAND, ERPENBACH, LARSON and SMITH. Referred to Committee on Labor and Integrated Employment.

AUTHORS SUBJECT TO CHANGE

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 granting rule-making
5 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 most employees is \$7.25 per hour. This bill raises the minimum wage for most employees to \$10.15 per hour on the effective date of the bill and \$15 per hour one year after the effective date of the bill.

Beginning two years after the bill's effective date, the bill requires the Department of Workforce Development to annually revise the minimum wage established under the bill by determining the percentage difference between the consumer price index for the preceding 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.

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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:

10 **104.035 Minimum wage; established. (1) EMPLOYEES GENERALLY.** Except
11 as provided in subs. (2) and (3), the minimum wage is as follows:

12 (a) For wages earned after the effective date of this paragraph [LRB inserts
13 date], but before the first day of the 12th month beginning after the effective date of
14 this paragraph [LRB inserts date], \$10.15 per hour.

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1 (b) For wages earned beginning on the first day of the 12th month beginning
2 after the effective date of this paragraph [LRB inserts date], and ending on the
3 last day of the 23rd month beginning after the effective date of this paragraph
4 [LRB inserts date], \$15 per hour.

5 (c) For wages earned beginning on the first day of the 24th month beginning
6 after the effective date of this paragraph [LRB inserts date], the amount
7 determined by the department under sub. (4).

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

10 (a) Opportunity employees.

11 (b) Agricultural employees.

12 (c) Camp counselors.

13 (d) Golf caddies.

14 (e) An employee or worker with a disability covered under a license under s.
15 104.07.

16 (f) A student learner.

17 (g) A student employed by an independent college or university for less than
18 20 hours per week.

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

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

24 (b) A person who resides in the home of an employer who, due to advanced age
25 or physical or mental disability, cannot care for his or her own needs, for the purpose

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1 of companionship and who spends not more than 15 hours per week on general
2 household work for the employer.

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

5 (4) DEPARTMENT TO REVISE. (a) Subject to par. (b), by the date specified in sub.
6 (1) (c) and annually thereafter, the department shall revise the minimum wage under
7 sub. (1) (c) by calculating the percentage difference between the consumer price
8 index for the 12-month period ending on the last day of the last month for which that
9 information is available and the consumer price index for the 12-month period
10 ending on the last day of the month 12 months prior to that month, adjusting the
11 minimum wage then in effect by that percentage difference, and rounding that result
12 to the nearest multiple of 5 cents. The department shall annually have the revised
13 amount published in the Wisconsin Administrative Register and on the
14 department's Internet site.

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

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

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

22 **104.045 (title) ~~Tips, meals, Meals, lodging, and hours worked.~~**

23 **SECTION 7.** 104.045 (1) of the statutes, as affected by 2021 Wisconsin Act 26,
24 is repealed.

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

