Governor's Small Business Regulatory Review Board

September 8, 2008

Secretary Roberta Gassman
Department of Workforce Development
1 West Wilson Street
Madison, WI 53703

Re: DWD – 272 – Increasing Minimum Wage
CR-08 - 069

Dear Secretary Gassman:

Wisconsin 2004 Act 145 created the Small Business Regulatory Review Board (SBRRB) to serve as a voice for small businesses as defined in Wis. Stats. 227.114(1). The SBRRB's statutory authority for review of proposed rules is contained in Wis. Stats. 227.14(2g) and provides that an agency shall submit the proposed rule and the small business impact analysis to the Small Business Regulatory Review when the agency determines that the impact of that rule has a significant impact on small business. Although this proposed rule on fees increases was not submitted to the SBRRB as having a significant impact the SBRRB did receive testimony from a representative of small business about the economic impact of DWD-272 at its August 27, 2008 meeting. As Chairman of the Small Business Regulatory Review Board, I am submitting the outcome of the SBRRB's review at that meeting.

During the meeting, the SBRRB considered the testimony heard and reviewed the agency's small business analysis for DWD-272. It was the consensus of the SBRRB that additional clarification was needed in order to determine the economic impact on the small business employers of the 2,401 Wisconsin workers that were being paid less than $7.25 per hour. As noted in the analysis, camp counselors, amusement and recreational businesses, businesses employing lifeguards, ski patrols and other recreational protective service providers, tour guides and escort businesses are establishments affected by the rule. Upon receipt of this information, the SBRRB will be able to evaluate whether the economic impact reported by the DWD is significant.

The next meeting of the SBRRB will be held in October and the Board will consider the DWD's response to this request at the time in determining the DWD's compliance with Wis. Stats. 227.14(2g). The Department of Commerce Small Business Ombudsman will provide the date and time of this meeting to the department once it is scheduled.

The SBRRB appreciates the department's compliance with the Small Business Regulatory Fairness Act of 2005 in responding to their request for additional information regarding the economic impact on Wisconsin small businesses.

Sincerely,

Richard E. Petershack, Chairman
Governor's Small Business Regulatory Review Board

Cc: Hector Colon, DWD Executive Assistant
Jennifer Ortiz, DWD Administrator, Division of Equal Rights
Hal Bergan, DWD Small Business Regulatory Review Board
Elaine Pridgen, DWD Small Business Regulatory Review Coordinator