LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 24, 2009

TO: Honorable Joe Deshotel, Chair, House Committee on Business & Industry

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB183 by Alonzo (Relating to the minimum wage.), As Introduced

No fiscal implication to the State is anticipated.

The bill would require employers to pay each employee not less than the greater of \$6.15 an hour or the federal minimum wage.

The federal minimum wage was increased to \$6.55 per hour effective July 24, 2008. The federal minimum wage is scheduled to increase to \$7.25 per hour on July 24, 2009. Since the federal minimum wage as of September 1, 2009 will be greater than required minimum of \$6.15, the bill does not have a fiscal impact

Local Government Impact

Local workforce development boards are covered by the Fair Labor Standards Act of 1938 and are exempt from compliance with the provisions of the bill; therefore, no fiscal implication to local workforce development boards is anticipated.

Source Agencies: 303 Facilities Commission, 320 Texas Workforce Commission, 529 Health and Human

Services Commission, 601 Department of Transportation

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