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FISCAL IMPACT REPORT

SPONSOR: King DATE TYPED: 03/04/03 HB 325/aHAFC

SHORT TITLE: Create Equal Pay Task Force SB _____

ANALYST: Gilbert

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 41

SOURCES OF INFORMATION

LFC Files

Responses Received From

- New Mexico Department of Labor (NMDOL)
- State Personnel Office (SPO)
- Attorney General's Office (AGO)
- New Mexico Commission on Higher Education (CHE)

SUMMARY

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment to House Bill 325 strikes the \$20.0 appropriation from the original bill. It is assumed the associated costs will be absorbed in existing the budget.

Synopsis of Original Bill

House Bill 325 creates a nine-member equal pay task force appointed by the governor and appropriates \$20.0 to the New Mexico Department of Labor (NMDOL) for administrative support. The purpose is to study the extent of wage disparities between women and men, minorities and non-minorities, in the public and private sectors, study the causes and consequences of wage disparities, and recommend solutions to eliminate or prevent wage disparities.

Significant Issues

The task force consists of two representatives from business, two from labor, two from organizations specializing in the elimination of wage disparities, and three from higher education. The task force operates from July 1 to December 1, 2003 and makes its final recommendations to the governor and the legislature no later than December 15, 2003.

FISCAL IMPLICATIONS

The \$20.0 appropriation contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY 2004 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

NMDOL estimates that staff support for the equal pay task force may require dedicating an advanced-level economist (0.5 FTE) to provide necessary professional support.

According to NMDOL, the database necessary to support this research will require considerable effort in bringing together many diverse administrative data sources. Some data may need to be estimated. Recently, the NMDOL Economic Research and Analysis Bureau worked to develop a wage records administrative database that will provide access to some of the data needed by the equal pay task force.

RELATIONSHIP

This bill relates to HB 41, which prohibits wage discrimination based on gender.

The Equal Pay Act of 1963, requires employers to pay similar wage rates for similar work, without regard to gender.

OTHER SUBSTANTIVE ISSUES

The study of equal pay issues historically has been complicated by the lack of sufficient earnings and demographic data.

RLG/sb