

## Department of Planning and Budget 2017 Fiscal Impact Statement

**1. Bill Number:** HB2190

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Boysko

**3. Committee:** Commerce and Labor

**4. Title:**    Wage or salary history inquiries prohibited; civil penalty.

**5. Summary:** Prohibits a prospective employer from (i) requiring as a condition of employment that a prospective employee provide or disclose the prospective employee's wage or salary history or (ii) seeking the wage or salary history of a prospective employee from the prospective employee's current or former employers. Violations are subject to a civil penalty not to exceed \$100 per violation. The civil penalty revenue is to be deposited to the general fund.

**6. Budget Amendment Necessary:** Yes, Item 115 (HB1500/SB900). See Item 8 below.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017	\$0	0	N/A
2018	\$50,474	0	GF
2019	\$50,474	0	GF
2020	\$50,474	0	GF
2021	\$50,474	0	GF
2022	\$50,474	0	GF
2023	\$50,474	0	GF

**8. Fiscal Implications:** This bill requires the Department of Labor and Industry (DOLI) to enforce this provision. DOLI will need a half-time inspector to respond to the 80 to 120 cases anticipated in response to this bill. The amount of civil penalties that might be collected and deposited to the general fund is indeterminate.

DOLI determined the potential number of investigations for this bill based on the number of payment of wage claims. DOLI responds to 30,000 payment of wage inquiries a year that result in approximately 1,200 cases a year. DOLI anticipates this may be a reasonable estimate of the number of applicants that could contact DOLI regarding this bill. Because the applicant does not personally benefit, DOLI reduced the number to two to three thousand inquiries that would result in 80 to 120 cases a year. This number of investigations would require half a labor law inspector's time for a year.

Per § 40.1-2.1, Code of Virginia, the provisions of this title and any rules and regulations promulgated pursuant thereto do not apply to the Commonwealth or any of its agencies, institutions, or political subdivisions, or any public body, unless coverage is extended through the regulatory process. Since DOLI has not extended application of this title to the Commonwealth or any of its agencies, institutions, or political subdivisions, or any public body through the regulatory process, this bill only affects private employers.

It is anticipated that any impact to the court system as a result of the provisions of this bill can be absorbed within the normal course of operations.

**9. Specific Agency or Political Subdivisions Affected:** Department of Labor and Industry; court system.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.