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SB 420

Thank you Chairman Nass and members of the committee for holding a hearing on SB 420 which allows a minor to be employed by a family business without the need for a child labor permit.

Growing up on a farm, my family relied on my brother, my sister, and I to help with our family business. Working alongside my parents and siblings taught me valuable lessons and has contributed to my work ethic and professional success. Being a part of something bigger than myself at an early age made me see the fruits of my contributions and gave me an early advantage in the job marketplace.

Much like family farms, family businesses can play an important role in developing important professional skills in our young people. While an exemption from child work permits is currently granted to families whose children work on the farm, it is not currently allowed for any other type of business. This bill will remove this unnecessary obstacle for families wishing to develop a sense of responsibility and work ethic in their young children.

Soon, you will hear from the Eberle family who owns the Mixing Bowl Bakery in Sauk City. Curtis and Vicki have eight children, many of whom are too young to qualify for a work permit. After an investigation, they were told their children could not participate in daily operations of the bakery such as making change and washing tables. This bill would remedy this and many other similar situations in our state and make Wisconsin family businesses true family operations.

Thank you for your time,

Todd Novak

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Senate Committee on Labor and Regulatory Reform

Testimony on Senate Bill 420

Andrew Evenson, Legislative Liaison, Department of Workforce Development

Chairperson Nass and members of the Senate Committee:

I am Andrew Evenson, the Legislative Liaison for the Department of Workforce Development (DWD). On behalf of DWD, I would like to thank you for allowing me to testify for information only.

This bill, Senate Bill 420, allows family businesses to hire a minor without a work permit if that business is owned in whole or part by the minor's parent, guardian, or grandparent. Current law requires a work permit for the employment of a minor whose parent owns the business to be at least 12 years old to perform work that otherwise would not be prohibited from being employed in the same job at age 14. The work permits are issued by DWD or a designated permit officer for \$10. The revenue is divided amongst DWD, the permit issuer, and the state's general fund. As employees, these minors would be subject to minimum wage laws even if work permits are no longer required.

Federal law has a complete "parental exemption" from the agricultural provisions of the FLSA. A minor of any age may be employed by his/her parent at any time & in any occupation on a farm owned or operated by that parent. In agriculture, these minors may work any hours.

Federal law also allows minors under age of 12 to be employed outside of school hours with parental consent on a farm where employees are exempt from the federal minimum wage provisions. Federal minimum wage covers farms that do not use more than 500 "man days" of agricultural labor in any calendar quarter of the preceding calendar year.

There is a partial exemption in non-agricultural labor. Federal law generally does not limit age at which children may be employed by their parents. It does, however, limit the hours they can work in the same way it limits other minors. Federal law also requires children of business owners to be paid minimum wage and overtime. Under federal and state laws, minors may not volunteer for for-profit businesses.

DWD estimates that if SB 420 became law there would be a slight decrease in number of work permits issued for the employment of minors.

I would be happy to answer any technical questions you may have. Thank you again for your time and for the opportunity to testify today.