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STATE REPRESENTATIVE • 29<sup>TH</sup> ASSEMBLY DISTRICT

P.O. Box 8953 Madison, WI 53708-8953

Assembly Bill 442

**Public Testimony** 

Assembly Committee on Labor and Integrated Employment

Thursday, November 16

Thank you Chair Penterman and members of the committee for holding this hearing on Assembly Bill 442.

Assembly Bill 442 removes the requirement for 14 and 15 year olds to get work permits to gain employment. 2017 Wisconsin Act 11 removed the requirement for 16 and 17 year olds to obtain a work permit. There has not been any issues since removing this permit for 16 and 17 year olds. A work permit is an extra document for the government to approve for a teenager to gain the ability to work a job and develop lifelong skills.

For 14 and 15 year olds, they need to get a paper document signed by them self, a parent, the employer and school to be allowed to work. Once all the paperwork is completed, they need to submit it to the state with \$10 to be approved to have a job. There is an electronic document version to complete, which is the way most are now being filed. However, this is government bureaucracy that is unnecessary.

If a teenager wants a job, they should be able to apply to a job and start working. They shouldn't need approval by their school and state to obtain a job. In addition, this bill does NOT change any child labor laws. It only removes the paper pushing form 14 or 15 year olds need to fill out. Employers will still need to follow all the child labor laws such as how many hours a minor can work a week. Those laws are not changing.

Currently 16 states have removed work permits for teenagers. Wisconsin is halfway there. We have removed the required work permit form for 16 and 17 year olds. It is now time to remove the work permit for 14 and 15 year olds. I appreciate your support for Assembly Bill 442.



STATE SENATOR • 29<sup>™</sup> SENATE DISTRICT

# Testimony – AB 442

### Assembly Committee on Labor and Integrated Employment Thursday, November 16, 2023

We all know that Wisconsin has a workforce problem. We also like to complain that "kids don't want to work anymore." If you have been able to refrain from uttering that phrase out loud, it has almost certainly gone through your head. There is something we can do here at the state level to eliminate one hurdle to getting a child their first job and into the workforce – that is by eliminating a piece of paper provided by the government to allow an 14 or 15 year old to obtain a job. If a child at the age of 14 or 15 would like to begin working, even for a few hours a week, to make a little money, and begin to understand how the world works, the government should not stand in the way of that.

Under current law, a person who is 14 or 15 must obtain a work permit or street trade permit issued by their school in order to join the workforce. A street trade permit is a stamp on an employee's work permit that allows them to do door-to-door work.

In 2007, Wisconsin rolled back permitting requirements on 16 and 17 year olds without any issues. **16 other states don't have work permits whatsoever.** AB 442 aims to get rid of the child work permit for 14 and 15 year olds. This would also repeal the need for a street trade stamp. If a 14 or 15 year old were to obtain a job that requires them to go door-to-door, instead the employer would simply notify the municipality that the child was performing this kind of work.

It is my belief that a child's parents are the ones who should make the decision as to whether their son or daughter is mature enough and able to handle the responsibility of a job at such a young age – NOT school employees or bureaucrats. Of course, teachers and school administrators play an important role in a child's life, however the decision to allow or deny them a work permit should not be their prerogative.

To be clear – there are several things that this bill does NOT do:

- 1. AB 442 does NOT repeal any workforce safety standards or the prohibitions on what kind of work 14 and 15 year olds can do. It does NOT open children up to taking jobs that might be dangerous.
- 2. AB 442 does NOT repeal recordkeeping requirements by employers. The business must still track information such as how old their employee is and how many hours they work.
- 3. AB 442 does NOT change the amount of hours a 14 or 15 year old can work per day or week.
- 4. AB 442 does NOT repeal school attendance requirements in order to have a job.

I encourage you to support this bill which maintains important safeguards in the law to keep kids safe while in the workforce and repeals unnecessary red tape, empowering families to make the right decisions for their kids - NOT the government.

This bill gets rid of a piece of paper – NOT safety or accountability.



# **Assembly Bill 442**

November 16, 2023

Brian Sikma *Visiting Fellow* Opportunity Solutions Project Chairman Penterman, members of the committee, my name is Brian Sikma and I'm a visiting fellow with the Opportunity Solutions Project where I advocate for free enterprise and a limited government so that more people may achieve the American Dream. As a proud Wisconsin resident, I am testifying in support of AB 442.

Over the past 45 years, the labor force participation rate for teenagers has plummeted.<sup>1</sup> In 1978, it was roughly 60 percent.<sup>2</sup> Today, it hovers just under 37 percent.<sup>3</sup>

Having a summer job or part-time job in high school can have long-lasting benefits. You never forget your first paycheck. It teaches you about time management and the value of a dollar. It's about gaining independence and opening the door to new interests.

Studies show that increasing opportunities for work among teenagers can help reduce youth crime rates.<sup>4</sup> And that working in high school can help you earn more money throughout your life compared to those who didn't hold a job during high school.<sup>5</sup>

Work ethic is learned in the home, and it's time for Wisconsin to update state law so that parents—not schools and bureaucracy—have the final say when it comes to family decisions like finding that first job and earning that first paycheck.

If passed, AB 442 would repeal work and street trade permitting requirements for 14- and 15-yearolds. Wisconsin already eliminated permits for 16- and 17-year-olds in 2017.<sup>6</sup> This bill would remove administrative barriers for all working high-school teenagers.

Importantly, this bill would maintain key safeguards. It wouldn't change recordkeeping requirements for employers; it wouldn't change school attendance requirements; it wouldn't change work hours or times of days for work, and it wouldn't weaken penalties. DWD would still be able to investigate and penalize bad actors—especially those bad actors who take advantage of our insecure borders to exploit migrant youth.

Federal labor law doesn't require permits, and roughly a third of states don't require them, either.<sup>7</sup> By passing AB 442, Wisconsin could join the growing number of states that are rolling back permitting requirements. Indiana eliminated permits in 2020, and Arkansas did the same just this year.<sup>8-9</sup> Other states without permits include Tennessee, Kansas, Utah, Idaho, Oregon, Texas, Florida and eight other states.<sup>10</sup>

AB 442 would restore decision-making power to parents and remove barriers to work for young Americans.

Thank you for your time.

 <sup>&</sup>lt;sup>1</sup> Labor force patterns for 14- and 15-year-olds are excluded from monthly statistics. FRED, "Labor force participation rate - 16-19 Yrs.," Federal Reserve Bank of St. Louis (2023), <u>https://fred.stlouisfed.org/series/LNS11300012</u>.
<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Charles Fain Lehman, "Crime-fighting lessons from summer youth employment programs," Manhattan Institute (2021), <u>https://manhattan.institute/article/crime-fighting-lessons-from-summer-youth-employment-programs</u>.

<sup>5</sup> Charles Baum and Christopher Ruhm, "The lasting benefits of early work experience" Employment Policies Institute (2014), <u>https://epionline.org/app/uploads/2014/08/EPI\_LastingBenefitsofEarlyWorkExperience2.pdf</u>.
<sup>6</sup> 2017 Wisconsin Act 11, <u>https://docs.legis.wisconsin.gov/2017/related/acts/11</u>.

<sup>7</sup> Alli Fick and Haley Holik, "How states can streamline the hiring process for teenage workers and restore decision-making to parents," Foundation for Government Accountability (2022), <u>https://thefga.org/research/streamline-hiring-process-for-</u>

#### teen-workers/.

<sup>8</sup> Indiana Senate Bill 409 (2020), <u>http://iga.in.gov/legislative/2020/bills/senate/409#document-d235db2e</u>.

<sup>9</sup> Arkansas House Bill 1410 (2023),

https://www.arkleg.state.ar.us/Bills/Detail?id=hb1410&ddBienniumSession=2023%2F2023R&Search=.

<sup>10</sup> "Empowering teenagers through the power of work" Foundation for Government Accountability (2023),

https://thefga.org/solution/workforce-and-entrepreneurship/empowering-teenagers-through-the-power-of-work/.



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#### November 14, 2023

TO: Assembly Committee on Labor and Integrated Employment

FR: Susan Quam, WRA Executive Vice President

## Written Testimony for Information Only AB 442 Elimination of Work Permits for 14–15-Year-Old.

Thank you Chair Penterman and Committee for the opportunity to submit written testimony for information only today on AB 442. Unfortunately, this hearing conflicts with the Unemployment Insurance Advisory Council meeting - where I represent small businesses - and I am not able to be at the hearing.

The restaurant industry in Wisconsin is one of the largest private sector employees in the state. The restaurant industry employs over nine percent of all workers in the state. In fact, one out of three people start their working career in a restaurant while a teenager. Many of those folks consider the restaurant owners, managers, and employees they worked with as their second family while completing high school. Restaurant owners take pride in providing teenagers their first job that helps them learn the important skills of starting on time, how to work with others, managing their shifts and doing so while still doing well academically and being active in after school activities.

The WRA supports legislation that streamlines employee hiring practices and we supported the removal of requiring work permits for 16–17-year-old a few years ago. However, federal law has many more restrictions on the employment of 14–15-year-olds, specifically on the hours and days they can work and what equipment they can use, compared to 16–17-year-old. Since 99 percent of Wisconsin restaurants fall under federal labor law when it comes to employing teens, we take complying with those restrictions very seriously.

There is one component of the current 14–15-year-old work permit process, that if removed, we believe will put our members at risk when hiring those teens. The current work permit process ensures that both the teen and their parents/guardians understand when a student may work during the school year/summer and what equipment they may not engage with. This component is very important for our restaurant owners – one they rely on to ensure no parent is unaware of the laws surrounding teen employment.

We believe that having a mandatory notification of some sort is still needed when hiring 14–15-year-olds. We would propose this bill be amended to require the Department of Workforce Development create a mandatory form that outlines the state and federal work restrictions for 14–15-year-old workers. This form would need to be used by all employers of 14–15-year-old workers, where the parent/guardian and the teen be required to sign off on their acknowledgement of the applicable laws and be kept on file with the employer. This will ensure that if there is an investigation by the Department of Workforce Development or the US Department of Labor, the employer has proof that the employee and their parents were informed of work restrictions. Restaurants are often the target of random, regional labor law audits by the US DOL and teen labor laws are many times what the investigators are looking for. Having this notification and sign-off of acknowledgement is not only good for the education of the worker and parents, but a reminder also for the employer of what the rules are and how to remain compliant.

If this form, or an equivalent type of protection for the employer were added to AB 442 the WRA would wholeheartedly support its passage and implementation. Streamlining the hiring process for employees is needed and we support those efforts. Our members still need some protection for themselves and the industry while achieving those streamlining goals.

Thank you for your time.

The Wisconsin Restaurant Association (WRA) represents over 7,000 restaurant locations statewide and represents all segments of the restaurant and hospitality industry. Our membership includes food establishments of all types and sizes, such as seasonal drive-ins, supper clubs, diners, bars, locally owned franchisees, fine-dining, and hotels/resorts. Over 75 percent of our membership is independent restaurants or restaurant groups. Regardless of ownership type, all restaurants are the cornerstones of their neighborhoods and communities. Restaurants not only provide great food, drink, and hospitality, they support schools, teams, charities and churches with fundraising and donations. They provide meeting places to celebrate, mourn and organize, or just provide a safe, tasty meal for a busy family.

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