

## Testimony – SB 436

## Senate Committee on Labor, Regulatory Reform, Veterans, and Military Affairs Thursday, October 5, 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. SB 436 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. SB 436 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. SB 436 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. SB 436 does NOT change the amount of hours a 14 or 15 year old can work per day or week.
- 4. SB 436 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.





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Senate Bill 436

Public Testimony

Senate Committee on Labor, Regulatory Reform, Veterans and Military Affairs

Thursday, October 5

Thank you Chair Testin and members of the committee for holding this hearing on Senate Bill 436.

Senate Bill 436 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 themself, 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 Senate Bill 436.



## Senate Bill 436

October 5, 2023

Brian Sikma *Visiting Fellow* Opportunity Solutions Project Chairman Testin, 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 SB 436.

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, SB 436 would repeal work and street trade permitting requirements for 14- and 15-year-olds. 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 permits.<sup>7</sup> By passing SB 436, 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, and Florida.<sup>10</sup>

SB 436 would restore decision-making power to parents and remove barriers to work for young Americans.

Thank you for your time.

<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-teen-workers/</u>.

<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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> Stephanie Bloomingdale In Opposition to SB 436 October 5, 2023

Good morning Mr. Chairman and members of the Committee. My name is Stephanie Bloomingdale and I am the President of the Wisconsin AFL-CIO. I appear on behalf of the hardworking men and women across Wisconsin to urge this Committee to oppose Senate Bill 436, a bill that rolls back Wisconsin's child labor laws.

This bill – the Child Labor Parental Approval Permit bill – will completely eliminate work permits children, removing parents of their right to sign off on a child's work permit and therefore eliminating the vital role moms and dads play in setting priorities for and ensuring the safety of their children. It will also eliminate funds for the enforcement of child labor regulations across the state. This bill follows 2017 Wis Act 11, which eliminated work permits for older teens – 16 and 17 year olds.

It is extremely valuable for many teenagers to work: in the wages they make, the real-world skills they acquire, and in the lessons they learn on-the-job. However, we must remember that the teenagers affected by the bill – 14 and 15 year-olds – are children, and are in need of the protection and guidance from their parent(s), community, and State. Without a permit system, there is no way for the State of Wisconsin to join with parents to protect the life, health, safety, and welfare of children who wish to work.

Child work permits play and have played an essential role in Wisconsin's child labor regulations for over 100 years. We all know, whether through family stories or history books, of a time when it was common place to find young teenagers not at school but at work, toiling in factories or alone, selling newspapers or shining shoes on street corners. Wisconsin, proudly, was one of the first states to really put an end to this abuse. We first instituted child labor regulations, but parents, advocates, and policy makers found that employers did not pay attention to the regulations and kept overworking children, placing them in harms' way and/or prioritizing work over schooling. It was not until the State instituted a permit system, with a carrot and stick approach, that employers in our State respected the role of parents and the priority of school over work that our State sets for every child.

It was unconscionable when the 2017 Legislature and former Governor took away the right of parents to approve work for their older teens through 2017 Wisconsin Act 11. Over the last six years, we have unfortunately seen a rise in older teens harmed at work and working in hazardous and/or illegal jobs for their age. The number of minors employed in violation of child-labor laws last year was up 37% from the previous year, according to the Department of Labor, and up 283% from 2015.

It is no coincidence that just a year or two prior to these devastating statistics states like Wisconsin loosened our child labor regulations. Yet, here we are again as politicians want more from our kids and less from parents.

Today, under current law, Wisconsin's child labor permit system continues to partner with parents for 14- and 15- year-olds, allowing parents to set priorities and rules for their children who wish to work. It is important to note that the child work permit process has evolved over the years. Gone are the days of a piece paper shuttled between school, home, and to the job. Now, parents and guardians create an account on the DWD website and enter in the details of the job – such as days, hours, the type of work expected, as well as their child's school. The \$10 fee that paid for the permit is reimbursed by the employer.

It is also important to note that the fee goes to funding the office that enforces all child labor regulations to all teens, not just 14 and 15 year olds. Without the permit system, an increase in GPR support would be required to fund child labor enforcement in Wisconsin; without it, this bill would defund child labor enforcement in Wisconsin.

This bill solves no problem, but will create dozens of issues for children and families across this State. Wisconsin's child labor regulations are enforced because of the partnership that the work permit system creates between parents and the DWD, which administers and enforces the law. By eliminating all work permits for all teen workers, this bill will diminish the critical role parents play in the enforcement of labor regulations of and in the setting of priorities for their children and at the same time will virtually eliminate all funds for the State enforcement of child labor regulations.

For the above reasons, I urge each of you to oppose Senate Bill 436.