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November 15, 2017

AB 504

Thank you Chairman Kitchens and members of the committee for holding a hearing on AB 504 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.

The substitute amendment clarifies that this bill is intended to allow a minor of any age to work in a family business. Current law only allows children older than 12 to be employed by a family business. The substitute amendment does not revise any other child labor standards.

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



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

**Testimony on Assembly Bill (AB) 504
Assembly Committee on Children and Families
November 15, 2017**

Good Morning,

Thank you Chairman Kitchens and committee members for taking the time today to hear testimony on Assembly Bill 504. The goal of this legislation is to allow children to pitch in and help at their family businesses while keeping necessary safeguards in place.

The need for this legislation was brought to me by the Eberle family, who own a local bakery, the Mixing Bowl Bakery in Sauk City. Last year, a customer filed a complaint with the Department of Workforce Development (DWD) that several of their children were working in the bakery – clearing dishes, washing tables, making change and other small tasks. Curtis and Vicki Eberle were investigated and told that their children could not work at the bakery without a work permit. Since most of them are fairly young, they do not qualify for a work permit. Thus, none of the Eberle's children are allowed to help at the bakery anymore.

Assembly Bill 504 would allow a minor to be employed without a child labor permit if they are working at a business owned by their parents, guardians or grandparents. Current child work permit exemptions already exist for: agricultural work; domestic employment, work in or around a private home (such as babysitting or yard work), volunteer work for a non-profit agency and work through the Youth Apprenticeship Program.

Similarly, Federal law also exempts children of any age from child labor minimum age requirements if employed they are employed in a family business, with some exceptions for hazardous occupations.

Some of the best lessons a child can learn take place when they are working alongside their parents. Farm-kids are some of the hardest workers with the best work ethic in our state. Under current law, a minor does not need a work permit to work on the family farm. A family-business should be treated the same.

It is important to note that all other minor employment protections would remain in place. Current law protects children by prohibiting them to be employed in any place that is dangerous to their health, safety, or welfare or where the employment may be dangerous. There are also additional protections and limitations on what hours minors can work.

The substitute amendment, which is the same as the amendment adopted by the Senate, would allow a minor of any age to help their family's private businesses. Again, this would align our statutes similarly to agriculture and federal law.

The companion version of this bill, Senate Bill 420, received bi-partisan support as it passed the State Senate. I would encourage you to also support this common sense proposal.

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Scott Walker, Governor
Ray Allen, Secretary

Assembly Committee on Children and Families

Testimony on Assembly Bill 504

Andrew Evenson, Legislative Liaison, Department of Workforce Development

Chairperson Kitchens and members of the Assembly 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, Assembly Bill 504, 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 AB 504 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.