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FISCAL IMPACT STATEMENT

LS 6397

BILL NUMBER: HB 1267

NOTE PREPARED: Jan 26, 2006

BILL AMENDED: Jan 25, 2006

SUBJECT: Wage Assignment and Wage Payment.

FIRST AUTHOR: Rep. Borrer

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill sets procedure for issuance of an employment certificate. It provides that a child may have more than one employment certificate at a time and specifies that if so, is subject to civil penalties from the Department of Labor if the child works more than the allowable number of: (1) hours in a week; or (2) days in a week. The bill provides that an employer of a child who holds more than one employment certificate is responsible only for excess hours or days of the week violations for the employment of the child with the employer.

The bill establishes the interim study committee on child labor, to study: (1) the issuance of employment certificates; (2) the maximum hours that a child under age 18 may work in a week; and (3) enforcement of child labor laws. It makes technical corrections.

Effective Date: (Amended) June 1, 2006; July 1, 2006.

Explanation of State Expenditures: (Revised) The bill allows a child to have more than one work permit at a time. Each work permit would include the maximum number of hours per week that the child could work. If the child has more than two permits, then the child and the employer are responsible for making sure the allowable working times are not violated. The bill could increase the number of work permits issued. The increase is probably small and would probably not increase state expenses. The number of work permits issued by schools is between 87,000 and 127,000 each year.

This bill establishes the Interim Study Committee on Child Labor. The committee is to operate under the

policies governing study committees adopted by the Legislative Council. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$9,500 per interim for committees with fewer than 16 members. The committee would study:

1. The issuance of employment certificates;
2. The maximum hours that a child under age 18 could work in a week; and
3. Enforcement of child labor laws.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Work permits are processed by school corporations. Between 87,000 and 127,000 are issued each year. The bill might increase the number issued, but the number would probably be minor. The state now has an Online Work Permit System that should reduce schools' costs of processing the work permits.

Explanation of Local Revenues:

State Agencies Affected: Department of Labor.

Local Agencies Affected: Schools.

Information Sources: Department of Labor, <http://www.in.gov/labor/childlabor/pdf/twpstat.pdf>.

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