

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6397

BILL NUMBER: HB 1267

NOTE PREPARED: Mar 27, 2006

BILL AMENDED: Feb 21, 2006

SUBJECT: Wage Assignment and Wage Payment.

FIRST AUTHOR: Rep. Borrer

FIRST SPONSOR: Sen. Harrison

BILL STATUS: Enrolled

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill sets procedure for issuance of an employment certificate and specifies format of the 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. It also makes technical corrections.

Effective Date: June 1, 2006; July 1, 2006.

Explanation of State Expenditures: 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 Online Work Permit System would have to be modified to include the maximum hours that can be worked.

A child that violated the maximum number of allowable work hours would be subject to the following civil penalties by the Department of Labor.

1. A warning letter for the first violation.
2. Revocation of the employment certificate or certificates held by the child for 30 days.

The number of work permits issued by schools is between 87,000 and 127,000 each year.

Explanation of State Revenues:

Explanation of Local Expenditures: The issuing officer would have to keep a record for each student with more than one employment certificate of the maximum number of hours that the student may work each week for all employers. There could be some minor costs associated with maintaining the records.

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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