

Legislative Analysis



YOUTH WORK PERMIT EXCEPTION

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Senate Bill 860

Sponsor: Sen. Jason E. Allen

House Committee: Labor

Senate Committee: Commerce and Tourism

First Analysis (5-6-10)

BRIEF SUMMARY: The bill would make an exception to the work permit requirement for a minor who performs unpaid volunteer work for a charitable organization.

FISCAL IMPACT: The bill would have no fiscal impact on the state or local units of government.

THE APPARENT PROBLEM:

The Youth Employment Standards Act establishes the minimum age at which minors may be employed, limits the number of hours in a day and a week that minors may work, and prohibits the employment of minors in an occupation that is hazardous to a minor's health or well-being, or contrary to standards established under the act. [Under the act, a "minor" is a person under the age of 18.]

As a rule, a minor may not be employed in an occupation regulated by the act until the prospective employer obtains a work permit or a temporary permit from the minor. The work permit must be issued by the issuing officer of the school district, intermediate school district, public school academy, or nonpublic school at which the minor is enrolled.

The leaders of nonprofit charitable organizations often rely on volunteers to accomplish the goals of their organizations, and provide services to others. Sometimes volunteer services are provided by minors, but it is unclear whether a volunteer under 18 years old needs to secure a work permit.

Legislation has been introduced that would exempt all minors who work as unpaid volunteers for tax-exempt charitable organizations from the Youth Employment Standards Act's work permit requirement.

THE CONTENT OF THE BILL:

Senate Bill 860 would amend the Youth Employment Standards Act (MCL 409.104) to make an exception to the work permit requirement for a minor who was performing unpaid volunteer work for a charitable organization.

Currently, a work permit is not required for a minor at least 13-years old who is employed in farming operations involved in the production of seed, but only during school vacation

periods or when the minor is not regularly enrolled in school. Senate Bill 860 would retain this provision, and extend it to non-profit volunteer work.

Specifically, a work permit would not be required for a minor who was performing work as an unpaid volunteer for an organization that is recognized as tax-exempt under, or whose purposes, structure, or activities are exclusively those that are described by, Section 501(c)(3) of the Internal Revenue Code.

Finally, the bill specifies that the exception does not provide an exemption from any other provisions of the act.

Note: Section 501(c)(3) of the Internal Revenue Code provides an exemption from federal income taxes for a corporation, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, public safety testing, literary, or educational purposes, or to foster national or international amateur sports competition, or for the prevention of cruelty to children or animals, if none of its net earnings benefit any private shareholder or individual, no substantial part of its activities is carrying on propaganda, or otherwise attempting to influence legislation, and it does not participate or intervene in any political campaign on behalf of or against any candidate for public office.

HOUSE COMMITTEE ACTION:

The members of the House Labor Committee reported out the Senate-passed version of Senate Bill 860 without amendment. (Information in this analysis is derived from the analysis of the bill by the Senate Fiscal Agency dated 2-12-10.)

ARGUMENTS:

For:

Charitable organizations where minors volunteer might unknowingly be in violation of the Youth Employment Standards Act. Since the act's work permit requirement does not specifically exempt volunteer activities, it is possible that minors who volunteer for charitable organizations need work permits. Although the work permit requirement apparently has not been enforced for this type of activity, if work permits were required for volunteers who are minors, many young people could be discouraged from getting involved in their communities. This would be detrimental to numerous charitable organizations whose leaders rely heavily on volunteers, and it would deprive youths of valuable and enriching experiences.

For example, according to testimony before the Senate Commerce and Tourism Committee, one of the most successful programs of Big Brothers Big Sisters in the Heart of Michigan--a charitable nonprofit that serves Midland and Isabella Counties--is a one-to-one program involving high school students who mentor younger children. This program serves nearly 200 children, by involving almost 200 mentors who are high school students. The teenagers help the elementary students with their homework, play educational games with them, provide them with a trusting relationship, and serve as role models. If the high school students serving in this program, and other young volunteers,

were required to get a work permit in order to serve, many probably would opt not to participate.

To preserve opportunities for youth volunteerism and to protect charitable organizations from being in violation of the act, this bill would exempt volunteers who are minors from the work permit requirement.

POSITIONS:

The Department of Energy, Labor, and Economic Growth supports the bill. (4-21-10)

The DELEG Wage and Hour Division supports the bill. (4-21-10)

The Michigan Nonprofit Association supports the bill. (4-21-10)

The Capitol Area United Way supports the bill. (4-21-10)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.