



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 860 (as reported without amendment)
Sponsor: Senator Jason E. Allen
Committee: Commerce and Tourism

(as enrolled)

Date Completed: 2-12-10

RATIONALE

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. (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.

Nonprofit charitable organizations often rely on volunteers to accomplish the goals of the organization 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. It has been suggested that a minor performing work as an unpaid volunteer for a tax-exempt charitable organization be specifically exempted from the Act's work permit requirement.

CONTENT

The bill would amend the Youth Employment Standards Act to make an exception to the work permit requirement for a minor who was performing unpaid volunteer work for a charitable organization.

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.

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.

That exception does not provide an exemption from any other provisions of the Act. Under the bill, this also would apply to a minor performing voluntary work.

(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.)

MCL 409.104

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Charitable organizations for which 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 that rely heavily on volunteers, and would deprive youths of valuable and enriching experiences.

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, meaning it has 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, the bill would exempt volunteers who are minors from the work permit requirement.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Pratt
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.