

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6146
BILL NUMBER: HB 1100

DATE PREPARED: Nov 5, 1999
BILL AMENDED:

SUBJECT: Supervision of minor employees at night.

FISCAL ANALYST: Beverly Holloway
PHONE NUMBER: 232-9851

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill prohibits a person, firm, limited liability company, or corporation from permitting a child who is less than 18 years of age and who is employed by the person, firm, limited liability company, or corporation from working in an establishment that remains open to the public after 10:00 p.m. and before 6:00 a.m. unless the child is accompanied by another employee who is at least 18 years of age. It provides for a civil assessment by the Department of Labor for a violation.

This bill provides that if the child is injured during employment when not accompanied by another employee at least 18 years of age, the amount of compensation and death benefits due through workers' compensation is double the amount that would otherwise be recoverable.

Effective Date: July 1, 2000.

Explanation of State Expenditures: *Department of Labor:* The provisions of this bill can be done within the existing inspection procedures of the Department of Labor. There are currently four child labor inspectors. This bill will not require additional staff and can be done within the Department's existing budget.

Worker's Compensation: The State employs individuals under the age of 18 to work in Indiana's state parks. Currently employees of state parks already follow this requirement so this would minimize the State's exposure for increased worker's compensation benefits.

Explanation of State Revenues: *Department of Labor:* This bill allows for the assessment of a civil penalty under IC 20-8.1-4-31(5)(D)(ii). The civil penalty for the violation of this provision is \$100 per instance for each violation identified following the initial inspection. The civil penalty of \$200 per instance can be assessed for a third violation and a \$400 per instance civil penalty can be assessed for a fourth or subsequent violation. The civil penalties are deposited in the Employment Youth Fund. In FY 1999 there was \$75,530

in civil penalties deposited in this fund.

Depending on the compliance rate, this bill could increase the amount of civil penalties assessed and deposited in the Employment Youth Fund. Half of the Fund is used for educating affected parties on the purpose and content of child labor laws. The other half of the Fund is used for the hiring and salaries of additional inspectors to enforce child labor laws.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Labor.

Local Agencies Affected:

Information Sources: Pete Rimsans, Department of Labor, (317) 233-9351. Keith Beesley, Department of Personnel, (317) 232-3062.