



# OHIO LEGISLATIVE SERVICE COMMISSION

Tom Middleton

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## Fiscal Note & Local Impact Statement

**Bill:** H.B. 551 of the 132nd G.A.

**Status:** As Introduced

**Sponsor:** Reps. Perales and Romanchuk **Local Impact Statement Procedure Required:** No

**Subject:** Revises the law governing employment of minors in construction or manufacturing occupations

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### State Fiscal Highlights

- The Bureau of Wage and Hour Administration within the Department of Commerce will incur some additional operating costs to adopt rules and enforce the revised Minor Labor Law requirements. The extent of the additional work will depend on the number of employers in the construction and manufacturing fields that use the additional flexibility to employ minors under the bill.

### Detailed Fiscal Analysis

The bill prohibits the Department of Commerce from adopting any rule to prohibit a minor from being employed in a construction or manufacturing occupation if the minor's employment in the occupation is permitted under federal law. This would apply for minors who are 16- or 17-years-old and receive the proper training as prescribed under the bill. The Department is to adopt rules specifying a list of approved tools that these minors may operate. The Ohio Administrative Code prohibits minors employed in various occupations from using several types of tools and equipment, but also lists exemptions. This list of exemptions would grow as a result of the bill.

Overall, the Bureau of Wage and Hour Administration within the Department of Commerce will incur some additional operating costs to adopt rules required under the bill and enforce the revised Minor Labor Law requirements, including the list of tools that a 16- or 17-year-old minor may use when employed in construction or manufacturing jobs. The Industrial Compliance Operating Fund (Fund 5560) is used by the Department to pay for the Bureau's operating costs. As of June 18, there are five wage and hour investigators on staff. The extent of the employers potentially affected by the bill and the scope of additional oversight work would depend on the types of manufacturing and construction jobs available to 16- and 17-year-olds and whether employers are subject to the federal Fair Labor Standards Act or Ohio Minor Labor Law, or both.

Under continuing law, if the Department of Commerce finds that an employer has violated the Minor Labor Law, the employer may be assessed a civil penalty, which is paid into the fund of the school district in which the violation was committed. Under the bill, an employer who violates the bill's prohibitions is assessed a civil penalty of up to \$1,730 for each violation.