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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 150
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 150's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. McNally and E. White

Local Impact Statement Procedure Required: No

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Highlights

- The bill establishes the "Clock Out Kids Act" which requires an employer be fined \$50,000 for knowingly violating current law restrictions pertaining to the hours a minor may work.
- The bill requires a school employee to immediately report to the principal or principal's designee when the employee has reason to believe there is a violation of minor work hours related to a student attending the school. The principal or principal's designee must then report the potential violation to the Bureau of Wage and Hour within the Department of Commerce (COM).
- COM will incur costs associated with potentially investigating additional complaints primarily attributable to the creation of a full-time equivalent (FTE) investigator position.
- The bill creates the Minor Labor Law Enforcement Fund (Fund 5AL1) in the state treasury into which the fines established in the bill are deposited and appropriates \$150,000 in each fiscal year from appropriation line item (ALI) 800658, Minor Labor Law Enforcement.
- The bill requires the Director of Budget and Management to transfer \$300,000 cash from the GRF to Fund 5AL1 on the effective date of the bill.

Detailed Analysis

Clock Out Kids Act

The bill establishes the "Clock Out Kids Act" which requires an employer be fined \$50,000, in addition to current law penalties for knowingly violating current law restrictions pertaining to the hours a minor may work. The LSC bill analysis contains details of these current law provisions related to Minor Labor Law violations and penalties.

The bill requires a school employee to immediately report to the school's principal or the principal's designee when the employee is aware of or has a reasonable suspicion based on specific facts that a person under the age of 16 who attends the school is employed in a manner that violates the conditions of the bill. The principal or the designee must report this to the Director of Commerce, who enforces Ohio's minor labor laws.

Bureau of Wage and Hour Administration

The bill appropriates \$150,000 in FY 2025 and FY 2026 under Fund 5AL1 appropriation line item (ALI) 800658 Minor Labor Law Enforcement, to be used by the Department of Commerce (COM) to pay for new costs associated with the bill. This fund, created in the bill, is capitalized through a \$300,000 cash transfer from the GRF to Fund 5AL1. Thereafter, the fund will consist of the any additional \$50,000 fines levied under the bill.

The Bureau of Wage and Hour Administration, which enforces the prevailing wage, minimum wage, and minor labor laws is currently funded through the Industrial Compliance Fund (Fund 5560). Fund 5560 consists of fees assessed on various regulated entities, including elevator inspection fees, plan examination fees, boiler fees, Board of Building Standards fees, bedding fees, and Ohio Construction Industry Licensing Board fees. COM has allocated roughly \$1.5 million in both FY 2026 and FY 2027 from Fund 5560 to support the Bureau of Wage and Hour Administration.

The new costs COM will incur under the bill primarily come from the need to hire an additional investigator. Although the number of additional complaints that would be filed under the bill is unknown, COM gave LBO a preliminary estimate that the Department would need to hire one additional full-time equivalent (FTE) position (Wage & Hour Investigator) to carry out additional investigations resulting from the bill. The base wage rate for these positions is \$27.92 an hour, meaning that the annual costs come out to be approximately \$58,000, excluding fringe benefit costs associated with the new positions, most notably employer health insurance and pension contributions. (For FY 2025, the state's share of providing single coverage under the Ohio Med PPO plan is just under \$8,600 annually. The state's share of retirement is 14% of the employee's salary.) Additionally, COM reports that due to the nature of the investigations involved with this enforcement, the designated investigator would need to be a field employee and that could potentially require COM to acquire a new vehicle.