



INDIANA COMMUNITY ACTION POVERTY INSTITUTE

Research and Public Policy

Testimony before the Senate Commerce Committee

1/25/2024

Greetings Chairman Buchanan and Members of the Committee

Thank you for allowing me to speak today on this important bill.

My name is Erin Macey and I am here representing the Indiana Community Action Poverty Institute, which engages in research and policy advocacy to promote financial well-being. I'm coming here today looking at this issue from multiple vantage points – as someone who took a first job at age 13 and held a variety of positions in my teenage years from housekeeping to answering phones at our local chamber of commerce. I also bring perspective as a K-12 teacher who wanted all her students to succeed in the classroom, and as a parent of two teens. I also help to coordinate the Indiana Skills2Compete Coalition, which focuses on upskilling Indiana's workforce to meet employers' demands, increase the pool of talent, and ensure that workers can access family-sustaining employment. So, I come here with a strong appreciation for the value of youth work experiences but also with concerns about how to balance that with our educational goals for youth in Indiana as well as concerns about the broader context of child labor in Indiana.

I'll start there. At this moment, child labor violations are increasing sharply in Indiana and across the country. This includes violations that have led to serious harm and injury in construction, meat packing, and other hazardous places of employment. Our own senator Todd Young is lead author on federal legislation to tighten these laws and penalties. "Recent data shows that child labor exploitation is not a thing of the past or a problem limited to the

developing world. This bipartisan bill would strengthen our nation’s labor laws to better protect our children.”

- \$5,000 minimum – \$132,270 maximum for routine violations;
- \$25,000 minimum – \$601,150 maximum for each violation that causes the death or serious injury of a minor;
- Create criminal penalties for a repeat or willful violation of child labor laws to include a fine of up to \$50,000 and a year in jail;
- Allow children harmed by violations of the law to seek compensation;

If we’re going to have a conversation about youth employment, I think it’s worth discussing youth exploitation and the enforcement mechanisms here in Indiana. Right now, penalties for employers in Indiana are warnings for most initial violations (including having youth working in hazardous conditions) and \$50-100 for a second violation. Let’s have meaningful tools to address violations.

We’re particularly glad to see the removal of language about hazardous occupations and civil liability. In the amended bill, we still have concerns about the number of work hours. Research shows that working more than 20 hours per week during the school year has a significant negative impact on youth educational attainment and is tied to lower GPA, more missed school days, and increased likelihood of dropping out of high school as well as a higher risk for developing behavioral issues- which is connected to long-term higher risk for unemployment and lower lifetime earnings. In an economy where some sort of credential or degree is necessary to earn family-sustaining wages, are we setting children up for a lifetime of struggle?

We have also had long deliberations in this body about what is important for youth to learn regardless of their future occupation – health, reading, financial literacy. Youth who drop out miss out on important content and skills we aim to have delivered to all and in a context where COVID-19 has created gaps in learning or caused students to fall behind, it is even more important for youth to be fully present in the classroom.

Finally, while I appreciate that the parental permission provisions are an attempt at protection, we also know that some parents or guardians may be failing to prioritize school attendance and, in some cases we know that parental permission is not enough protection.

Child labor laws are important policy measures that were developed in response to real-life crises that emerge for children and families in the absence of protections. When in generations before, thousands of children faced lifelong economic and health consequences of missing out on education or suffered disabling workplace injuries.

As you deliberate this important topic, we strongly encourage you to revisit the work requirements and strengthen aspects of our child labor laws that are clearly in need of reform.