



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 963 (as reported without amendment)
Senate Bill 965 (Substitute S-1 as reported)
Sponsor: Senator Sylvia Santana (S.B. 963)
Senator Darrin Camilleri (S.B. 965)
Committee: Labor

CONTENT

Senate Bill 965 (S-1) would amend the Youth Employment Standards Act to do the following:

- Prohibit an employer from discriminating against an employee or minor who exercised a right granted under the Act.
- Allow the Director of the Department of Labor and Economic Opportunity (LEO) to impose an administrative fine of up to \$5,000 for each violation of the Act.
- Allow the Director of LEO to bring judicial actions against an employer who violated the Act, including an action that required a violating employer to pay an employed minor an award for a violation.
- Prescribe misdemeanor and felony penalties for violations of the Act.

Senate Bill 963 would amend the sentencing guidelines in the Code of Criminal Procedure to include the penalties proposed by Senate Bill 965 (S-1).

Senate Bill 963 is tie-barred to Senate Bill 965.

MCL 409.103 et al. (S.B. 965)
777.14b (S.B. 963)

BRIEF RATIONALE

According to testimony, violations of labor laws for minors frequently occur in Michigan. Minors may be subjected to long hours, dangerous conditions, and other illegal minor labor practices. The bills would increase fines and penalties for these violations and empower LEO to increase accountability among employers, which would result in a safer working environment for Michigan's employed minors.

Legislative Analyst: Alex Krabill

FISCAL IMPACT**Senate Bill 963**

The bill would have no fiscal impact on local government and an indeterminate fiscal impact on the State, in light of the Michigan Supreme Court's July 2015 opinion in *People v. Lockridge*, in which the Court ruled that the sentencing guidelines are advisory for all cases. This means that the addition to the guidelines under the bill would not be compulsory for the sentencing judge. As penalties for felony convictions vary, the fiscal impact of any given felony conviction depends on judicial decisions.

Senate Bill 965 (S-1)

The bill would have an indeterminate but likely negative fiscal impact on the State and local governments related to enforcement. New felony arrests and convictions under the bill could increase resource demands on law enforcement, court systems, community supervision, jails, and correctional facilities; however, it is unknown how many people would be prosecuted under provisions of the bill. The average cost to State government for felony probation supervision is approximately \$5,600 per probationer per year. For any increase in prison intakes the average annual cost of housing a prisoner in a State correctional facility is an estimated \$48,700. Per diem rates range from \$100 to \$431 per day (average per diem is \$135), depending on the security level of the facility. Any associated increase in fine revenue would increase funding to public libraries.

Alternatively, the bill likely would create revenue to the General Fund in the form of increased fines for violations of the Act. Fine amounts would be substantially increased, particularly for repeated violations. The amount of this revenue is indeterminate.

Date Completed: 10-22-24

Fiscal Analyst: Joe Carrasco, Jr.
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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.