

LABOR LAWS AND INSURANCE

Participating construction companies will be inviting school-age students onto the job site for three different purposes.

- **Tours.** Supervised tours may involve groups of students as young as kindergarten age. As you would expect, students or adults taking part in a tour are not considered employees and are not paid for their time.
- **Shadowing Experiences.** "Job shadowing" (observing an employee in the performance of his or her duties for a couple of hours or longer) is typically intended for high school students. Some schools strive to provide job shadowing experiences to 14- and 15-year olds, while other schools incorporate such activities in the junior year. As long as shadowing experiences are designed properly, participating students are not considered employees and are not paid for their time.
- **Internships.** Although the emphasis is on the interns' learning new skills for a specified period, it is expected that the participating students will perform some amount of productive work. Most student interns will be 16- or 17-years old, and they will have just concluded their junior year in high school or enrolled in their senior year.

Some companies are hesitant to participate in internship out of concern that child labor laws or their insurance companies prohibit less than 18-year-olds as being interns in general. Such concerns are groundless. While certain restrictions do apply to the employment of minors, they do not interfere with program goals and the defined process of recruiting and developing prospective young workers.

When students under the age of 18 are used as interns the laws have special provisions commonly referred to as "child labor laws." Be sure you are fully knowledgeable about the laws that apply in Idaho. The appropriate official at the State Division of Technical Education should be able to provide information and some guidelines. **You may also**

want to confirm your understanding of the laws in Idaho with your school attorney and insurance carrier.

For a student, the most memorable, satisfying, and enthusiasm-building experiences are those that go beyond simply observing to include at least some "hands on" opportunities. However, it is important not to cross the line between providing "shadowing" experiences (for which no compensation is paid) and real paid internships.

When students under the age of 18 are paid (employed), all of the appropriate state and federal wage-hour labor requirements must be met. Both school and participating company should confirm Worker's Disability Compensation and general liability coverage with their agents/carriers.

Students may engage in appropriate hands-on work activities and not be paid - that is, they will be considered employees--if the activities are developed as a training program as defined by the Fair Labor Standards Act (FLSA). This can be done by ensuring that the training program meets certain criteria.

School-to-Work Work Site Requirements (For <u>Unpaid</u> Experiences)	
<p>1. The student receives ongoing instruction at the employer's work site and receives close on-site supervision throughout the learning experience, with the result that any productive work that the student would perform would be offset by the burden to the employer for the training and supervision provided; and</p> <p>2. The placement of the student at a work site during the learning experience does not result in the displacement of any regular employee--i.e., the presence of the student at the work site cannot result in an employee being laid off, cannot result in an employer not hiring an employee it would otherwise hire; and</p>	<p>3. Cannot result in an employee working fewer hours than he or she would otherwise work; and</p> <p>The student is not entitled to a job at the completion of the learning experience, although this does not mean that employers are to be discouraged from offering employment to a student who successfully completes the training; and</p> <p>4. The employer, student, and parent/guardian understand that the student is not entitled to wages or other compensation for the time spent in the learning experience--although the student may be paid a stipend for expenses such as books or tools.</p>
<p><i>From School-to-Work Opportunities and the Fair Labor Standards Act, a Guide to Work-Based Learning, Federal Child Labor Laws, and Minimum Wage Provisions, published June 1995.</i></p>	

Students involved in unpaid shadowing experience are not subject to wage-hour or child labor requirements of the federal Fair Labor Standards Act (FLSA).

Paid Internships - Summer and Part-Time Employment

The U.S. Departments of Education and Labor have jointly published specific guidelines covering the elements of an approved training experience. (See box below). Paid internships were designed to meet these criteria.

When students become student employees (interns), or if the shadowing activities you offer do not meet the requirements of an "unpaid shadowing experience," the requirements of the FLSA apply:

- Employers must pay at least the federal minimum hourly wage, unless the student, school and construction company acquires a special certificate from the U.S. Department of Labor.
- Employers must pay 1½ times the hourly rate for all hours over 40 hours in a work week. Hours are limited for student employees under the age of 16.¹
- Accurate employment records must be maintained for the student. The kinds of records kept for other employees should be adequate. The use of a time clock is not required.
- Employers must comply with child labor law requirements.

Elements of a Learning Experience at an Employer's Work Site	
<p>1. The learning experience must be a planned program of job training and work experience for the student, appropriate to the student's abilities which includes training related to the pre-employment and employment skills to be mastered at progressively higher levels that are coordinated with learning in the school-based learning component and lead to the awarding of a skill certificate.</p> <p>2. The learning experience must encompass a sequence of activities</p>	<p>3. The learning experience has been structured to expose the student to all aspects of an industry and promotes the development of broad transferable skills.</p> <p>4. The learning experience provides for real or simulated tasks or assignments which push students to develop higher-order critical thinking and problem-solving skills.</p>
<p><i>From School-to-Work Opportunities and the Fair Labor Standards Act, A Guide to Work-Based Learning, Federal Child Labor Laws, and Minimum Wage Provisions, published June 1995.</i></p>	

It is very important that you review the Federal and State laws before going further. Blaine County School District, Michael Walsh's Residential Construction Academy and Jim Woodyard have developed an excellent Internship Handbook and should be thoroughly reviewed and understood. This Handbook provides most all of the elements of an Internship in Construction including Legal Issues, etc.

Below is a very brief summary of what different age students in construction cannot participate in doing on-the-site.

16 Year Old	17 Year Old	18 Year Old
<p>Summer and Vacations 8 Hrs. Max 48 Hrs/Week 7:00/7:00</p> <ul style="list-style-type: none"> ▪ No driving motor vehicles on public roads. ▪ Hazardous Condition (only under supervision and short periods of time (1 hr/day or less). ▪ Must get safety instruction. Only work on hazardous machinery 1 hour/day. ▪ Cannot serve as an outside helper on a motor vehicle, whose work includes riding on a motor vehicle outside of the cab for the purpose of assisting in transportation or delivery of goods ▪ Drive a motor vehicle on public roads as part of his or her job. ▪ Work with: <ol style="list-style-type: none"> 1. Power-driven woodworking machines 2. Power-driven metal-forming, punching and 	<p>Summer and Vacations 8 Hrs. Max 48 Hrs/Week 7:00/7:00</p> <ul style="list-style-type: none"> ▪ No driving 	

shearing machines 3. Power-driven circular saws ----- 4. Roofing ... 5. Excavation Unless: 1. 2.		
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SEE INTERN HANDBOOK

All minors must be covered by Worker's Compensation Insurance, including minors employed by parents.

Construction trades have related hazardous activities in which youth may not work unless specific conditions are met. The hazardous activities are:

- Power-driven woodworking machines
- Power-driven metal-forming, punching and shearing machines
- Power-driven circular saws, band saws, and guillotine shears
- Roofing operations and all work on or about a roof
- Excavation operations.

Exemptions can allow students to work at these hazardous activities provided that:

- (1) *The student-learner is enrolled in a course of study and training in a cooperative vocational training program under a recognized State or local educational authority or in a course of study in a substantially similar program conducted by a private school and;*
- (2) *Such student-learner is employed under a written agreement which provides:*
 - (i) *That the work of the student-learner in the occupations declared particularly hazardous shall be incidental to his training;*

- (ii) *That such work shall be intermittent and for short periods of time, and under the direct and close supervision of a qualified and experienced person.*
- (iii) *That a schedule of organized and progressive work processes to be performed on the job shall have been prepared.*

Each such written agreement shall contain the name of student-learner and shall be signed by the employer and the school coordinator or principal. Copies of each agreement shall be kept on file by both the school and the employer.

The U.S. Department of Labor, Wage and Hours Division Field Operations Handbook (pp. 28-30) provides the following definitions applicable to the conditions listed above:

- (A) *The terms intermittent and short periods of time are not defined in the regulation and determinations concerning the employment of each apprentice and student-learner are made on a case-by-case basis after reviewing all the facts of the particular situation. The following items shall be considered when making such determinations:*
 - 1. *Wage and Hour's position is that apprentices or student-learners may not be the principal operators of prohibited machinery. They must work under the close supervision of a fully qualified and experienced adult, such as a journeyman worker in the case of an apprentice.*
 - 2. *The duties assigned the minor may not be such that he or she is constantly operating the prohibited machinery during the work shift, but only does so when required by the training experience. This precludes an apprentice or student-learner from being a production worker responsible for spending a significant proportion of the workday performing prohibited work.*

3. *While no universal timeline may be imposed, we would consider the continuous performance of otherwise prohibited work (operating prohibited machinery) for more than one hour in a workday to be more than intermittent and a short period of time. We would also consider the performance of otherwise prohibited work throughout a work shift which totals more than 20% of the apprentice's or student-learner's work shift to be more than a short period of time.*

(B) *The term **direct and close supervision** is not defined in the regulations. For the purpose of the limited exemption contained in 29 CFE 570.50, we will consider the requirement of direct and close supervision to be met when there is one journeyman or experienced adult working with the apprentice or student-learner onsite, and at least three journeymen or experienced adults working along side each additional apprentice or student-learner. **Note: It is important to remember that the requirement for direct and close supervision only applies during the periods when the apprentice or student-learner is actually performing the otherwise prohibited work.***

WHAT HOURS CAN YOUTH WORK?

If you are 14 or 15, you can work . . .

Outside school hours

After 7 a.m. and until 7 p.m.

Except from June 1 through Labor Day when you can work until 9 p.m.

You can work no more than:

- 3 hours on a school day,
- 18 hours in a school week,
- 8 hours on a non-school day, and
- 40 hours in non-school week.

If you are 16 or older, you can work . . .

Any day, any time of day, and for any number of hours.

There are no restrictions on the work hours of youth age 16 or older.

More information on Hours Restrictions.

Different rules apply to farms and individual States may have stricter rules.

**EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION**

**IMPORTANT CHANGES IN THE CHILD LABOR LAWS AFFECTING
THE DRIVING OF AUTOMOBILES AND TRUCKS UNDER HAZARDOUS
OCCUPATIONS ORDER NO. 2**

The child labor provisions of the Fair Labor Standards Act (FLSA) are intended to protect the education opportunities of minors and prohibit them from working in jobs and under conditions that are detrimental to their health or well-being. These provisions restrict the types of jobs that minors may perform. One such provision, Hazardous Occupations Order No. 2 (HO 2), prohibits minors under 18 years of age from driving automobiles and trucks on public roadways unless the driving is occasional and incidental.

Public law 105-334, which became effective on October 31, 1998, amends the FLSA to modify HO2. One major change implemented by the amendment sets a minimum age of 17 for any on-the-job driving on public roadways.

No employee under 17 years of age may drive on public roadways as part of his or her job if that employment is subject to the FLSA.

Seventeen-year-olds may drive on public roadways as part of their employment but ONLY if all of the following requirements are met:

- The driving is limited to daylight hours;
- The 17-year-old holds a State license valid for the type of driving involved in the job performed;

- The 17-year-old has successfully completed a State approved driver education course and has no record of any moving violation at the time of hire;
- The automobile or truck is equipped with a seat belt for the driver and any passengers and the employer has instructed the youth that the seat belts must be used when driving the vehicle;
- The automobile or truck does not exceed 6,000 pounds gross vehicle weight.

The driving may not involve:

- The driving at night-time hours;
- Towing vehicles;
- Route deliveries or route sales;
- Transportation for Hire of property, goods, or passengers;
- Urgent, time sensitive deliveries;
- Transporting more than three passengers including employees of the employer;
- Driving beyond a 30 mile radius from the youth's place of employment;
- More than two trips away from the primary place of employment in any single day to deliver the employer's goods to a customer (other than urgent time sensitive deliveries which are prohibited);

- Such driving is only occasional and incidental to the 17-year-old's employment. This means that the youth may spend no more than one-third of the work time in any workday and no more than 20 percent of the work time in any work week driving.

The Department of Labor is developing guidelines and information to facilitate compliance and implementation of this amendment. The above requirements apply whether the youth is driving a personal or employer-owned vehicle. Employers can guard against unwitting violations of the new requirements by securing documentation from 17-year-old employees who drive as part of their job. Such documentation would include evidence of the employee's age, completion of a driver education course, clean driving record, and appropriate State driver's license.

Many states have laws setting standards for child labor and teen drivers. When both Federal and State laws apply, the law setting the more stringent standard must be observed.

For more information regarding HO 2 or any other child labor matter, please contact your local office of the Wage and Hour Division or visit our web site located at:

http://www.dol.gov/dol/eas/public/whd_org.htm

This is one of a series of fact sheets highlighting U.S. Department of Labor programs. It is intended as a general description only and does not carry the force of legal opinion.

IDAHO STATUTES

TITLE 72 WORKER'S COMPENSATION AND RELATED LAWS INDUSTRIAL COMMISSION CHAPTER 2 SCOPE -- COVERAGE -- LIABILITY

72-212. EXEMPTIONS FROM COVERAGE. None of the provisions of this law shall apply to the following employments unless coverage thereof is elected as provided in section 72-213, Idaho Code:

1. Household domestic service.
2. Casual employment
3. Employment of outworkers.
4. Employment of members of an employer's family dwelling in his household.
5. Employment of members of an employer's family not dwelling in his household if the employer is the owner of a sole proprietorship provided the family member has filed with the commission a written declaration of his election for exemption from coverage. For the purposes of this subsection, "member of an employer's family" means a natural person or the spouse of a natural person who is related to the employer by blood, adoption, or marriage within the first degree of consanguinity or a grandchild or the spouse of a grandchild.
6. Employment which is not carried on by the employer for the sake of pecuniary gain.
7. Employment as the owner of a sole proprietorship; employment of a working member of a partnership or a limited liability company; employment of an officer of a corporation who at all times during the period involved owns not less than ten percent (10%) of all of the issued and outstanding voting stock of the corporation and, if the corporation has directors, is also a director thereof.
8. Employment for which a rule of liability for injury, occupational disease, or death is provided by the laws of the United States.
9. Employment as a pilot of an aircraft, while actually operating an aircraft for the purpose of applying fertilizers or pesticides to agricultural crops, shall be exempt from the provisions of the worker's compensation law, provided that:

- a. The industrial commission has issued to the agent submitting the policy, written approval of a policy of insurance that will provide benefits in an amount of not less than: twenty-five thousand dollars (\$25,000) accidental death and dismemberment, ten thousand dollars (\$10,000) medical expense payments, and five hundred dollars (\$500) per month disability income for a minimum of forty-eight (48) months; and of coverage for the specified pilot has been filed with the commission prior to the pilot actually operating an aircraft.

Provided, however, the agent issuing the policy shall obtain approval of the policy of insurance, and proof of coverage for each pilot insured under the policy shall be filed with the commission each calendar year. The exemption shall be effective on the date the commission received proof of coverage for the specified pilot, but no earlier than the date written approval of the policy was issued by the commission.

10. Associate real estate brokers and real estate salesmen. Service performed by an individual for a real estate broker as an associate real estate broker or as a real estate salesman, if all such service performed by such individual for such person is performed for remuneration solely by way of commission.
11. Volunteer ski patrollers.
12. Official of athletic contests involving secondary schools, as defined in section 33-119, Idaho Code.

The Idaho Code is made available on the Internet by the Idaho Legislature as a public service. This Internet version of the Idaho may not be used for commercial purposes, nor may this database be published or repackaged for commercial sale without express written permission.

[Search the Idaho Statutes](#)

Available Reference: **[Search Instructions](#)**

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U. S. DEPARTMENT OF LABOR
www.dol.gov/elaws

EXEMPTIONS FROM CHILD LABOR RULES IN NON-AGRICULTURE

Complete Child Labor Exemptions

The Fair Labor Standards Act provides for certain exemptions. Youth younger than 16 years of age working in a business solely owned by their parents or by persons standing in place of their parents, can work any time of day and for any number of hours. However, parents are prohibited from employing their child in manufacturing or mining or in any of the occupations declared hazardous by the Secretary of Labor.

In addition, the child labor rules do **not** apply to:

- Youth employed as actors or performers in motion pictures, theatrical, radio, or television production;
- Youth engaged in the delivery of newspapers to consumers; and
- Youth working at home in the making of wreaths composed of natural holly, pine, cedar, or other evergreens (including the harvesting of the evergreens).

Partial Exemptions from Non-Agricultural Hazardous Order Prohibitions

Limited exemptions from some of the hazardous occupations rules allow 16- and 17-year-old apprentices and student-learners to perform otherwise prohibited work (hazardous jobs) under certain conditions. The hazardous occupations in which youth may work if those conditions are met are: HO #5 Power-driven woodworking machines; HO #8 Power-driven metal-forming, punching and shearing machines; HO #10 Meat packing or processing (including the use of power-driven meat slicing machines); HO #12 Power-driven paper product machines including scrap paper balers and paper box compactors; HO #14 Power-driven circular saws, band saws, and guillotine shears; HO #16 Roofing operations and all work on or about a roof; and HO #17 Excavation operations.

There are no similar exemptions from the hazardous occupation rules for youth younger than 16. 14- and 15-year olds, however, may be employed in approved school-administered and school-supervised Work Experience and Career Exploration Programs. Such programs allow variations in the rules and permit employment during school hours for as many as 23 hours in school weeks and in otherwise prohibited occupations for which an official exception has been authorized by the Department of Labor.

FLSA Section 13(c)(7) creates a limited exemption from the youth employment provisions for certain minors 14 through 17 years of age who are excused from compulsory school attendance beyond the eighth grade. This exemption allows eligible youth to be employed inside and outside of businesses that use machinery to process wood products (such as sawmills, furniture manufacturers, garden shed and gazebo manufacturers, cabinet makers and pallet shops) with some restrictions, but does not allow them to operate or assist in the operation of power-driven woodworking machinery.

U. S. DEPARTMENT OF LABOR
Employment Standards Administration
Wage and Hour Division
www.dol.gov/esa

Fact Sheet #34: Hazardous Occupations Order No2. Youth
Employment Provision and Driving Automobiles and Trucks under
the Fair Labor Standards (FLSA)

This fact sheet provides general information concerning the application of the federal youth employment provisions to the driving of motor vehicles. For detailed information about the federal youth provisions, please read Regulations, 29CFR Part 570.52 located at http://www.dol.gov/dol/allcfr/ESA/Title_29/Part_570/29CFR570.52.htm.

The Department of Labor is committed to helping young workers find positive, appropriate and safe employment experiences. The youth employment provisions of the FLSA were enacted to ensure that when young people work, the work does not jeopardize their health, well-being or educational opportunities. Working youth are generally entitled to the same minimum wage and overtime protections as older adults. Once a minor reaches 18 years of age, him or her employment is no longer subject to the federal youth employment provisions. For general information about the federal youth employment provisions, visit our **YouthRules!** website at <http://www.youthrules.dol.gov/index.htm>.

Hazardous Occupations Order No 2 (HO 2), generally prohibits minors under 18 years of age from driving motor vehicles or serving as an outside helper on such vehicles on any public road or highway; in or about any mine, logging, or sawmilling operation; or in any excavation covered by Hazardous Occupations Order 17 (*Occupations in Excavation Operations*) (HO 17) - which includes excavation in trenches, building

construction, or tunnels (see 29 CFR 570.68). In 1998, Congress amended the FLSA and set a minimum age of 17 for any on-the-job driving on public roads and allowed it then only in certain limited circumstances.

OUTSIDE HELPER

No employee under 18 years may serve as an outside helper on a motor vehicle. An outside helper is any individual, other than a driver, whose work includes riding on a motor vehicle outside the cab for the purpose of assisting in transporting or delivering goods.

DRIVING - Under 17 Years of Age

No employee under 17 years of age may drive a motor vehicle on public roads as part of his or her job if that employment is subject to the FLSA.

DRIVING - 17 Years of Age

Seventeen-year-olds may drive on public roadways as part of their employment but ONLY if all of the following requirements are met:

- The driving is limited to daylight hours;
- The 17-year-old holds a state license valid for the type of driving involved in the job performed;
- The 17-year-old has successfully completed a state approved driver education course and has no record of any moving violations at the time of hire;
- The automobile or truck does not exceed 6,000 pounds gross vehicle weight;
- The automobile or truck is equipped with a seat belt for the driver and any passengers and the employer has instructed the youth that the seat belts must be used when driving the vehicle; and

- The driving is only occasional and incidental to the 17-year-old's employment. This means that the youth may spend no more than one-third of his or her workday and no more than 20 percent of his or her work time any work week driving.

In addition, the driving may NOT involve:

- Towing vehicles;
- Any other vehicle than an automobile or truck (i.e., bus, motorcycle, ATVs, golf cart);
- Route deliveries or route sales;
- Transportation for hire of property, goods, or passengers;
- Urgent, time-sensitive deliveries; urgent, time sensitive deliveries are trips which, because of such factors as customers satisfaction, the rapid deterioration of the quality or change in temperature of the product, and/or economic incentives, are subject to time lines, schedules, and/or turn-around times which might impel the driver to hurry in the completion of the delivery. Prohibited trips would include, but are not limited to, the delivery of pizzas and prepared foods to the customer; the delivery of materials under a deadline (such as deposits to a bank at closing); and the shuttling of passengers to and from transportation depots to meet transport schedules. Urgent, time sensitive deliveries would not depend on the delivery's points of origin and termination, and would include the delivery of people and things to the employer's place of business as well as from that business to some other location.
- Transporting more than three passengers, including employees of the employer;
- Driving beyond a 30 mile radius from the youth's place of employment;
- More than two trips away from the primary place of employment in any single day to deliver the employer's good to a customer (other than urgent, time sensitive deliveries which are prohibited);
- More than two trips away from the primary place of employment in any single day to transport passengers, other than employees of the employer.

Additional Information

For more information regarding the FLSA youth employment provisions including a complete list of all hazardous occupation orders, visit the **YouthRules!** web site at www.youthrules.dol.gov.

For more information regarding the Fair Labor Standards Act, visit the Wage and Hour Division web site at www.wagehour.dol.gov or call toll free help line, available 8 a.m. to 5 p.m. in your time zone, 1-866-4US-WAGE (1-866-487-9243). The FLSA statute appears at 29 U.S.C. § 201 *et seq.*

When state youth employment laws differ from the federal provisions, an employer must comply with the higher standard. Links to your state labor department can be found at www.dol.gov/esa/contacts/state_of.htm.

The Department of Labor provides this information to enhance public access to information on its programs. This publication is for general information and is not to be considered in the same light as official statements of position contained in regulations.

YOUTH RULES!

WELCOME!

Every year millions of teens work in part-time or summer jobs. Early work experiences can be rewarding for young workers - providing great opportunities to learn important job skills. Today's youth will be the workforce of the 21st Century. One of my priorities for the U. S. Department of Labor is to assist America's youth in preparing to enter that workforce.

Message from Secretary of Labor, Elaine Chao

July 12, 2005

The new YouthRules! Youth Working in Construction resource provides valuable and easy to understand information on the rules for teens working in the construction industry.

New Youth Working in Construction Electronic Seminar

December 16, 2004

New rules to implement two statutory changes for working youth, other rules to modernize existing provisions for 14- and 15-year olds, and new rules expanding protections for youth working in roofing occupations are published in the Federal Register today. The regulations become effective in sixty days. Youth Employment Rules News Release.

New youth employment regulations become effective February 14, 2005. New and revised compliance assistance materials provide information to employers, teens and their parents.

LABOR LAWS AND INSURANCE

Students involved in *unpaid* shadowing experiences are not subject to the wage-hour or child labor requirements of the federal Fair Labor Standards Act (FLSA).

The laws have special provisions for employed individuals under the age of 18--commonly referred to as "child labor laws." Be sure that you are fully knowledgeable about the laws that apply in your state. The appropriate official at your State Division of Vocational Technical Education should be able to provide information and guidelines. This person may have a title such as Vocational Placement Officer, Cooperative Placement Administrator, or School-to-Work Coordinator. You may also want to confirm your understanding of the laws in your state with your company's attorney.

Unpaid Shadowing Experience

For a student, the most memorable, satisfying and enthusiasm-building shadowing experiences are those which go beyond simple observing to include at least some "hands-on" opportunities. However, for you as an employer, it's important not to cross the line between providing "shadowing" experiences (for which no compensation is paid) and real internship or employment opportunities (for which you must pay the participating individuals).

Students may engage in appropriate hands-on work activities and not be paid--that is, they would not be considered employees--if the activities are developed as a training program as defined by the Fair Labor Standards Act (FLSA). This can be done by ensuring that the training program meets certain criteria; specifically, ALL FOUR of the "School-to-Work Work Site requirements" (below).

Participating construction companies will be inviting school-age youngsters onto the job site (and other areas) for three different purposes:

Some companies are hesitant to participate in internships out of a concern that child labor laws or their insurance companies prohibit the employment of 16-year-olds as technician interns. In general, such concerns are groundless. While certain restrictions do apply to the employment of minors, they do not interfere with program goals and the defined process of recruiting and developing prospective young workers.

Be sure to review the documents at the end of this section:

When students under the age of 18 are employed, all of the appropriate state and federal wage-hour labor requirements must be met. Companies should confirm Worker's Disability Compensation and general liability coverage with agents/carriers.

Additionally, even though tour groups and shadowing students are not considered employees and are not compensated, you will want to alert your insurance agent that you are conducting such activities. A sample letter appears on page 12-7.

LABOR LAWS

Labor laws apply to all employees, i.e., individuals on a payroll to perform work or a service and are defined in accordance with federal and state laws. When these laws differ, the more stringent laws prevail.

It is very important to determine state requirements in this area. In most cases, state law provides for "work permits" which must be issued by the school. Also, the state limitation of work hours may be different than federal requirements.

Federal Child Labor Requirements

Requirements vary depending on the age group. It is unlikely your company will employ students under the age of 16. However, if this occurs, you do face specific restrictions when employing students of 14 or 15 years of age:

- Such students can work outside of school hours in non-hazardous, non-manufacturing, non-mining job--no more than three hours on a school day, 18 hours in a school week, no more than 8 hours on a non-school day, and a maximum of 40 hours in a non-school week. Work must be performed between 7:00 a.m. and 7:00 p.m., except from June 1 through Labor Day, when working hours can be extended to 9:00 p.m.
- Such students can perform office/clerical work and grounds maintenance (except they cannot use powered machinery).

More commonly, the Construction students you employ as interns will be 16 or 17 years old. While the federal regulations that apply to these employees are not as stringent as the ones for younger workers, this group is restricted from performing some of the duties an adult employee may be asked to perform

LIABILITY AND OTHER INSURANCE

Every company participating in the internship initiative must make sure that its insurance coverage is adequate. This refers both to Worker's Disability Compensation and general liability.

Worker's Disability Compensation Insurance

Worker's Disability Compensation coverage is based on state law and is required for all employees; that is, paid personnel. Companies should assume such coverage is necessary for students who are on the payroll while participating in an internship during the summer months or during the school year. The Worker's Disability Compensation program provides protection for the employer. It provides coverage for injury to the employee and will cover medical costs and disability.

This insurance is provided through state plans or through private carrier, depending on state laws. In most states, a student work permit is a requirement for individuals under 18. Financial penalties may be imposed if the permit is not on file with an employer.

General Liability

Other areas of coverage (in addition to Worker's Disability Compensation) are appropriate. Provision for coverage in case of damage to equipment, facilities and customer vehicles is one example. Generally, Garage Keeper's Liability is the instrument for this purpose. Your insurance agent and/or carrier can evaluate the "risk" you are undertaking by using a thorough checklist related to dealership operations and facilities.

Proper documentation and safety management efforts will have an impact on the insurance assessment process. Each dealership should develop a document containing employment guidelines and safety rules. This is very helpful for the insurance carrier and any appropriate regulators. Most rules are based on common sense but it is important that the dealership employees be required to review these rules and acknowledge them by signature.

With respect to students, additional rules are appropriate. It is suggested that the items listed below apply to all students aged 14 through 17, whether they are engaged in shadowing activities or as paid employees.

- All students should be given a copy of Safety Rules accompanied by a discussion of these rules with an appropriate dealership employee.
- Students should be given a tour of the shop and grounds in which potential hazards are pointed out; for example, high traffic areas to be avoided, equipment to be avoided, areas which require safety glasses, etc.
- Students should not operate industrial lathes or power wrenches; the operation of brake lathes is permitted.

- Students should not work in pits.
- You should check with the school representative to determine if there is a weight lifting restriction for people under the age of 18.
- Students must be given instruction before using light-duty equipment; for example, a digital multi-meter or a scan tool.

Typical on-the-job experiences may include use of meters, light duty engine repair under supervision, diagnosis of vehicle faults, replacement of light duty parts (no heavy lifting), working at the parts counter, retrieving parts from the Parts Department (this should not include driving to off-site locations), office work (including computer data entry), new and used vehicle preparation, use of computer-based systems for data retrieval and use of scan tools.

It is important to keep in mind that students who are participating in a school-affiliated program such as the Construction Program do not generally fall under many of the restrictions imposed by federal child labor laws. However, safety is the key issue, whatever the age.

In most cases, the standard dealership "Garage Keeper's Liability" policy does not have a limitation with respect to age. However, it is important to provide the insurance agent and carrier with information regarding the implementation of the Construction initiative. (See next page).

EMPLOYEE LEASING

Generally, dealerships will employ students directly for the summer internship and part-time work during the senior year. However, in some cases a dealership may prefer to "lease" student employees. Employee leasing firms will make arrangements for payment of employment taxes and Worker's Disability Compensation insurance.

Dealerships may consider a temporary employment firm for this purpose (e.g., Kelly, Manpower).

(DEALERSHIP/RETAIL FACILITY LETTERHEAD)

Dear (Insurance Representative)

(Name of Dealership) has agreed to participate in the Construction Program. The Construction Program is a part of the national School-to-Career movement. It's an active partnership among certain construction manufacturers, selected construction firms and local secondary schools or vocational schools, designed to assist in the development of young people who are (or may be) interested in careers in the construction business.

We anticipate that school-age children will be on our premises and involved in four different kinds of Construction activities:

1. **Organized tours** sponsored by a school, community group or church group. In such cases, adults will escort and supervise students while they are on our property. Each tour will last approximately 90 minutes. Our own construction site staff will provide briefings and a tour of the facilities. Appropriate safety precautions will be observed. This event will occur _____ times per year.

2. **Shadowing experiences.** Students between the ages of 14 and 17 will be selected by the school for "shadowing" experiences at your construction site/facility. Each student may spend up to 32 hours over several days (consecutively or nonconsecutively) observing (shadowing) one or more employees. Shadowing students are assigned to employees and are supervised. These students will not be performing hands-on work, and they are not paid. We anticipate that approximately _____ students will participate each year.

