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**Statement on SB 80 and Substitute Amendment
To the Assembly Committee on Small Business**

**By: Jennifer Ortiz
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Good morning, Chair Moulton and members of the Assembly Committee on Small Business. My name is Jennifer Ortiz and I am the Administrator of the Equal Rights Division of the Department of Workforce Development. Here with me today is Bob Anderson, Director of the Labor Standards Bureau. Thank you for giving me the opportunity today to provide testimony on behalf of the Department of Workforce Development regarding **SB 80**, concerning the regulation of Traveling Sales Crews.

The Equal Rights Division is divided between two bureaus, the Civil Rights Bureau and the Labor Standards Bureau. The Civil Rights Bureau enforces laws prohibiting discrimination in employment, housing and public accommodations, and the state's family and medical leave law. The Labor Standards Bureau enforces labor standards laws pertaining to notification of business closings or mass layoffs, minimum wage, overtime pay, timely payment of wages, and employment of minors. The division also enforces Wisconsin's child labor and street trades laws which apply to individuals under 18 years of age.

Under the child labor laws, the department requires all businesses, other than newspapers, that utilize minors to sell goods or services through door-to-door solicitation, to register their business with the department. Wisconsin's child labor laws regulate when minors may sell items door-to-door. SB 80 would extend the department's authority to also regulate the employment of adults, as well as

minors, who participate in "traveling sales crews" that sell goods or services door-to-door or in public places. This bill helps to clarify the rights of sales crew members by clarifying the employment status of the workers. The bill would ensure that workers are not abandoned away from home and ensures that sales crew members are properly paid for their work. The bill would also require criminal background checks of employers, crew leaders and crew members to help provide protection from persons seeking to exploit workers and customers.

The department supports passage of this legislation, as passed by the Senate

The department, however, opposes the **Assembly Substitute Amendment** to SB 80. The department believes this amendment would reduce and virtually eliminate the protections offered in the original bill. Redefining a "traveling sales crew" to exclude crews that adopt temporary residence in a state for 30 days or more would make it impossible for local law enforcement encountering a traveling sales crew on the streets to determine whether the crew was operating illegally, or was in "temporary residence" in the state. During the time it would take law enforcement to determine if a crew was operating illegally, the crew may no longer be in Wisconsin.

The modifications to the registration requirements also water down the registration process. The currently proposed SB 80 contains specific language concerning what types of criminal convictions that would be considered related to the registration process and sufficient for denying an applicant registration. The amendment removes this helpful language. The amendment severely limits the scope of who the department would need to conduct background checks on in order to issue the registration.

The substitute amendment also removes a number of protections included in the original draft of SB 80 such as:

Requiring crew members to be legally considered employees;

Requiring a traveling sales crew to provide transportation home for workers who are sick or who terminate their employment and not abandoning crew members arrested in connection with violations of this bill; and

Elimination of the surety bond requirement that would help crew workers collect unpaid wages

In closing, the Department of Workforce Development opposes the Assembly Substitute Amendment to SB 80. Thank you again for the opportunity to provide testimony today

Bob Anderson, Director of the Bureau of Labor Standards and I would be happy to respond to any questions the committee may have concerning this legislation