

COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES

LABOR RELATIONS
COMMITTEE HEARING

EAST WING
ROOM 60
HARRISBURG, PENNSYLVANIA

THURSDAY, SEPTEMBER 23, 2010
9:00 A.M.

PRESENTATION ON
HOUSE BILL 19 & HOUSE BILL 2515
PROVIDING FOR THE
REGULATION OF CHILD LABOR

BEFORE:

HONORABLE MARC J. GERGELY, MAJORITY VICE CHAIRMAN
HONORABLE JARET GIBBONS
HONORABLE TIM SEIP
HONORABLE GENE DIGIROLAMO, MINORITY CHAIRMAN
HONORABLE SHERYL DELOZIER
HONORABLE KAREN BOBACK
HONORABLE SCOTT BOYD
HONORABLE JIM COX
HONORABLE JOHN R. EVANS
HONORABLE THOMAS R. MURT
HONORABLE BERNIE O'NEILL
HONORABLE SCOTT PERRY
HONORABLE ROSEMARIE SWANGER

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ALSO PRESENT:

MAJORITY COMMITTEE STAFF:

VICKI DiLEO
EXECUTIVE DIRECTOR

MARYANN ECKHART
LEGISLATIVE ASSISTANT

MINORITY COMMITTEE STAFF:

PAM HUSS
ADMINISTRATIVE ASSISTANT

KELSEY J. DUGO,
COURT REPORTER
NOTARY PUBLIC

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3 CHAIRMAN GERGELY: Good morning and welcome to the
4 House of Labor Relations public hearing. This hearing will be
5 on House Bill 19 and House Bill 2515. As the tradition of the
6 House of Labor Relations Committee, I would ask that you please
7 rise and say the Pledge of Allegiance lead by Rep. Boback.

8 (Pledge of Allegiance.)

9 CHAIRMAN GERGELY: Starting with Rep. Perry, would
10 you please introduce yourself and the county that you're from.

11 REP. PERRY: Rep. Scott Perry, Northern York and
12 Southern Cumberland.

13 REP. BOYD: Rep. Scott Boyd from the 43rd
14 District, which is a portion of Lancaster County.

15 REP. SWANGER: Good morning. I'm Rep. RoseMarie
16 Swanger and I represent a portion of Lebanon County and House
17 District 102.

18 REP. BOBACK: Good morning. I'm Rep. Karen
19 Boback, House District 117, portions of Wyoming, Luzerne and
20 Columbia Counties.

21 REP. O'NEILL: Good morning. I'm Rep. Bernie
22 O'Neill from the 29th Legislative District in the center of
23 Bucks County. I actually bud up right next to my neighbor
24 there, Rep. Murt and represent the famous community of New
25 Hope.

1 CHAIRMAN DiGIROLAMO: Rep. Gene DiGirolamo. I'm
2 the Republican Chairman of the Committee from Bucks County and
3 the 18th Legislative District.

4 CHAIRMAN GERGELY: Good morning. I'm Rep. Marc
5 Gergely, Democratic Vice Chairman from Allegheny County.

6 REP. SEIP: Rep. Tim Seip, representing part of
7 Schuylkill and part of Berks Counties, the home of the 1925 NFL
8 champion Pottsville Maroons.

9 CHAIRMAN GERGELY: Thank you, ladies and
10 gentlemen. I will now hand the mike over to Rep. Murt and Rep.
11 Gibbons for opening remarks respective to their legislation.

12 REP. GIBBONS: Thank you, Rep. Gergely. I want to
13 thank the Committee for coming together today to discuss House
14 Bill 19 and House Bill 2515.

15 This is certainly an important issue as we're working
16 to update our Child Labor Law to really meet the changing
17 employment markets that are going on and the employment
18 opportunities that have come about for young people and make
19 sure that we allow them to learn, to engage and to be part of
20 the work communities so that they can really learn for their
21 future, but also not be taken advantage of by unscrupulous
22 employers who might take advantage of their youth and naivete.

23 So I think the most important thing here is that we
24 work together to craft a bill that is going to protect children
25 while allowing them to continue to grow and learn and be a part

1 of our work force, as they have been for many years.

2 The legislation that I have introduced, House Bill 19,
3 is a result of a bipartisan effort that has produced a bill
4 that, really, from hearings that have take place throughout the
5 past several years on previous legislation and the Department
6 has brought that together and produced this bill, which I was
7 proud to introduce on their behalf so that we can work to
8 really bring together, along with Rep. Murt and his
9 legislation, a great final product that will be able to help
10 all of the young people in our future and help out the business
11 communities.

12 So I am looking forward to working with all of the
13 stakeholders that we're going to hear from today so that we can
14 get this to be a final product that we can get through the
15 House and hopefully to the Governor's desk sometime. If not, I
16 know we're near at the end of this session, but if not at the
17 end of this session, certainly quickly into the next session.

18 I thank you very much and I look forward to hearing all
19 the testifiers today.

20 REP. MURT: Good morning, Mr. Chairman, and thank
21 you for the opportunity to testify today. Before I make my
22 remarks, I just want to express my gratitude to the Executive
23 Director of the Labor Relations Committee, Vicki DiLeo, for
24 doing such an outstanding job of coordinating this hearing and
25 bringing together any diverse stakeholders who have an interest

1 in this legislation. Vicki is certainly an asset to the House
2 of Representatives.

3 Mr. Chairman, my district, the 152nd, includes parts of
4 both Montgomery and Philadelphia Counties.

5 Mr. Chairman, due to the outstanding resources that we
6 have here in the Commonwealth of PA, our state has become home
7 to a growing number of television and film productions. As
8 more productions come into our Commonwealth, we have a
9 responsibility to discern our laws to ensure they are
10 sufficient to enable these productions to occur safely and that
11 the interests of all involved are protected.

12 According to the Internet Movie Database, which
13 aggregates data on feature films, television episodes,
14 made-for-TV movies, TV series, direct-to-video movies, and
15 live-action video games, 922 productions took place all or in
16 part in PA during the period between 2002 and 2008. In 2002
17 alone, 31 films were released, which took place in PA. By
18 2008, that number increased to 175. That represents an average
19 annual growth rate of 33 percent over that period.

20 As we are all well aware, a great deal of attention has
21 been paid to one particular production here in PA, a production
22 that features several children. While my bill would impact
23 that production, I want to make it clear to the Committee that
24 my legislation was not designed with one particular
25 productions, television network, or group of people in mind.

1 Rather, my legislation is aimed at correcting the deficiencies
2 in PA's Child Labor Law as it pertains to the entertainment
3 industry.

4 A few months ago, the Republican Policy Committee held
5 a hearing on this issue in my district. At that hearing, we
6 heard testimony from officials at the Department of Labor and
7 Industry, as well as from a number of experts and individuals
8 who have been involved in television productions. Among them
9 was Paul Petersen, who is here with us today. As you know,
10 Paul was a very well-known child actor himself, having starred
11 on the Donna Reed Show, and he also was an original Disney
12 Mouseketeer. He knows first-hand, the pitfalls of involving a
13 child in this kind of work without adequate protection for the
14 child.

15 Based on testimony from that hearing and in
16 consultation with a number of experts on this issue, I have
17 developed House Bill 2515. This bill is aimed at addressing
18 several holes in the current law. Specifically, my legislation
19 would require all minors involved in television or film
20 productions to have a work permit issued by the state
21 Department of Labor and Industry, to ensure all adequate
22 provisions have been made for the minor's educational
23 instruction, supervision, health and welfare.

24 Second, it would restrict minors involved in television
25 or film productions to work between the hours of 7:00 a.m. and

1 10:00 p.m. and set guidelines for amount of hours for work,
2 recreation, school work, and activities per workday.

3 Third, it requires the presence of a "set teacher" on
4 the set of any production. This person will serve as an
5 advocate for the minor to ensure the minor's health, education,
6 and moral safety on the set is assured. In addition, this
7 person will monitor the working conditions, the minor's mental
8 health, and the demands placed on the minor to ensure they are
9 appropriate to the minor's age, strength, and stamina.

10 Finally, my bill will require that 15 percent of a
11 minor's gross earnings from work in television or film
12 productions be set aside by the employer in a trust fund for
13 the minor. At least one parent or legal guardian shall be
14 trustee of these funds, unless otherwise determined by a court.

15 Mr. Chairman, I am certainly willing to work with the
16 Committee and other stakeholders to ensure the interests of
17 PA's children are protected. As a matter of fact, I have
18 already met with some concerned parties to discuss their
19 specific areas of interest and also to identify common ground.
20 Since drafting my legislation, I have heard from a number of
21 people with an interest in this issue.

22 After consulting with them, I am already in the process
23 of drafting an amendment that addresses the hours during which
24 children under the age of seven may work in movie and
25 television productions; clarifies the trust fund provisions to

1 ensure that the money is the property of the child; and,
2 finally, adjusts the description of the set teacher to allow a
3 certified teacher from another state already working with a
4 production company to continue in that role here in PA.

5 Mr. Chairman, essentially, it's my conviction that PA's
6 law must evolve to address current conditions of the
7 entertainment industry. As the number of films and television
8 shows produced in PA continues to increase, it is only sensible
9 that we amend our laws to ensure that they address the
10 particular issues associated with this industry. Nowhere, is
11 that more important than on issues which have an impact on our
12 children. We must ensure our child labor laws provide
13 appropriate protections for the children involved. I believe
14 my legislation will do that.

15 Thank you, Mr. Chairman, and I certainly would be
16 willing to entertain any questions at this time.

17 CHAIRMAN GERGELY: Thank you, Rep. Murt. Chairman
18 DiGirolamo.

19 CHAIRMAN DiGIROLAMO: Thank you and I want to
20 commend the both of you for taking on an issue which I think we
21 all agree is really important here in PA. Maybe a question for
22 both of you. I kind of get a sense that you're close to coming
23 to a compromised bill. And, Rep. Murt, you said that you are
24 willing to make some changes. Are you getting close to, from
25 your talks with all of the stakeholders, in getting a bill that

1 maybe everyone will be to support?

2 REP. MURT: I would answer affirmative on that,
3 Mr. Chairman. We have met with some individuals who have
4 expressed concerns about our bill. We believe we've identified
5 a fair amount of common ground. We've also identified some
6 issues that we believe that we need to work out.

7 But we are talking, we are communicating, and we are
8 certainly negotiating -- if you want to call it that -- in good
9 faith. So I am confident and optimistic that we believe that
10 we can find common ground without surrendering our position and
11 certainly without compromising the welfare of the children
12 involved and without compromising our legislative intent.

13 CHAIRMAN DiGIROLAMO: Okay. And how did you
14 select the proposed work hours that the children would be
15 allowed to work?

16 REP. MURT: That's a good question, Mr. Chairman.
17 We selected those work hours based on the California model.
18 California has some very, very strong and some very effective
19 child labor laws as it relates to children that participate in
20 the entertainment industry. And we have attempted to model
21 much of what they do here in PA. So to answer the question, we
22 selected that number from the California model.

23 CHAIRMAN DiGIROLAMO: That's all, Mr. Chairman.
24 Thank you.

25 CHAIRMAN GERGELY: Thank you. Rep. O'Neill.

1 REP. O'NEILL: Thank you. Rep. Murt, I have a
2 question. In your opening remarks, you said that you're
3 adjusting the description of a state teacher to allow certified
4 teachers from another state or are you working with the
5 production company to continue here in PA? Why is that?

6 REP. MURT: Very good question, Rep., and the
7 answer is that there are some certified teachers that already
8 provide oversight and educational instruction to child
9 performers in other states. And we believe that there should
10 be some accommodations in a legislation that allow these
11 certified teachers that might come into PA for a period of,
12 assuming that they have the proper credentials and that they
13 are qualified to do so, to work on the set and so forth. And
14 this was actually a suggestion that we received from one of the
15 stakeholders. Someone had expressed a concern that some of
16 the production companies have very, very qualified and very
17 good teachers, certified teachers in the other states that
18 sometimes follow the show around and they wanted to be able to
19 bring those teachers into PA to stay with the program and that's
20 where that came from.

21 REP. O'NEILL: I guess my concern is that the
22 qualifications and certifications to be a teacher in PA, the
23 standards are higher than a lot of states. So I guess my
24 concern is where these teachers would be certified and if they
25 have the background and knowledge of the standards that are

1 required in PA to teach and what they are teaching because
2 these children are PA residents and they are required to meet
3 PA standards by the Department of Education.

4 So I guess that would be my concern with all of that.
5 But I just wanted to bring that point up.

6 REP. MURT: That's a very legitimate concern and I
7 know that you are a certified teacher representative and you
8 have taught for many, many years and I am also a certified
9 teacher and I would absolutely share those concerns.

10 And as we work out that particular issue, I think that,
11 as you mentioned, it would be important to assess the
12 certification requirements, perhaps, in another state to ensure
13 that they are at least as strong as PA's in terms of curriculum
14 instruction, educational theory and policy, educational
15 psychology and so forth.

16 CHAIRMAN GERGELY: Rep. Boback.

17 REP. BOBACK: Rep. Murt or Rep. Gibbons, are you
18 saying then that our child labor laws, as they pertain to child
19 actors, children to perform, are much weaker than states, for
20 example, like New York or California?

21 REP. MURT: That is a good question, Rep. Boback,
22 and the answer is that every industry evolves, every industry
23 changes and the entertainment industry evolves and changes as
24 well. When our child labor laws were written many, many years
25 ago, there was no such thing as reality TV. Of course, now,

1 reality TV is very popular, very lucrative genre and
2 entertainment and we believe that this needs to be identified
3 in the child labor laws.

4 So I think to answer your question, I don't believe our
5 laws are as strong as California or New York. I think that was
6 your question. And the answer is yes, we are not as good as
7 California or New York in terms of our child labor law as it
8 relates to the entertainment industry.

9 REP. BOBACK: Thank you.

10 CHAIRMAN GERGELY: Outside of the scope of the
11 entertainment industry, how much effect do you have broadly on
12 child labor law in PA?

13 REP. GIBBONS: For his bill or this bill?

14 CHAIRMAN GERGELY: Both bills.

15 REP. GIBBONS: I think you're going to see a
16 comparison coming up later from the Department. I know House
17 Bill 19 does go beyond the entertainment industry to touch any
18 industry, really, every industry in the state that utilizes
19 child labor, whether that be your local paperboy or papergirl,
20 the convenience store clerk or anyone else. It goes beyond
21 just the entertainment industry looking at the changes that are
22 necessary and I think we'll be seeing some of those changes and
23 we'll be hearing from a lot of those industries, like I said,
24 newspapers, farms, everything utilizes that child labor. So
25 we're looking at doing all of that, but certainly the

1 entertainment industry is probably one of the larger ones that
2 where I think some of the concerns have arisen. So I think
3 that's certainly one of the important topics, but not the only
4 one.

5 REP. MURT: Just briefly, Mr. Chairman, our bill
6 is specific to the entertainment industry. We don't get into
7 agriculture or anything like that. It's specific
8 entertainment.

9 CHAIRMAN GERGELY: The specificity is enough from
10 the bill that there won't be any spinoff that would have impact
11 on other industries then?

12 REP. MURT: No. We do not believe -- we believe
13 that the legislation was crafted in such a way that it is
14 specific to address the concerns and some of the problems that
15 have evolved in the entertainment industry in the Commonwealth.

16 If I could just add, Mr. Chairman, PA, of course, has a
17 film tax credit. We have outstanding resources, historical
18 resources, architecture, geography. And the Commonwealth is a
19 great place to film productions and to have those kinds of
20 productions take place. And we believe that the number of
21 productions coming to the Commonwealth will increase. And we
22 think that that's one of the reasons that 2515 is very
23 relevant.

24 CHAIRMAN GERGELY: Rep. Seip.

25 REP. SEIP: Thank you, Mr. Chairman. Just very

1 quickly on the point of teacher qualifications. It was
2 mentioned earlier that a child who is living here in PA would
3 be typically or would have to be schooled by someone who meets
4 our standards. I understand that.

5 You may have an actor, let's just say for today's
6 discussions, that's seven years old that's filming a movie
7 maybe in North Carolina or somewhere else. They come here to
8 PA, it would be a shame if they couldn't continue that same
9 student-teacher relationship with someone that they're already
10 familiar with, someone they're already half way into the school
11 year. I'm glad that you've given that consideration in your
12 bill.

13 Thank you, Mr. Chairman.

14 CHAIRMAN GERGELY: Thank you, Representatives.
15 And I invite you to join us on the Committee here for the
16 additional testifiers.

17 REP. MURT: Thank you, Mr. Chairman.

18 CHAIRMAN GERGELY: I would like to ask Robert
19 O'Brien, the Executive Deputy Secretary of the Department of
20 Labor & Industry to please step forward.

21 EXECUTIVE DEPUTY SECRETARY O'BRIEN: Good morning,
22 Chairman DiGirolamo, Chairman Gergely and members of the House
23 Relations Committee. I am Robert O'Brien, and I am Executive
24 Deputy Secretary of the Department of Labor & Industry. On
25 behalf of Secretary Sandi Vito, thank you for the opportunity

1 to provide comments on House Bill 19 and House Bill 2515, both
2 of which would repeal PA's current Child Labor Law and replace
3 it with a new Child Labor Act. With me are Deputy Chief
4 Counsel James Holzman and Assistant Counsel Kathryn McDermott
5 Speaks.

6 To allow more time for questions and because of your
7 schedule this morning, I will merely summarize my testimony.

8 House Bill 19 includes the Department's recommended
9 updates for the legislature's consideration. And we thank Rep.
10 Gibbons for introducing it. We also acknowledge and appreciate
11 Rep. Murt's concern on the issue as evidenced by his
12 introduction of House Bill 2515.

13 The enforcement of child labor standards is an
14 important Department function. We hope we can work together to
15 create a more comprehensive Child Labor Law that suitably
16 reinforces child labor protections, and clarifies and
17 strengthens the Department's ability to enforce its provision
18 for the benefit of minors and industry in the Commonwealth.

19 Current law, which dates from 1915, is antiquated,
20 confusing, and has not evolved along with PA's occupational
21 diversity. Updates are needed because the Department's ability
22 to regulate the employment of minors has been constrained by
23 deficiencies with the current law.

24 The approval process and enforcement tools under the
25 existing law are outdated, not to mention inconsistent with the

1 Federal Fair Labor Standards Act. Stricter criminal penalties
2 for violations of the Child Labor Law will help discourage
3 potential violators if its requirements in all types of
4 employment scenarios. The establishment of administrative
5 prosecution capabilities will also streamline the penalty
6 process and aid the Department in prosecuting violations in a
7 more efficient manner.

8 We hope that discussions on updates to the current
9 Child Labor Law will be crafted to protect minors in all
10 industries.

11 Strengthening the protections for all working minors --
12 not just those in the entertainment industry -- has been a
13 shared goal of the Department and the General Assembly through
14 prior sessions, focusing on a single sector unjustly neglects
15 the need for a comprehensive overhaul. In 2005, former
16 Representative, David Steil, introduced legislation which
17 passed the house, only to die in the Senate. Last session, he
18 introduced House Bill 2369, which was the subject of hearings
19 before this Committee.

20 House Bill 19 and House Bill 2515 draw much from last
21 session's bill. As a demonstration of bipartisan intent, I
22 also testified at the House Republican Policy Committee hearing
23 on the need for updates to the law and expressed the
24 Department's willingness to work with all legislators to
25 improve on the current law.

1 There are significant problems with House Bill 2515
2 that must be corrected. In particular, this bill's definition
3 of "employer" is specifically limited to the entertainment
4 industry and does not address minors employed in all other
5 industries.

6 House Bill 2515 also omits relevant language from the
7 definition of "establishment" and "Employ" that would allow the
8 Department to prevent the exploitation of minors. House Bill
9 2515 is overly restrictive because its definition of employment
10 only performed to minors who receive money. However, another
11 party -- such as a parent or guardian -- is often paid for the
12 minor's work.

13 In general, both House Bill 19 and House Bill 2515 are
14 a big step in helping to alleviate the confusion often created
15 by the current Child Labor Law. The current law is not
16 well-organized and contains language that is often
17 overly-wordy, difficult to follow and contradictory.

18 Both of these proposed bills are better organized,
19 divided into sections governing the same subjects, have more
20 explicit headings and are more clearly written. On this alone,
21 both bills would allow for improved compliance and enforcement.

22 The bill's streamline of process for improving and
23 issuing permits, particularly for entertainment, both fails to
24 create a number of regular working permits from three to one
25 and eliminate affidavits and physicals. Our Department annual

1 offices routinely receive questions concerning PA's child labor
2 law in compliance with different state and federal child labor
3 requirements.

4 Many well-intentioned employers are confused with
5 complying with two different laws. Uniformity between federal
6 and state child labor laws will benefit businesses and minors.

7 Both bills should also prohibit occupations deemed
8 hazardous or prohibited under the federal Fair Labor Standards
9 Act.

10 Current sanctions in the Child Labor Law are remarkably
11 light and offer little deterrence. Violations are a criminal
12 summary offense with a fine of \$200 to \$400 for a first
13 offense. We must prosecute these cases fore the District
14 Justice in the location where the violation occurred and
15 extensive resources are expended to obtain these minimal
16 penalties.

17 To remedy this, each bill grants the Department with
18 the authority -- usually held by Commonwealth agencies -- to
19 impose authority for Labor & Industry to issue corrective
20 orders where appropriate.

21 House Bill 19 also provides for greater criminal
22 penalties that are appropriate where an employer places a child
23 in peril or violates other laws for child labor violations.
24 Criminal violations would be a misdemeanor of the third degree
25 with a fine up to \$2,500 and for imprisonment up to 180 days.

1 While both bills give more access to records, House
2 Bill 19 also allows the Department to enter and inspect an
3 establishment to review the working condition for minors and to
4 examine and inspect information. These provisions, included in
5 the enforcement of other wage and hour laws, are not
6 specifically provided to the Department under the current Child
7 Labor Law.

8 The current Child Labor Law establishes maximum hours
9 in non-school periods at 8 hours per day and 44 hours per week.
10 House Bill 19 keeps these same hours as a reasonable limitation
11 on the hours a minor may work. We disagree with House Bill
12 2515 in its expansion of these hours to 10 hours per day and 48
13 hours per week, and not setting restrictions on the time of day
14 for employment.

15 Additionally, House Bill 19 provides for a clearer
16 definition of "school vacation", allowing it to be established
17 by the school district where the minor resides.

18 House Bill 2515 would allow minors who are at least 11
19 years old to be employed in the delivery of newspapers at 5:00
20 a.m. Employed this early in the morning is not in the best
21 interest of a minor. House Bill 19 appropriately restricts
22 delivery to the hours of 6:00 a.m. to 8:00 p.m.

23 The Department regularly confronts difficulties
24 concerning interpretation of provisions in the current law
25 regarding the entertainment industry that hampers compliance

1 and enforcement, along with the new host of reality television,
2 however, House Bill 19 would better address movies scripted
3 television, commercials, theatre, modeling and more recent
4 media forms such as the internet and pod casts in future
5 entertainment. House Bill 2515 focuses on reality TV.

6 Furthermore, House Bill 2515's description of reality
7 television is vague, are too legally enforced and may require
8 permits, even for traditional news broadcasts.

9 House Bill 19 allows the Department to impose
10 restrictions on permits that are necessary for the health,
11 safety and welfare of minors, and to specifically address
12 individual and unique situations. House Bill 19 allows permits
13 to be revoked, especially if there is danger to the minor's
14 well-being.

15 Consistent with current law and addressing situations
16 such as fights and/or internet sites, House Bill 19 prohibits
17 minors from engaging the fighting and from participating in
18 acts that are hazardous to the minor's safety or well-being,
19 which violates obscenity and sexual abuse laws. House Bill
20 2515 should also contain these restrictions.

21 House Bill 2515 contains new requirements for "Studio
22 Teachers" to act as an advocate for minor employees and provide
23 for the education and well-being of minors. While this
24 proposal is worth examination, the current provisions present
25 certain issues.

1 As proposed in House Bill 2515, studio teachers would
2 be necessary for all entertainment forms, not just for reality
3 television, scripted television and movies. And, studio
4 teachers would be required for performances that last only a
5 few short hours. Performances or rehearsals such as
6 advertising for local businesses, semi-professional or
7 community theatrical performances, radio voiceovers and
8 appearances on weekends would require a studio teacher for the
9 minor employee. This is not a practical requirement for
10 short-term productions occurring after school or when school is
11 not in session, particularly when a parent or guardian is
12 present with their child.

13 House Bill 2515 does not require teachers to report
14 information on alleged child labor violations to the
15 Department. If studio teachers are utilized, there should be
16 clearly stated penalties for an employer who prevents a studio
17 teacher from performing their duties or complying with the
18 teacher's direction. There is no authority to revoke these
19 teacher's permits.

20 Another concern is that productions may be delayed,
21 especially in the period after the bill takes effect, because
22 of unavailability of studio teachers and restricting studio
23 teachers to PA school teachers.

24 While both House Bill 2515 and House Bill 19 require
25 conservation of at least 15 percent of a minor's earning from

1 performances in a trust account, House Bill 19 requires
2 conservation of earnings in an irrevocable trust subject to
3 requirements. This provides more security for the minor
4 employee's earnings until they are able to manage their own
5 affairs.

6 Interestingly, given the recent discussion about the
7 ability to issue permits for minors under seven in the current
8 law, is that House Bill 2515 does not clearly address the
9 minimum age that a minor may perform. As written, Section 8 of
10 House Bill 2515 allows the Department to issue permits to
11 minors in performances, including reality television, without
12 stating any ages. Section 8(c) then discusses limitation of
13 hours for 7 to 11 year-old minors at all times.

14 It is possible for these provisions to be interpreted
15 that permits cannot be issued to minors under seven years of
16 age or there does not need to be restrictions for minors under
17 seven because they may be too young for school. This ambiguity
18 needs to be removed.

19 Both bills contain requirements on obtaining background
20 checks on crew or cast members. House Bill 2515 does not
21 prohibit crew or cast members from working on the set if they
22 are convicted for certain crimes, but requires the employer to
23 provide information on criminal background checks required
24 under the Child Protective Services Law. It does not apply to
25 a child labor law. It should be noted that the statute cited

1 in House Bill 2515 relates to child care service providers and
2 cannot be used unless it is expressly incorporated into this
3 law.

4 House Bill 19 provides more protection by enumerating
5 the crimes prohibiting employment in the crew or cast and
6 allowing the Department to prosecute an employer who employs
7 crew members convicted of certain crimes by denying a permit if
8 background information is not provided to the Department upon
9 request.

10 House Bill 2515, once passed, would take effect in 90
11 days. The bill should become effective no sooner than 180
12 days, as in House Bill 19.

13 This would afford time for education and preparation
14 for implementation. This would also enable the Department to
15 distribute materials and meet with employers and other
16 interested parties to prepare for the new law, as we did with
17 the Prohibition of Excessive Overtime in Health Care Act -- Act
18 102 of 2008 -- and the Minimum Wage Act amendments from 2006.

19 As I have indicated, the current Child Labor Law is
20 simply inadequate and hinders our ability to protect PA's
21 minors.

22 House Bill 19 is clearly more comprehensive than House
23 Bill 2515 and provides superior protection of both minors and
24 the industry in PA. But, to advance a bipartisan effort to
25 improve the current law, we are not opposed to taking the best

1 concepts from both bills to incorporate them into a workable
2 bill for the legislature's consideration.

3 Again, I want to thank Rep. Murt and Rep. Gibbons for
4 their hard work on this and in time -- at this time, we'll
5 entertain any questions that the Committee may have.

6 CHAIRMAN GERGELY: Thank you, Chairman O'Brien.
7 Before we begin questioning, I would like to welcome Rep.
8 Delozier and Rep. Cox to the hearing.

9 I do have a question related to the broad scope of the
10 child labor law. Can you define any recent any child labor law
11 violations in PA and the effect of the prosecution from them?

12 EXECUTIVE DEPUTY SECRETARY O'BRIEN: Some of our
13 most recent prosecutions, one involved a chicken catching
14 business where the principal of the school called the
15 Department and I spoke to her, we got the information. She was
16 concerned that the students were fully asleep in school, their
17 arms and hands with pecked up. We prosecuted that case in
18 multiple child labor violations.

19 In Schuylkill County, we prosecute two contractors on a
20 construction site. We had a 15 and a 16-year-old working.
21 Here, again, multiple violations we've received convictions
22 for.

23 In western PA, we had a 15-year-old working on a
24 plumbing project. We pursued the child labor violations and
25 got a victory there. Plus, it was a prevailing wage project,

1 so we actually debarred the contractor from doing work in PA
2 for three years because of his action.

3 We recently prosecuted a case in a hotel where they
4 were requiring the minors to work well past 11, more than 50
5 hours per week. We got a conviction in that case.

6 We also have a very good working relationship with the
7 PA State Police, our Pittsburgh Bureau of Labor Law Compliance
8 Office and our Altoona office get a lot of tips. I, myself,
9 have been contacted several times by the state police with tips
10 to look into things, which has lead to violations and
11 prosecutions.

12 CHAIRMAN GERGELY: Any specific industry where
13 they seem to be most predominate?

14 EXECUTIVE DEPUTY SECRETARY: It's across the
15 board. I mean, we get between 3 and 400 child labor complaints
16 a year. A lot of them are simply the work permits are not done
17 right or perhaps the minor didn't get the proper break. We
18 settle that with just a warning letter.

19 We're finding it across the board, whether it be
20 construction, whether it be chicken catching -- I didn't even
21 know such a thing existed until I got a phone call from that
22 principal of the school -- it's across the board. It's not
23 specific to one region of the state.

24 CHAIRMAN GERGELY: Last question. I have
25 Kennywood Park in my district. Would this effect Kennywood's

1 ability to hire their minors in any sense? I don't see anybody
2 from the amusement park industry on the list to testify, so I
3 just maybe wanted to clarify.

4 EXECUTIVE DEPUTY SECRETARY O'BRIEN: I don't
5 believe it would. I don't believe it would at all.

6 CHAIRMAN GERGELY: Everything currently would
7 stand --

8 EXECUTIVE DEPUTY SECRETARY O'BRIEN: I would think
9 -- we've had a lot of businesses who have contacted the
10 Department because they are confused between the Federal Fair
11 Labor Standards Act and PA's child labor law. By us mirroring
12 in many instances, the Federal Fair Labor Standards Act, I
13 think it would be easier on business, not harder.

14 CHAIRMAN GERGELY: Could you provide to us the
15 information, not every detail, but where the prosecutions have
16 occurred, the penalties have been enforced? The construction
17 industry obviously peaks my ears and makes me pay attention a
18 lot more when you have skilled trained craftsmen, especially on
19 a prevailing rate job, and you have 15 year-olds doing the work
20 that should be done by somebody that has an opportunity to make
21 a living wage. That would inspire me to pursue this in a lot
22 of ways.

23 EXECUTIVE DEPUTY SECRETARY O'BRIEN: I would be
24 happy to share that information with the Committee.

25 CHAIRMAN GERGELY: Thank you. Rep. Boyd.

1 REP. BOYD: Thank you, Mr. Chairman.

2 The legislative district that I represent has a
3 substantial Amish community. And, I guess, as kind of a
4 broad-based question, would the provisions in either of these
5 bills have an impact on their traditional way of life and the
6 traditional methodology of young people working on a family
7 farm or working in a family business that's associated with the
8 farm?

9 EXECUTIVE DEPUTY SECRETARY O'BRIEN: I believe
10 that the family farm would be exempt from this legislation
11 because as it currently is --

12 REP. BOYD: Right, but if you follow the tradition
13 of the family farm in PA, it's next to impossible to make a
14 living as a family farmer these days. So most of them,
15 particularly in the Amish community will have ancillary
16 businesses that support the farm.

17 Maybe they'll make gazebos, maybe they'll make utility
18 sheds, maybe they'll have a small repair shop that services the
19 Amish community.

20 EXECUTIVE DEPUTY SECRETARY O'BRIEN: The best way
21 that I could answer that is, I think that we would have to
22 address that as it comes up. And we are certainly willing to
23 work with you so those folks would have a comfort level.

24 REP. BOYD: Okay. I appreciate that and it would
25 be essential that we make certain, Mr. Chairman, that those

1 folks that live the quiet, peaceable life and have traditional
2 values. And in part, I mean, their educational system, their
3 young people go to school until eighth grade and most of them
4 that I know are smarter than I'll ever be.

5 So I want to make sure that what we do doesn't affect
6 that specific community. Thank you.

7 CHAIRMAN GERGELY: Rep. Seip.

8 REP. SEIP: Thank you, Mr. Chairman. Thank you
9 for your testimony today. You talked about working
10 collaboratively with the PA state price and some school
11 officials and so forth.

12 What role does the County Children and Youth Office
13 have in working collaboratively with you or to what level do
14 they help to participate in your investigation.

15 EXECUTIVE DEPUTY SECRETARY O'BRIEN: There have
16 been when we have reached out to them and there have been a few
17 times when they have brought things to our attention. And
18 anybody that wants to bring anything to our attention, we're
19 more than happy to look at it, sit down and listen to them, but
20 certain counties we seem to do more with it than other
21 counties.

22 REP. SEIP: Is it your understanding that the
23 legislation that we're reviewing that the background checks
24 that we're referring to would be the ChildLine checks along
25 with criminal background checks through the state police?

1 DEPUTY CHIEF COUNSEL HOLZMAN: Well, there's a
2 mechanism where members of the public can do a criminal
3 background check, generally called a criminal history record
4 information check that I know is currently available to any
5 employer. But my limited experience would also be employers in
6 the entertainment industry also to other background checks.

7 REP. SEIP: I worked at the county mental health
8 office. Anybody working with children in that capacity or in a
9 school setting would also be subject to a ChildLine background
10 check for abuse or suspected abuse and I just want to make sure
11 that we include that in the legislation. I think that that
12 would be a very important element to have in the bills.

13 DEPUTY CHIEF COUNSEL HOLZMAN: I would agree.

14 REP. SEIP: Thank you, Mr. Chairman.

15 CHAIRMAN GERGELY: Rep. Murt.

16 REP. MURT: Thank you, Mr. Chairman. I first want
17 to answer Rep. Boyd's question. 2515 would have no impact on
18 the Amish or the Mennonite communities, Representative.

19 I have a question for Secretary O'Brien, if you don't
20 mind.

21 EXECUTIVE DEPUTY SECRETARY O'BRIEN: Sure.

22 REP. MURT: At the current time, what is the age
23 -- is there an age under which a child may not participate in a
24 television production in PA?

25 EXECUTIVE DEPUTY SECRETARY O'BRIEN: The

1 Department is deemed that a child from infancy can request the
2 appropriate permit to appear in a film or television.

3 REP. MURT: Does that permit require any kind of
4 special circumstances, conditions, dispensation?

5 EXECUTIVE DEPUTY SECRETARY O'BRIEN: That's
6 correct.

7 REP. MURT: What are the conditions?

8 DEPUTY CHIEF COUNSEL HOLZMAN: We usually have --
9 it often depends on the particular circumstance, the age of the
10 child. I'll trying to think of a few. There's hour time
11 restrictions --

12 REP. MURT: I guess my question is --

13 DEPUTY CHIEF COUNSEL HOLZMAN: I'm sorry.

14 REP. MURT: I'm sorry. I didn't mean to interrupt
15 you, Counsel. I guess I want to be more specific with my
16 inquiry. The question is, under what conditions, under what
17 grounds would a permit be issued to an infant or toddler to
18 participate in television production?

19 DEPUTY CHIEF COUNSEL HOLZMAN: If they made an
20 application and -- I mean, it doesn't have to be a specific
21 type of television or movie production, but if the permit is
22 issued, we put numerous conditions and restrictions on time of
23 filming, number of hours of filming, for certain ages of
24 children, the lighting that can be used, providing access to us
25 to a set.

1 If they have to be on the set in the evening, they have
2 to have a facility where the child can rest between scenes.
3 Parental, the parents or the guardians have to be there. They
4 can't film nudity. The situation you asked, there cannot be
5 liquor dispensed.

6 And I believe there are numerous other items. Those
7 are the few that I can think of off the top of my head.

8 REP. MURT: Are children permitted to be filmed
9 24/7?

10 DEPUTY CHIEF COUNSEL HOLZMAN: We will consider,
11 depending -- and it's in the law -- if the movie or the
12 television production needs a line for a certain time, we will
13 look at some -- we will, at certain times, allow it early in
14 the morning.

15 It depends on the situation and we put a lot of
16 restrictions and -- but it's not a given. It depends on
17 whether the production needs that and any other condition, we
18 look at that on a case-by-case basis.

19 REP. MURT: Would it be a violation to film
20 children going to the bathroom, toilet training?

21 DEPUTY CHIEF COUNSEL HOLZMAN: We do put in our
22 permits now that there cannot be nudity, so --

23 REP. MURT: So that would be a violation?

24 DEPUTY CHIEF COUNSEL HOLZMAN: -- that would
25 likely fall within that.

1 REP. MURT: How about children changing their
2 clothes? Would that be a violation?

3 DEPUTY CHIEF COUNSEL HOLZMAN: Well, if there's
4 nudity. I mean, if they're taking off their jacket and they're
5 wearing their shirt, obviously --

6 REP. MURT: I'm talking about bear above the
7 waist.

8 DEPUTY CHIEF COUNSEL HOLZMAN: We would have to
9 look it at it and we would also look at the child obscenity
10 laws to see if it violated that as a guide.

11 REP. MURT: Are there many children -- I'm still
12 looking for an age -- under which these special permits are
13 required? Is there, off the top of your head? Do you know
14 what the age would be that would require these special permits?

15 DEPUTY CHIEF COUNSEL HOLZMAN: Well, there's no
16 minimum age for special permits for movies in television. For
17 other performances, the minimum age is seven. But for movies
18 and televisions, the law allows minors seven and under.

19 REP. MURT: With the special permit?

20 DEPUTY CHIEF COUNSEL HOLZMAN: With a special
21 permit.

22 REP. MURT: How many children under the age of
23 seven do we know in PA that are performing in television
24 productions?

25 DEPUTY CHIEF COUNSEL HOLZMAN: That, I do not know

1 off the top of my head.

2 EXECUTIVE DEPUTY SECRETARY O'BRIEN: We could try
3 to get that information and give it to the Committee. We would
4 have to go back and go through the permits.

5 REP. MURT: One final question, Mr. Chairman.
6 Counsel, you mentioned a background check that the
7 entertainment industry utilizes. Now, I suspect that you're
8 referring to cameramen, professionals, videographers and so
9 forth. Could you describe that background check to us? Is it
10 a state police background check? Is it a child abuse
11 clearance.

12 DEPUTY CHIEF COUNSEL HOLZMAN: All I know second
13 hand is that they perform a background check. In all honesty,
14 I don't know.

15 REP. MURT: Is that done in the Commonwealth of
16 PA?

17 DEPUTY CHIEF COUNSEL HOLZMAN: It's not required
18 under the Child Labor Law. I believe -- I mean, we've been
19 informed that granting permits that many production companies
20 do a background check. But the current law does not require us
21 to require them to do that. And that's something that we want
22 --

23 REP. MURT: So at the present time, there could be
24 cameramen working in PA being alone with children without
25 adequate background checks?

1 DEPUTY CHIEF COUNSEL HOLZMAN: Well, parents and
2 the guardians are supposed to be with the children. But there
3 may be people without background checks because it's not
4 required in the present law. But the present law does require
5 a parent or guardian to be with the child during filming or
6 production.

7 REP. MURT: Thank you. Thank you, Mr. Chairman.

8 CHAIRMAN GERGELY: Any additional questions from
9 the Committee? (No audible response.)

10 Thank you, Secretary. We appreciate your time today.

11 EXECUTIVE DEPUTY SECRETARY O'BRIEN: Thank you.

12 CHAIRMAN GERGELY: And before we call our next
13 testifiers, there has been testimony submitted for the record.
14 I would like to read that in, at least who did submit it. That
15 would be Timothy Allwein, Assistant Executive Director of
16 Governmental & Member Relations for the PA School Boards
17 Association, as well as Dr. Jay Shankman, Certified Forensic
18 Safety & Health Engineer.

19 We would like to call the PA Newspaper Association
20 forward, Bernard Oravec, Publisher of the Williamsport
21 Sun-Gazette and Deborah L. Musselman, Director of Governmental
22 Affairs for the Association. Thank you for your time today.
23 We look forward to your testimony. We are running about 15
24 minutes late, so we're doing pretty well. Thank you.

25 DIRECTOR OF GOVERNMENT AFFAIRS MUSSELMAN: Good

1 morning. I'm Deborah Musselman. I know most of you. We
2 really appreciate the opportunity to be here today. I would
3 like to introduce you to our publisher from Williamsport
4 Sun-Gazette, Bernard Oravec. He is here to talk about the
5 impact of these two bills on newspaper businesses in PA.

6 PUBLISHER ORAVEC: Good morning, Chairman
7 DiGirolamo, Rep. Murt, Rep. Gibbons, and members of the House
8 Labor Relations Committee. My name is Bernard A. Oravec and
9 like Rep. O'Neil, I go by Bernie. That's the driver's license
10 name. I am currently the Publisher for The Williamsport
11 Sun-Gazette, located in Williamsport, PA, birthplace of little
12 league baseball and home of the little league World Series.
13 The Williamsport Sun-Gazette, long with our sister
14 publications, The Altoona Mirror, Lewistown Sentinel, Lock
15 Haven Express and Warren Times Observer, are owned by Ogden
16 Newspapers, and have been serving Central PA readers since
17 1801.

18 With me today is Deborah Musselman, Director of
19 Government Affairs for the PA Newspaper Association. We
20 appreciate the opportunity to appear before you today to
21 express our views on a comprehensive revision and reenactment
22 of the Child Labor Laws.

23 The bills before you today, governing the employment of
24 minors under the age of 18, reflects society's interest in
25 fostering a positive work ethic in young people, and in

1 protecting their health safety. The Newspaper Association
2 Foundation and the member -- newspapers that I represent
3 support these goals. The PA Newspaper Association Foundation
4 honors outstanding youth carriers each year and outstanding
5 service as a youth carrier.

6 The two pieces of legislation include several current
7 and longstanding provisions of the Child Labor Law with regard
8 to youth carriers. Minors engaged in newspaper delivery at a
9 minimum age of 11, are excluded from the definition of "youth
10 peddling," and minors over age 16 who deliver newspapers are
11 not required to obtain a work permit. These provisions have
12 appeared in the law for many years and, like the Youth Labor
13 Law in many other states, reflect federal law.

14 Our main concern involves the start time revisions that
15 have been proposed. The two bills differ in one respect only,
16 the "start time" permitted for youth carriers. House Bill 2515
17 reflects longstanding provisions of current law and authorizes
18 a 5:00 a.m. start time, while House Bill 19 would change the
19 start time to 6:00. We understand that this proposal stems
20 from a concern for the safety of youth carriers, but must
21 respectfully note that the safety issue has never been a
22 problem; there is no documentation of any youth carriers coming
23 to harm by virtue of early morning delivery hours, especially
24 in our areas. Now that's not to say that it wouldn't happen
25 and we understand why this type of law is being discussed.

1 Our members that utilize youth carriers are certainly
2 mindful of the safety issue and even our afternoon papers that
3 use youth require written parental approval and co-signatures
4 of contractor agreements. Some parents, in fact, accompany
5 their children on their delivery routes. Our members tell us
6 that they would seriously consider discontinuing the use of
7 youth carriers, should a 6:00 a.m. start time become law,
8 because home delivery subscribers want to get their paper
9 before leaving for work.

10 Currently, throughout PA, especially in the areas that
11 I'm affiliated with, the daytime delivery guarantee is 6:00
12 a.m. The Sunday delivery is 7:00 a.m. and this revolves,
13 again, around the need for people to be at work at a certain
14 time and to get their news. It is critical that the start time
15 remain 5:00 a.m. Parents and their children must be the ones
16 to decide whether this works for their individual family.

17 The legislation also incorporates several important
18 amendments to the Act regarding newspaper carriers. The law
19 currently prohibits minors from "employment" for more than six
20 consecutive days in a single week, and the two bills each allow
21 minors engaged in newspaper delivery to work seven days per
22 week.

23 For daily papers that publish a Sunday edition, such as
24 a Sun-Gazette, a seven-day work week is necessary and permits a
25 youth carrier to complete his or her entire route. This

1 recognizes the practical reality involved in having a "paper
2 route" and supports the availability of newspaper delivery as a
3 work opportunity for our youth. The seven-day language
4 supports youth who want to deliver newspapers and should be
5 enacted into law.

6 Finally, the two proposals each address the independent
7 contractor status of newspaper carriers. The PA Department of
8 Labor and Industry posted a Statement of Policy on its website
9 in 2004 that provides guidance on this issue. Minors under age
10 16 do not need to obtain a work permit if they can demonstrate
11 that they are working as independent contractors. This
12 interpretation and criteria, reflecting federal law, appear in
13 both bills, and are consistent with the Department's 2005
14 recommendation to enact that policy into law. A copy of the
15 interpretation is included with this testimony and can be found
16 at the Department of Labor & Industry's website.

17 In addition to their earning, young people who work as
18 newspaper carriers gain a strong sense of community, learn
19 about job responsibilities, and gain a strong work ethic.
20 Newspaper carriers also develop character, self esteem and
21 pride in their accomplishments.

22 As a brief example of what a youth carrier can earn, on
23 average, a youth carrier will deliver to roughly 50 households,
24 in most cases, in a suburban area or in some urban areas. This
25 normally takes about 45 minutes from pickup time to actually

1 finishing the route, unless there's snow or rain or some
2 weather problem related.

3 On average, a youth carrier earns about \$150 to \$175
4 per month. It's not considered, in our view, to be an actual
5 full-time job or even a part-time job. In most cases, this
6 money is used for personal spending or to pass on to other
7 family members.

8 Just this month, NBC's Today Show showcased a PA youth
9 carrier, in a segment based on Matt Lauer's first job, which
10 was a newspaper carrier. Rachel Denny, 15, who delivers the
11 Beaver County Times in western PA, is a two-time PA carrier of
12 the year and 2009 national finalist. She taped a segment in
13 which she and Today Show host Matt Lauer competed in a
14 newspaper delivery contest. Not only is Rachel Denny an
15 outstanding newspaper carrier, but she saved enough from
16 delivering newspapers to buy a car, before she can even drive.
17 On behalf of the PNA, we appreciate your support for all of
18 PA's youth carriers and their local newspapers.

19 The specific points I have addressed today have come
20 before this committee in legislation that passed the House of
21 Representatives with no negative votes in 2003 and again in
22 2005. We urge the Labor Relations Committee to advance
23 legislation that incorporates our specific concerns to the full
24 House of Representatives and ultimately to the Governor's desk.
25 We appreciate your attention and interest, and will be please

1 to respond to any questions you have, especially in regards to
2 the early start time. Thank you.

3 CHAIRMAN GERGELY: Before I go to Rep. Boyd, you
4 need to add one more title to Williamsport, it's now the new
5 Marcellus capital of the world -- Marcellus Shale capital of
6 the world. Rep. Boyd.

7 REP. BOYD: Thank you, Mr. Chairman. Really quick
8 question. How do you define carrier as an independent
9 contractor? I'm just sort of interested in that process.

10 PUBLISHER ORAVEC: Basically, anybody who delivers
11 our newspaper is signed up as an independent contractor on an
12 independent contractor contract. We do not set any regulations
13 in how or when they deliver the newspaper.

14 They can deliver multiple products, they can deliver
15 ours, they can deliver a competitor. We don't set the actual
16 routine. We don't set the order in which they deliver to what
17 homes they deliver to. All we do is request that they have
18 papers to their location at around 6:00 a.m. That's the extent
19 of our actual involvement or direction.

20 REP. BOYD: Thank you.

21 DIRECTOR OF GOVERNMENT AFFAIRS MUSSELMAN: If I
22 may supplement that, Representative, the Department's criteria
23 that appears on their website should be included with your
24 testimony. I would be happy to get it to you if it's not.

25 CHAIRMAN GERGELY: Rep. Murt.

1 REP. MURT: Thank you, Mr. Chairman. Quick
2 question, Bernie. Approximate number of youth carriers in the
3 Commonwealth, do we know that?

4 PUBLISHER ORAVEC: I don't know in the
5 Commonwealth, but I know in the five newspapers that represent,
6 we have under 100, and that would be under 100 under the age of
7 18. Years ago, it was primarily kids under the age of 18, but
8 as times have changed and things change, people begin moving.

9 We have noticed less and less carriers in that age
10 group, but they still provide a very viable and important
11 service to us because in many cases, in some of those
12 territories where we have youth carriers, they're close
13 suburban territories where there might be 40 or 50 homes. And
14 in many cases, there's not enough money to be made for adult
15 carriers to take on those responsibilities.

16 Now, there are rural routes, which sometimes may take
17 an hour or an hour and a half to complete, which we begin
18 deliver with adults as early as 3:30 in the morning, but in
19 those cases, there's opportunity to make more money for an
20 adult.

21 REP. MURT: Thank you.

22 DIRECTOR OF GOVERNMENT AFFAIRS MUSSELMAN: I would
23 say, based on surveys that we have done over the years with our
24 papers, and this includes afternoon as well as morning papers,
25 it's probably about 1,000 overall, statewide. I could get more

1 detailed information if you're interested.

2 REP. MURT: I appreciate that. Thank you.

3 CHAIRMAN GERGELY: Rep. Seip.

4 REP. SEIP: Thank you, Mr. Chairman. I think you
5 just touched on this a little bit. I would have to believe
6 that your subscribers live in all different types of areas,
7 rural, urban, suburban. Is there a different start time in
8 those three types of areas for a youth carrier?

9 PUBLISHER ORAVEC: There's normally -- the youth
10 carriers that we have and the youth carriers that you see at
11 most newspapers traditionally have a smaller route and in most
12 instances, they can deliver between 5:00 and 6:00 a.m.

13 We're not aware of any youth carriers in our
14 organization and our five papers that deliver before that time.
15 If they would, that would be between they and their parents.
16 We would rather not see anybody at that age go before 5:00 a.m.
17 and in most cases, it doesn't occur.

18 We're basically looking at that 5:00 a.m. start time.
19 It's something that works well for us because that gives the
20 individual a one-hour window to actually complete the 45-minute
21 route and it helps them from a safety concern. They're not
22 rushing and it also allows them to get back and get ready for
23 school if they haven't done that already.

24 REP. SEIP: Just lastly, very quickly. Average
25 age of a youth carrier working for the Sun-Gazette?

1 PUBLISHER ORAVEC: The majority of our youth
2 carriers of the -- we actually only have 16 youth carriers
3 under of 18 as of today. Their age, for the most part, is 14
4 to 16.

5 REP. SEIP: Thank you. Thank you, Mr. Chairman.

6 CHAIRMAN GERGELY: Thank you for your testimony.
7 I may have to call my carrier to remind him that he can have
8 that paper earlier on Sunday morning. I would appreciate it.
9 Cybele Daley, Vice President of the Federal & State Government
10 Affairs for the Motion Pictures Association of America. Thank
11 you very much.

12 VICE PRESIDENT DALEY: Thank you. Good morning to
13 the Chairs and Members of the Committee. Thank you so much for
14 providing me this opportunity to discuss HB 19 and 2515.

15 My name is Cybele Daley. I'm the Vice President of
16 Federal & State Governmental Affairs for the Motion Pictures
17 Association of America.

18 MPAA is the voice and advocate for American motion
19 picture, home video and television industries in the United
20 States and across the world. The MPAA member companies are the
21 leading producers and distributors of filmed entertainment,
22 whether it be Disney, Time Warner, Sony Pictures, Fox,
23 Paramount -- did I say Sony? I'll get in trouble with somebody
24 here. Yeah, trust me, trade association.

25 Before I address then pending legislation, I do want to

1 talk a little bit about the impact on the economy and that was
2 raised obviously earlier in testimony today. Clearly, our
3 industry is coming to PA more and more and that's a wonderful
4 thing. But let me talk about little bit about the other side
5 of it.

6 Production employs almost 300,000 people in this
7 country, directly employs. Indirectly it's over 2 million, but
8 directly employs almost 300,000 people. These are quality jobs
9 in front of the camera, behind the camera, paying an average
10 annual salary of about \$72,000, 72 percent higher than the
11 national average. These are good jobs.

12 In this state, the Commonwealth of PA, almost 4800
13 people are employed directly by production, paying wages and
14 salaries of about \$250 million. I think that's an important
15 thing to think about during this tough economic times. 1400
16 small and medium sized business in this great state have
17 services and goods that are procured by productions located in
18 this state.

19 In 2008, about \$550 million was spent procuring those
20 services from those small and medium sized businesses. And, of
21 course, one of the statistics that I think is really
22 interesting because it goes back to my law enforcement time, is
23 that -- I used to like to say that the Department of Justice,
24 90 percent of the police departments in this country employ
25 less than 10 officers or 25 officers. It's probably changed a

1 little bit since I was at the Department of Justice. I'm a
2 little older now. It's almost the same with production when it
3 comes to indirect employment. Most of these small businesses
4 have less than 15, maybe less than 10 people in their
5 employment. That's meaningful for those businesses.

6 Again, \$550 million spent in 2008. I believe that I
7 included a truck and crane company in southeastern, Pa, as well
8 an adventure company in Spring Mountain. As your experience in
9 this state so clearly demonstrates, we are not in this industry
10 exclusive to Hollywood and New York. We are not. We are
11 mobile, we are competitive and, yes, states do compete for our
12 business. And that's sometimes tough to talk about. States do
13 compete for our business, maybe now more than ever, but that
14 doesn't mean that we don't care about protecting child
15 performers.

16 MPAA and the member companies are committed to
17 protecting child performers, we want to work with you. I'm
18 please to hear that there's been a lot of dialogue since
19 introduction. I hope that's ongoing and I would point to you
20 one area to consider in an area in which you never have to
21 delve into. But, please, please when you're going forward with
22 your process, consider the differences in motion picture
23 productions, feature films, scripted television programs,
24 unscripted programs such as reality television and
25 documentaries. Please keep that in mind as you're moving

1 forward. I know some of those things are currently on the tail
2 of being discussed.

3 I'll highlight a couple of the areas that we've already
4 gone over earlier today. I'll try not to be too redundant,
5 but, again, they're ongoing discussions and they're important
6 to us, so I do want to highlight them and take a little bit of
7 time.

8 Obtaining a permit. Both bills require that a child
9 performer before obtaining a permit had a job with the
10 production company and provide specific and detailed
11 information about that production. This provision would
12 prevent a child who wanted to enter into the entertainment
13 industry from securing a permit in advance of any child law.
14 And, yes, we are a business, it could delay reduction and
15 that's particularly tough that the child is only going to work
16 for one day.

17 We would recommend highly that you would have the
18 permit be self executing and that the Department have authority
19 to provide a six-month permit upon presentation of academic
20 information, birth certificate verifying the age, as well as
21 parental permission. In that instance or, to put it bluntly, a
22 minor would be able to audition with permit in hand.

23 Another very, very important issue: Safeguarding the
24 earnings of a child performer. Hugely important and as we have
25 unfortunately have seen in our national press over the last

1 several decades. I would point you to several states,
2 California, New York and Louisiana, who require that the parent
3 or guardian establish the trust account to which the production
4 company would then transfer funds, generally, 15 percent. In
5 HB 19, it requires the production company to establish the
6 account. In 2515, I think it's less clear who is going to be
7 -- establishes the account.

8 As you can imagine, this can create tremendous
9 confusion for, not only the families, but the production
10 companies, and ultimately the child performer who is going to
11 be the recipient of that account. And we would hope that --
12 although you may not be an opponent of model legislation --
13 that you would consider those as models and look to having the
14 parent or guardian establish the trust account, the production
15 company satisfy the amount that you specify and transfer with
16 that into the account.

17 Minor's education. Obviously a very important issue
18 and we recognize that it's not also easy to solve the problems
19 of a educating a child when you have to balance that against
20 their normal regular hours and school calendar. We have
21 discussed this issue over the last several years with the
22 Screen Actor's Guild, as well as the American Federation of
23 television and Radio Artists and we jointly support
24 requirements ensuring that child performers receive their
25 required education. We also want to be very clear that studio

1 teachers, or teachers who educate child performers, are not
2 overburdened with responsibilities for which they are not
3 trained. We think it's important that PA consider -- and I
4 believe that you are considering this in your deliberations --
5 allowing studio teachers who are authorized in other states to
6 continue to work with performers on productions located in the
7 Commonwealth. In the coming weeks, we will look forward to
8 working with you on those discussions.

9 Finally, the hours of work. We agree and understand
10 that we need ensure the child performers do not work
11 unreasonable hours and that they are allowed to work in a way
12 that's consistent with their age and, of course, the school
13 calendar. As both bills move forward, with all do respect, the
14 great State of California and home of the MPAA's LA office, I
15 would point you to the Screen Actors Guild contract. I think
16 that that, again, is a great model, delineates a very well
17 number of hours that a child is allowed to work. It is a very,
18 very good frame of reference. So, please, I hope that you'll
19 take the time to look at that.

20 Those are just four of the areas of concern to MPAA and
21 member companies, as well as others in the audience. We look
22 forward, again, to working with you. We applaud your efforts.
23 We want to work with you. And, again, please, in your
24 deliberations, consider traditional film or the unscripted
25 documentary.

1 I am pleased to answer any questions.

2 CHAIRMAN GERGELY: Any members? Please to here
3 that California did get something right.

4 VICE PRESIDENT DALEY: They can't do everything
5 right.

6 CHAIRMAN GERGELY: Couldn't resist, sorry.

7 VICE PRESIDENT DALEY: I'm in DC so we fight with
8 the LA office all of the time.

9 CHAIRMAN GERGELY: I do want to ask, you
10 referenced effectively, twice, the model legislation. One
11 referring to the California model on the way their money is
12 deposited. House Bill 19 does have similar language to that I
13 suppose to what is --

14 VICE PRESIDENT DALEY: It sounds to me as if that
15 that's under discussion and we really are looking at that
16 already. So in deference to the ongoing dialogue, I think some
17 of the things that I've highlighted, while they're still
18 important to us and we want to work with you, it sounds like
19 they're already being addressed.

20 Again, it's hard, as a former federal employee, it's
21 hard for me not to talk about model state legislation. But
22 that's an area that I've worked in and it can be very useful
23 when you're really talking about nation, nationwide. I mean,
24 certainly PA should do it and it's right for it and there are
25 some things to look at when considering -- I believe that

1 that's already being done. So thank you so much for
2 considering that.

3 CHAIRMAN GERGELY: Thank you. We look forward to
4 hearing from the Screen Actors Guild, who is going to be
5 testifying, and the fact that their contract could possibly go
6 through a lot of the issues that need to be resolved.

7 VICE PRESIDENT DALEY: And I think -- yeah, it's
8 something that's in use and is, again, well thought out and I
9 will not steal Nancy's thunder, but it has a lot of input and
10 has a lot of people involved and it has been well thought out
11 and it's in use.

12 CHAIRMAN GERGELY: Any state recently enacted
13 child labor laws where you've worked collectively with them and
14 you believe that they've kind of hit the mark in implementation
15 for both sides?

16 VICE PRESIDENT DALEY: I don't recall anything
17 that's recently. I would have to check. I know that there's
18 been a couple of areas that are under consideration in these
19 two bills that have been in discussions and maybe hours of
20 work. I would have to check my notes to see, but I don't
21 recall anything very recently.

22 CHAIRMAN GERGELY: Chairman DiGirolamo.

23 CHAIRMAN DiGIROLAMO: Thank you and welcome,
24 Cybele. I appreciate your testimony this morning. Just real
25 quickly. You mentioned that Screen Actors Guild contract when

1 it comes to child performers. Tell us, how is that enforced
2 from maybe going from state to state or is --

3 VICE PRESIDENT DALEY: I'm going to let Nancy
4 answer that question. I think that the reason why I raise it
5 is because I think it's an important area. It is one that has
6 received -- that we've worked on a lot as an industry with our
7 colleagues. And so I really would point to that as a potential
8 model for what you're going to hear.

9 Again, it's not to say that, for example, California
10 which might be a model that you would look at. It is not one
11 to consider, but I think that I would, respectfully, on behalf
12 of the member companies of MPAA, would ask you to strongly
13 consider the work that SAG has done with production companies.

14 CHAIRMAN DiGIROLAMO: Okay. Thank you.

15 CHAIRMAN GERGELY: Any additional questions? (No
16 audible response.) Thank you very much for your testimony.

17 VICE PRESIDENT DALEY: Thank you very much.

18 CHAIRMAN GERGELY: I would like to welcome John
19 Evans to the committee hearing today.

20 Next, I would like to call up Mr. Paul Petersen,
21 President and Founder of "A Minor Consideration," Alison
22 Arngrim and Jon Provost. Thank you for coming today, folks. I
23 appreciate that.

24 And we are at 10:20, so we're pretty much on time. If
25 anyone could not read the whole written testimony. You're

1 actors, so you're pretty much prepared to do it off the top of
2 your head. If you can do it for a timely consideration so we
3 can get to as many questions and we possibly can. Thank you.

4 PRESIDENT & FOUNDER PETERSEN: Thank you, Mr.
5 Chairman. We shall be brief and open to any questions you
6 might have.

7 Members of the Committee, my name is Paul Petersen.
8 I'm the Founder and President of "A Minor Consideration," which
9 is a tax exempt organization, the only one of its kind in the
10 nation that consists primarily of former child stars.

11 I've I have come to you today, along with my friends,
12 Ms. Alison Arnglim, whom you will remember as "Nellie" on
13 "Little House on the Prairie," and Mr. Jon Provost, who, like
14 me, grew up on a fondly remembered television show, "Lassie."

15 We have some experience in this field. We literally
16 grew up in front of America. If you recall the setup of the
17 Donna Reed Show, Carl Betz, the man who played Dr. Alexander
18 Stone, was a pediatrician. Over the eight years of the Donna
19 Reed Show, we worked with babies all the time.

20 Contrary to misconceptions, I support the work of
21 children in the entertainment industry. We've work closely
22 with all the major players in the traditional mainstream
23 production and we have made advances over the past 15 years.
24 So I have no enemies in this room and I look forward to the
25 process of creating a model bill for, perhaps, national

1 attention.

2 Now, let me briefly explain that in California, a body
3 of law came into existence in 1922 to protect the high-profile
4 youngsters of the entertainment business. This is the silent
5 era now. The workplace had limited hours and after the
6 disaster, Jackie Coogan's exploitation, provisions were made in
7 California to protect a portion of the child's income. That's
8 called the Coogan Accounts.

9 With the origin of the theatrical unions, both Screen
10 Actos Guild and, let me say quickly, AFTRA as well, American
11 Federation of Radio and Television Artists and the start of a
12 collective bargaining system. We developed what I'm going to
13 call best practices and this process involved to best protect
14 minors and it actually found it's way into many of our
15 collective bargaining agreements, most notably in 1974 when
16 special provisions for minors were actually codified in the
17 basic agreements.

18 Along the way, a perception grew in our nation that all
19 kids in movies and television were protected from the known
20 risks of overwork and financial exploitation. The audience,
21 merely all of America, including people in this room, came to
22 believe that all kids were in all places and at all times
23 protected by the industry that profited by the children's
24 participation. Sadly, that is not true. We have referred
25 several times to the California work rules. Let me explain to

1 you why it is important.

2 Back in 1938 when the Fair Labor Standards Act was
3 passed, several exemptions were granted to federal standards,
4 children in agriculture, children in the entertainment business
5 and also children who delivered newspapers. In fact, the
6 exemption list, about 42 in number, is called the Newsie
7 Provision.

8 The understanding back in 1938, since Hollywood was, in
9 fact, the center of the production universe, that states would,
10 as circumstances arose, passed meaningful statutes and
11 regulations. The problem is, that didn't happen. We still
12 have 19 states without any meaningful child labor laws for
13 entertainment. This is what this means: If a kid worked in a
14 different state and worked on, what we call non-union or
15 non-traditional productions, in fact, they are at the mercy,
16 not only of their employer, but that stereotypical thing called
17 a stage parent.

18 You see, in 49 states, children do not own the money
19 that they earn. In family law across the entire country,
20 excepting California where we effected a meaningful change.
21 Let me tell you how parents and children are related in law
22 when it comes to work. This is the language that we changed in
23 California. Parents of a working child are entitled to its
24 custody, income and services. That is, in fact, the law,
25 family law based on common law.

1 Within this context, the spread of the entertainment
2 business throughout the nation and the world, the Industry has
3 maturely and, with much conversation, come to an understanding.
4 And let me quote to you language that's in the basic agreement
5 in both Screen Actors Guild, many agreements, and AFTRA's many
6 agreements across the country because we recognize that
7 children work in many jurisdictions. And that language is as
8 follows: "In the absence of child labor laws, or where there
9 is a conflict in child labor laws, the strictest interpretation
10 shall apply."

11 Nobody is exempt. The entertainment business has long
12 known that there are jurisdictions that are much more flexible
13 and provide less oversight when it comes to children in the
14 workplace.

15 Briefly, a little person story. In 1957, I did a major
16 motion picture called "Houseboat" with Cary Grant and Sophia
17 Loren. And I have never worked out of Los Angeles County.
18 Yet, when we were sent to Washington D.C., we went with the
19 power and the provisions of the Screen Actors Guild contract.
20 I had with a studio teacher from California who could teach
21 both secondary and elementary education, who was with us at all
22 times and in all places for the next seven months. My parents
23 didn't have to think about provisions to protect me because
24 they were in place.

25 And now, let's jump forward to today's world and the

1 format known as "reality television." It's only been around
2 for about ten years, although there were historical precedents,
3 which if time permits, I'll remind you of. At first there were
4 games shows like "Survivor" and there were contests that
5 featured polished performances from America's most talented
6 artists. These reality show formats were well outside the
7 mainstream of production, usually non-union, shot on location,
8 and deliberately conveyed the impression that they were
9 documentaries or a taped version of "reality."

10 My friends, nothing can be further from the truth.
11 These reality shows are conceived, packaged, cast and sold to
12 content providers. They employ writers, producers, production
13 crews and publicists. The cast members are subject to the
14 direction and control of the producers. None of which would be
15 a bad thing only if we were talking about adults, adults with
16 the power to disobey, if that's required, but more importantly,
17 adults who can provide informed consent.

18 When family shows featuring whole batches of children
19 came on to the scene, often multiple birth families. Suddenly
20 the landscape changed. Underlying these presentations,
21 understand, was the incorrect assumption that the children
22 being displayed on national television were protected by the
23 Industry's best "custom and practice." We now know that that
24 presumption is incorrect.

25 Reality show producers were trying to tell the nation

1 that children were merely "participants," as if a living
2 breathing little human being was unaware of the presence of
3 camera or that children were somehow oblivious to the fact that
4 conflict and controversy were becoming the staple of reality
5 shows.

6 Alarm bells have gone off all over the nation from
7 viewers who found their interest turning to concern as dozens
8 of children -- scores of children -- were suddenly exposed to
9 this dangerous thing called fame.

10 As the nation learned that the children were not being
11 individually compensated, that they were working in an
12 unsupervised workplace -- often their home, or the very concept
13 of a call time disappears -- and we learned that the people
14 surrounding them were too often unmindful of the present and
15 future welfare of these children, a groundswell of concern
16 started to rise. Which brings us here today.

17 The difference between working on a mainstream
18 television show and a so-called reality show is, for a child, a
19 distinction without a difference. All of the predictable
20 influences are the same: The loss of privacy, the separation
21 from peers, the potential or certain potential for humiliation
22 and damaged character. They are all the same. And to endure
23 this without compensation and a promise that something has been
24 set aside for the child's future, thankfully, is beyond the
25 pale.

1 I would like you to hear from Jon Provost and we would
2 certainly be available for questions.

3 MR. PROVOST: Mr. Chairman, Committee members, I
4 think it's safe to say that we all care about safety and
5 protection of children in the workplace. In my 15 years as a
6 child actor, I was protected by California's Child Labor Laws
7 and for seven of those years, I've had some extra protection
8 from my four-legged friend, Lassie.

9 During those seven years, we have worked with every
10 conceivable animal from alligators and zebras, and they were
11 protected. The American Humane Association since 1941 has been
12 protecting animals in all forms of media. I'm not talking just
13 dogs and cats and horses, I'm talking fish, insects, birds.

14 As a matter of fact, just covering insects and spiders,
15 there are ten pages of rules and regulations. There are 131
16 pages covering animals in media. In the PA Child Labor Laws,
17 there's about a page and a half covering children in media.
18 And I think that this bill, 2515, is due. And if we can
19 protect insects and spiders more than we can protect our
20 children, something needs to be changed. Thank you.

21 MS. ARNGRIM: Mr. Chairman and Members of the
22 Committee, I am Alison Arngrim and, as they said, I am the one
23 who was Nellie or the extremely unlikable person on "Little
24 House on the Prairie." So as opposed to, hi, you all remember
25 me and love me, no, you all hate me. Good morning.

1 We are very much focused on what is the personal real
2 life impact of workplace regulations on a real life child in
3 most circumstances because I've also spent several years on a
4 television series and in my case, I've had a great experience
5 because it was "Little House on the Prairie" with Mike Landon
6 and a lot of other wonderful people. But I believe that my
7 successful outcome was not a matter of luck, but was due do
8 certain structures being in place, which, in my case, were
9 adhered to religiously.

10 For starters, I went to school, everyday. And when I
11 worked, I still went for three hours, with a real teacher,
12 everyday. There were other child actors my age who worked on
13 productions that circumvented this. At the time, they thought
14 it was great that they didn't have to go to school everyday.
15 But today, none of them can use the word "circumvent" in a
16 sentence.

17 I did have regular hours. I sometimes started as early
18 as 4:30 in the morning because "Little House on the Prairie"
19 was filmed on location. Sometimes it was 110 degrees and I was
20 in petticoats and wigs and getups, so sometimes it was very
21 physically challenging and difficult. But I knew that when my
22 nine hours were up, I was going to go home to my family's air
23 conditioned apartment. I know that I was going to get a break
24 for lunch. I knew that I was going to have three hours for
25 school.

1 My child stardom, as I said, although very successful,
2 was not without drawbacks. One of the complications specific
3 to being a child on TV -- and this is something that many
4 people don't think about, including even people that put their
5 own children happily into the business -- they don't realize
6 sometimes that when they sign their kids up, this can be a
7 permanent condition or life sentence.

8 Our shows are all on reruns. My shows are in 140
9 countries and on DVD. I'm still recognized. It's on YouTube.
10 These images are there for ever and ever. The children who are
11 working today already are on the internet. Their images will
12 already be out there for ever and ever.

13 We are all very recognizable. We had the advantage,
14 all three of us. We played characters that were not ourselves.
15 If we were judged by strangers, we had the option to of say, it
16 wasn't me, it was my character. In my case, that was of rather
17 particular importance. I don't know what -- I've never been in
18 reality TV. I don't know what children in reality TV who are
19 showing their actual homes, their actual lives, their actual
20 identities, their real names, where they live to millions of
21 strangers everyday. I can only attest what I went through.

22 Famous has its consequences. When I was about 16 years
23 old, I was in the Hollywood Christmas parade. We were just
24 talking about the Hollywood Christmas parade the other night.
25 This is one of the great things of being a famous kid, you get

1 to be in parades. It was great until a large plastic cup of
2 McDonald's orange soda came flying out of the crowd and hit me
3 in the face. Due to my character, someone judge me based on
4 what they saw on television. Over the last 30 years, I have
5 been screamed at, sworn at, hit, spat upon and literally kicked
6 in the butt and knocked to the pavement. Now, I would consider
7 this all a riot because it was my character, it wasn't me.

8 I also laughed because I was laughing all the way to
9 the bank. I was paid decently for my trouble and had both a
10 savings account and a checking account and was fully
11 self-supporting by the time I was 12. I paid for my own
12 orthodontics and braces and all of my medical care. I bought a
13 bike at 13 and a car at 16. My parents didn't spend a penny.
14 And when there were employment issues in my family and we were
15 short of money, i went to the store and bought everyone food
16 and fed them all in the house. It was very good that I worked
17 as a child because we actually needed the money.

18 But 15 percent was put in my trust fund until I was 18.
19 So when I turned 18, I took the money, bought a condominium and
20 the services of a very good psychiatrist. So I've done very
21 well for myself, but I was curious to see what other child
22 stars have done. I've seen a lot of serious problems. Many of
23 them on the 11 o'clock news.

24 I went to a meeting with Paul, the Screen Actors Guild.
25 I talked about them in my remarks. We were being interviewed

1 to see what could be done better for kids in Hollywood. What I
2 noticed was a lot of the people had really severe stories,
3 child abuse and all of the stuff that you hear in the tabloids.

4 I finally got curious because half of the room had
5 become doctors and plumbers and have their own businesses and
6 half of the room had been to rehab. And I finally said, I got
7 to know, show of hands, how many people have big serious stuff
8 with drugs. And it was half the room. And I said, can I ask
9 how many people in this room had a trust fund and got some of
10 their money or all of it. And it was half the room, but it was
11 the other half.

12 And I was floored because it was literally unanimous to
13 a man, to a woman, the people who became the TMZ people had not
14 gotten their money. The parents had stolen their money and it
15 gotten lost, bad investments, they had no trust fund, did zip.
16 The ones who got something when they turned 18 did okay. They
17 had the resources to go back to school if they were very
18 recognizable and seemed unemployable, they could find another
19 job, they could move to another town. If it went really wrong,
20 they could go to a psychiatrist. And they seemed unscathed.
21 There was a palpable difference.

22 Many child stars I have met, even late in life, they
23 sometimes talk to me and sound like the people who had their
24 pensions stolen. They have worked for years and had nothing to
25 show for it and they don't know why. There is something about

1 working as a child and have nothing to show for it, but has a
2 very specific terrible psychological effect on the mind. I
3 don't know what it is, but it's not good.

4 The moral of the story that I've taken from my
5 experience and the experience of others, is this: To put it
6 bluntly, if you're going to take your childhood, which only
7 comes once, which you will never have again -- if you're going
8 to take it and sell it, you should make sure to get a very good
9 price. I did.

10 These rules that are being suggested in both of these
11 bills, as a matter of fact, were all in effect when we were on
12 TV. They have been used for decades in California because they
13 work, the specific hours, the specific hours for much younger
14 kids, the having the teacher, the having the oversight, the
15 having the money. All of these work. You do not need to
16 perform a social experiment because we did one in California
17 and we have the results and this is essentially the
18 prescription.

19 As I said, I have done very well for myself. And I
20 will be eternally grateful that someone had the good sense to
21 put these rules in place. And I would like to see the same
22 kindness be extended to your children. But in light of
23 previous testimony, if you want to make the much, much more
24 stringent or stricter as some people suggested, even
25 California, I would totally support that.

1 Thank you.

2 CHAIRMAN GERGELY: Thank you folks for your
3 testimony. Rep. Murt.

4 REP. MURT: Thank you, Mr. Chairman. Paul, you
5 made reference to reality TV and I just have a question. HB
6 2515 made a specific reference to the hours that a child should
7 be working. My question to you is, on a reality television
8 show, how do we delineate that? If a family is the subject of
9 the reality TV show and they're going to McDonalds or Barns and
10 Noble or the mall or the playground, and they're on camera,
11 isn't that work time?

12 PRESIDENT & FOUNDER PETERSEN: It is to me and
13 certainly to the children, whose behavior, remember, is being
14 altered, not just by the presence of cameras, but because they
15 are being asked to do things at the time and place, they might
16 not want to do.

17 It's not so much where this work takes place. It's the
18 accumulative effect. And so long as children in reality shows
19 know that there's an end to the workday, and people are careful
20 around them -- and, remember, we always presuppose the parents
21 will do what's right. That's just not the case. But so long
22 as the rules accumulatively address this issue, we can handle
23 this. Frankly, people of good will, when they consult with one
24 another and honestly address the potential for harm, can come
25 to agreements that will do a pretty good job of protecting the

1 children. Paramount among these issues is recognizing that the
2 children are working, that they will be impacted by this
3 endeavor and that care must be taken for their future. It's
4 not so much that early call. I mean, you've heard Alison say
5 4:30 in the morning. I had a lot of 5 o'clock calls too when
6 there was travel. It's the accumulative day and the work rules
7 need to be age appropriate and based on common sense and known
8 to everybody. When the producers of the Donna Reed Show wanted
9 extra time, my teacher could extract incredible penalties from
10 them because she knew that they were breaking the trust between
11 producer and child.

12 The only prohibition that I have for children working
13 in the entertainment business, as members of the industry will
14 attest, is the hiring of premature infants. In California, a
15 baby can work as young as 15 days. It's strictly limited to
16 two-hour windows, no more than 20 minutes accumulatively at 20
17 seconds at a time.

18 And let me tell you, our studio teachers stood there
19 with a stopwatch and timed the scenes and there's a call in the
20 industry that we all recognize. And it is this: When the
21 baby's time is done, the teacher says, baby is done, and the
22 lights are turned off and the baby is taken from the set.
23 That's a reality that we grew up with.

24 REP. MURT: One more question, Mr. Chairman. With
25 so many former child actors, high-profile child actors, getting

1 into trouble, ending up in the tabloids, why is there not more
2 of a fever pitch to advance this issue?

3 MS. ARNGRIM: I think a lot of people -- since a
4 lot of people don't live in that world, they don't understand.
5 They see the money and the fame. And, well, they assume when
6 they see the paychecks of children on television shows that
7 those children are actually receiving those paychecks. They
8 presume that since an adult would find it fun to be famous,
9 they presume that the child would feel the same way. And the
10 psychological impact at different levels from development.
11 From birth, age three is different than being six, which is
12 different from being nine to have the impact of giving up of
13 one's privacy.

14 We talked about all the different child labors in areas
15 you have here. My husband delivered papers as a boy, but
16 people who deliver papers and work on a farm and a factory
17 usually don't have good personal lives discussed on TMZ. So
18 there are bizarre differences for children in entertainment and
19 a difference for children than adults because they are simply
20 developmentally different. And so things can impact them in
21 ways that we don't really predict.

22 REP. MURT: Thank you, Mr. Chairman.

23 CHAIRMAN GERGELY: Thank you, Rep. Murt. I have
24 been told that I have a celebrity status myself. I have a face
25 for radio. Chairman DiGirolamo.

1 CHAIRMAN DiGIROLAMO: Could I disagree with that,
2 Mr. Chairman? Jon, Alison and Paul, welcome. For me,
3 personally -- and I think I can speak for everybody -- it's
4 just a pleasure to have you here and it's really a thrill for
5 you to come here in PA. I want to commend you because I was
6 able -- I had the pleasure to talk with the three of them
7 yesterday in my office for about a half hour.

8 All three of them live in the State of California, have
9 taken time out of their schedule, at least two days or maybe
10 three days to be here in PA because you're really, really
11 passionate about the issue.

12 At your own expense, I understand also. I just want
13 you to know how much I appreciate it and I think the members of
14 the Committee here appreciate you taking time to be here today
15 on this really important issue. And just to let the three of
16 you know, I think all of us here today in this room are
17 committed to fixing the problems here in PA.

18 We might not all be on the same page right now, but I
19 just want to let you know that because of your advocacy and you
20 being here, I think it's really important to move this issue
21 forward. So I want to thank you for personally being here.

22 PRESIDENT & FOUNDER PETERSEN: On behalf of all
23 three of us, this, for us, is yet again another opportunity to
24 work closely with all interest and what I hope, and I've shared
25 with Rep. Murt, I hope to come out of this with some model

1 legislation that is inclusive because the true fix is at the
2 federal level. That's where children were exempted. That's
3 where all the confusion started.

4 It's a wonder to us that the Department of Labor and
5 Industry thankfully, after examining the situation, came to the
6 conclusion we had long since reached. Those kids are working
7 here on the well-known show taped in PA. And that recognition
8 sent shock waves across the country because there are lots of
9 reality shows being filmed in all sorts of jurisdictions, which
10 just happened to have very relaxed child labor laws. We need
11 to fix this.

12 Thousands of children are exposed to an unsafe
13 workplace. Oh, and by the way, if we open up the federal
14 exemption in the Fair Labor Standards Act, then the five and a
15 half million children who go to work everyday in America right
16 now will have better protections. It's really important to us.
17 Thank you very much.

18 CHAIRMAN DiGIROLAMO: I was just curious, are any
19 of your children involved in the entertainment industry at all?

20 MR. PROVOST: I have two children and neither one
21 of them. If they wanted to be, they -- they just don't have
22 any interest.

23 PRESIDENT & FOUNDER PETERSEN: I have three and
24 the answer, as children, was absolutely not. I only know of
25 six genuine former kid stars who have ever put their children

1 in the entertainment business. Only six.

2 CHAIRMAN DiGIROLAMO: That's pretty compelling.

3 PRESIDENT & FOUNDER PETERSEN: Yeah, that's the
4 truth. When we did child stars, there were 38 participants.
5 Everything from Jane Withers to Diana Serra Carey to Tony Dow
6 and Melissa Gilbert. And each of us was asked that question
7 and 38 people, many of whom had very positive experiences, all
8 said the same thing: Absolutely not.

9 CHAIRMAN DiGIROLAMO: Pretty compelling.

10 PRESIDENT & FOUNDER PETERSEN: Yeah, the proof is
11 in the number.

12 CHAIRMAN DiGIROLAMO: Thank you, Mr. Chairman.

13 CHAIRMAN GERGELY: Rep. Boyd.

14 REP. BOYD: Thank you, Mr. Chairman. I have a
15 number of questions. First of all, Alison, I just want you to
16 know that I'm the Nellie of the legislature. They don't like
17 me very much. So I can relate and I've had sodas thrown at me
18 and things like that. So I avoid parades at all costs.

19 And also, just another little side comment, as a young
20 lad growing up when you guys were on TV, it was really tough to
21 live up to your standards because you were really good on TV
22 and I wasn't. So I'm kind of resentful, so I'll be -- no, I'm
23 just teasing.

24 I do have -- I'm glad, actually, that you brought up
25 federal legislation. One of the questions that I have is, as

1 California had a standard in, whether it was, we'll call it a
2 strict standard or not, did production companies exist
3 California and go to other states to avoid those standards? In
4 other words, if PA adopted something like this, do we run the
5 risk of losing business? Not that that should be a compelling
6 reason, but I think it's something that we might hear that from
7 people who would advocate against this. What would our answer
8 to that be?

9 PRESIDENT & FOUNDER PETERSEN: I have, in fact,
10 heard that threat from producers, and there are people in this
11 room who can back me up on that. But I'll tell you something
12 interesting about that threat, it's never made in public. And
13 I have invited many opponents to legislation that we've
14 proposed to come on Oprah Winfrey with me and explain how they
15 think it's a cool thing to take Drew Barrymore, age nine, to
16 North Carolina to do the movie "Fire Starter," where her drug
17 and alcohol problems began and worked her 18, 19, 20 hours a
18 day.

19 They won't do it publicly. One of the reasons national
20 legislation is called for in this instance is that no states
21 should be disadvantaged. I support competition. I think that
22 producers have the right to look for the most conducive
23 atmosphere, but not on the backs of children. That's the deal
24 here.

25 Those of us who are fathers and grandparents, do you

1 remember the restrictions in little league that our children
2 can only pitch seven innings a week? How careful we were at
3 AYSO or full-contact football? No industry should be exempt,
4 and here in the Commonwealth, with its history of coal
5 production. When I talk to you about children in the
6 workplace, you should instinctively react. Kids haven't been
7 in coal mines in decades, but they used to be until some mature
8 people said, enough, enough. The rules for children must be
9 different. I hope that sort of answers your question.

10 REP. BOYD: No, it does. It's a very good answer.

11 MS. ARNGRIM: I'm just going to say that I can
12 tell you that from my experience with people that I've talked
13 to, what they really like is those tax incentives and those
14 breaks you offer. The production companies absolutely do pack
15 up and fly the coop if they think there's a tax incentive or
16 price break. We do see that in California with mass production
17 going to Vancouver and other cities. That seems to be the
18 compelling reason to move. When you have many, many series,
19 films, reality shows that have filmed and continue to film in
20 Los Angeles, NBC didn't go broke making "Little House on the
21 Prairie" with a cast of 40 kids and enforcing those rules.

22 Obviously they are doing it all the time in California
23 with those rules and in New York and those states where most
24 production is. The only people we've really seen fly to other
25 states specifically with children are the non-union or reality

1 shows, lower budget, not the big studios, what you would call
2 legitimate straight up productions.

3 REP. BOYD: Another question I had is, at this
4 point, I hadn't seen any representation. I haven't heard
5 anybody mention, I believe it's called, the Equity Actors
6 Guild, the live theater folks. I would imagine that they would
7 be in this loop, too, particularly, with -- I have some
8 knowledge of that industry with what we would call, tech week,
9 that the week before a show goes up, the hours, how would
10 something like this impact that industry?

11 PRESIDENT & FOUNDER PETERSEN: It has some impact,
12 but you've got to understand, equity grew out of british
13 equity. And, frankly, in the United Kingdom, they have along
14 since addressed these issues. A person is assigned to be the
15 wrangler, if you will, for all of the children. They are
16 directly responsible for their welfare.

17 Now, the hours are odd in theater, of course.
18 Sometimes the hours can be long. But we have role sharing for
19 our younger players, 12 years and under. Instead of doing
20 eight performances a week, we have two children sharing the
21 same role, much less burdensome. The parents who drop their
22 children off are actually placing them in charge of the
23 producers, who take their responsibility seriously.

24 And on touring companies, a certified teacher --
25 whether union or not, that's not the point -- but a certified

1 teacher, able to provide the educational instruction, travels
2 with the company. And it is true that equity and Screen Actors
3 Guild and AFTRA and AGMA and AGVA, we do all work together
4 because we have recognized the potential for harm.

5 REP. BOYD: Mr. Chairman, if I might, I would just
6 like to encourage Rep. Gibbons and Rep. Murt as this process
7 unfolds and you guys are trying to work out. Make sure that we
8 reach out to that industry and have conversations with them
9 because, while it's similar, there are differences with the
10 live theater and we want to make sure that that's considered.

11 One last question that I have on the revenue side, the
12 15 percent of California. On reality TV and the show in
13 particular that brought this kind of to light, I guess the
14 question is, you guys each had sort of individual contracts.

15 PRESIDENT & FOUNDER PETERSEN: Individual
16 contracts which were approved by a court.

17 REP. BOYD: Right. I'm trying to figure out how,
18 in a reality show, where you have a mother and father, now a
19 mother and eight children and -- does each individual -- do you
20 conceive that each child would have their own contract?

21 PRESIDENT & FOUNDER PETERSEN: Of course.

22 REP. BOYD: Okay. I'm just asking.

23 PRESIDENT & FOUNDER PETERSEN: This really does
24 wind me up. They are individuals. Each one of them has a
25 specific social security number. Their contracts should be

1 individually negotiated. Now, you can do it in a bunch.

2 Look, in family law, if a child is injured in an
3 automobile accident, the court can provide an advocate to weigh
4 in on the welfare of the child and look to the future,
5 independent of parents, may be heavily compensated and/or the
6 interest of the production. We've been doing this for decades.
7 It's possible to do the trick, is a hurdle that we've had to
8 pass in just April of this year.

9 A recognition that the children on reality shows --
10 which are not real at all -- are, in fact, working. They are
11 not lions on the plains of Africa or meerkats in a little
12 colony. Kids, your own kids, you pull a camera out and see how
13 they start to mug. They know what's going on. So let's
14 recognize it in the workplace.

15 REP. BOYD: Well, you ought to see what we do when
16 the cameras come out.

17 PRESIDENT & FOUNDER PETERSEN: You mean
18 politicians will alter their behavior in the presence of a
19 camera?

20 REP. BOYD: Never.

21 MS. ARNGRIM: I paid taxes as a child. I got my
22 first job at six and I went and had to file a tax return. So
23 those individual children, they are all taxpayers.

24 REP. BOYD: One last question. This might be a
25 hard one. Would you recommend just having a prohibition on

1 children in reality television?

2 PRESIDENT & FOUNDER PETERSEN: No.

3 REP. BOYD: Okay. I just wanted to make sure.

4 MS. ARNGRIM: Strict is all get out. That's what
5 we're looking for.

6 REP. BOYD: Thank you very much.

7 CHAIRMAN GERGELY: Thank you for your time today.
8 It is great to have you here and your advocacy and the
9 commitment that you've made to protect the children in this
10 industry.

11 When you talked to Chairman DiGirolamo about so little
12 of children actors having their children participate. I said
13 to Gene, that that's not necessarily the case. You were all on
14 TV sitcoms; is that correct?

15 PRESIDENT & FOUNDER PETERSEN: Yes.

16 CHAIRMAN GERGELY: Motion Pictures seemed to be
17 that children follow their parents if an actor was a child
18 actor in Motion Pictures. Their children follow them into the
19 industry. My question is, is it different environment or
20 culture with Motion Pictures as opposed to TV production?

21 PRESIDENT & FOUNDER PETERSEN: I think. I know
22 the public figures as well as you. Those children of famous
23 parents, participants in the industry, have, in fact,
24 participated. I can name you lots. You got to remember what
25 the tale of the story is, the headlines that ensued, the

1 difficulties encountered. I have found in my experience -- and
2 I have been around for 55 years. You noticed that I got away
3 with this without mentioning the Mouseketeers. In my
4 experience, the offspring of prominent people in the
5 entertainment industry come to the business when they have
6 graduated college. That there's a certain threshold below
7 which prominent people in the industry do not let their
8 children participate. They say what I said as a father, you
9 show me that sheep skin and I'll support you.

10 CHAIRMAN GERGELY: Fair enough. I was more along
11 the lines of Will Smith. His son is now in one movie -- well,
12 two. I was hoping maybe that you were going to tell me because
13 of advocacy, it has started to change and it has become --

14 MS. ARNGRIM: Well, I think we know that he's
15 working 9-hour days.

16 CHAIRMAN GERGELY: Right. Rep. Seip.

17 PRESIDENT & FOUNDER PETERSEN: I will say,
18 progress has been made and it has always been with the
19 unbelievable support of the Motion Picture Association of
20 America, the AMPTP, the interest and provision of resources
21 from Screen Actors Guild and after -- these are genuine things.
22 We have made meaningful changes.

23 And when a show like "Kid Nation" -- remember that one?
24 Where they took 40 kids with no supervision, no teacher, in a
25 middle of a school year to New Mexico and lied to Mexican

1 officials that they were just a summer camp. Promptly after
2 that happened, child labor laws were passed in New Mexico
3 because it was a travesty.

4 REP. SEIP: Thank you, Mr. Chairman. I think the
5 comments of both Chairman DiGirolamo and Chairman Gergely are
6 certainly well on the mark about your compassion and your
7 investment on this issue and I appreciate you being here today.

8 We've talked a little bit about backgrounds checks and
9 so forth. And, certainly, everybody thinks about, well, what
10 about the other people on the show, the people that I'm seeing
11 on camera. But we certainly know this is quite an issue for
12 the people behind the scenes and on the crew and so forth.
13 Have you known child actors or performers that have been
14 fearful for the members or people that have been working on the
15 set?

16 MS. ARNGRIM: As in all cases of child abuse and
17 especially sexual abuse, it's almost always someone known to
18 the child. We're very lucky on "Little House on the Prairie."
19 I have heard from other girls growing up in other series, that
20 as soon as they hit puberty, the crew became a serious problem.
21 Sexual harassment of girls as young as 14. So this does
22 happen.

23 Where they have someone to go to that -- we talk about
24 the welfare worker or the teacher on the set. Because that's
25 sort of the stopgap.

1 Now, we talk a lot about doing to background checks and
2 looking for people who are convicted sex offenders. That's not
3 done. Really sort of the gatekeeper is the loan person, the
4 mandated reporter, that is to protect our kids. Now, of
5 course, if you wanted to go stricter here and have background
6 checks on everyone on the set, I would totally be into that.
7 I'm all for stricter.

8 As I said, the thing about reality TV is that all of
9 the things that we object to about reality TV for kids would be
10 eliminated if they were simply following entertainment child
11 labor rules. Our problems with reality TV, we complain about
12 these shows and freak out and say, well, they are working too
13 long, they're working under horrible conditions, they're not
14 getting -- etcetera, etcetera, etcetera, so all of that would
15 come to a grinding halt.

16 I would like to see better protections. I have heard
17 horror stories. Well, I think Corey Haim was quite public, as
18 were Lauren Chapin. Well, Corey Haim was people on the set.
19 Lauren Chapin was -- several child stars have come out very
20 publically about being sexually molested by people in the
21 Industry. So, absolutely. This is an enormous risk. This
22 happens all of the time.

23 REP. SEIP: Did anyone of the production companies
24 themselves have internal policies on background checks?

25 MS. ARNGRIM: Not really.

1 PRESIDENT & FOUNDER PETERSEN: I wear many hats.
2 Let me put on my union hat, as a kid that was raised and
3 trained by the Industry. When there was a problem on the set
4 and it was reported up the chain, that person who caused the
5 problem disappeared. It came down to sometimes foul language
6 and I don't mean in a funny sense. I'm talking about something
7 that's just awful and you wouldn't permit in the classroom.

8 The unions, the below the line unions, IATSE members,
9 guys that push the dollies, grips, sound operators, they have a
10 self policing mechanism like most folks in organized labor.
11 The bad apples are segregated and mostly gotten rid of.

12 I have never heard of a producer saying, we can't take
13 any action on this because that person is too important to the
14 production and that's up to including stars of television shows
15 who misbehave in front of children. I commend you to think
16 about the show "Grace Under Fire."

17 REP. SEIP: Thank you again for being here today.
18 Thank you, Mr. Chairman.

19 CHAIRMAN GERGELY: Rep. O'Neill.

20 REP. O'NEILL: Thank you very much. Thank you for
21 traveling here today. I was at the hearing in Montgomery
22 County. It was back in the early spring, I believe, and I had
23 said, because of my background as a behavior specialist, that
24 sometimes it's unfortunate that the government has to protect
25 children from their parents and their guardians. And it's just

1 not in your industry.

2 I've worked with kids who have had a lot of problems
3 because they were forced into sports that they didn't want to
4 be in or shows that they didn't want to be in. And you see
5 these parents getting their kids at the age of three into
6 beauty contests and stuff like that. So I can see where you're
7 coming from.

8 I wanted to settle the questions around, I guess, the
9 trust. And I bring this up because I actually have a relative
10 that lives right around the corner from Jay North. The ones
11 who don't know who Jay North is, he was Dennis the Menace. He
12 just retired not long ago as a police officer. And I might be
13 wrong, but from what my relative had told me, his experience
14 after the fact, wasn't very good, especially on the financial
15 end and he was taken grossly advantage of.

16 You talked about, first of all, about the contracts and
17 their negotiated individually. You made a statement that I
18 didn't realize. A parent negotiates a contract, I guess in
19 California, for their child to be on a TV show or whatever or
20 in a movie. You said that that contract has to be approved by
21 the courts so the parents aren't taking advantage of it?

22 PRESIDENT & FOUNDER PETERSEN: It's far more
23 important than just the potential for disadvantage on the
24 chance that the parents will exploit their children. I'll take
25 a minute because this is very important. And I hope every

1 Pennsylvanian hears this. Children who are subjected to unfair
2 contracts that are not court approved may disaffirm that
3 contract the moment they turn 18 years old. The law permits a
4 child to seek redress to moment they become an adult.

5 And not to put too fine of point on this, the reported
6 profits from the show that has frankly brought us all together
7 because it has crystalized the issue, "Kate Plus 8" has
8 reportedly earned \$200 million in profit. And what I'm telling
9 you is to make sure -- and I'm going to state the obvious --
10 these children will have recourse because those contracts were
11 not taken before a superior court judge who could review it and
12 weigh and measure.

13 You know, this is really a sign. And this is to all
14 reality show producers. You put a child in a bad light --
15 we're not going away. These former kid stars are here to stay.
16 And we share a commitment to this. If somebody is going to
17 harm a child, then come age 18, there's going to be gigantic
18 class action lawsuits unless the entire industry pays
19 attention. The downside risk is significant. Even your court
20 here in PA addressed this issue. In fact, I cited it in my
21 testimony on April 13th.

22 REP. O'NEILL: My next question deals with -- when
23 you came up with the trust, how did they come up with 15
24 percent because that seems like a low percentage to me?

25 PRESIDENT & FOUNDER PETERSEN: Yeah. It sounds

1 low, doesn't it, except children who earn a wage are subjected
2 to precisely the same with holding patterns as you are. 36
3 percent for the feds, 10 percent for the state, about 11
4 percent or social security deductions.

5 And then they have a kid in show business, they pay 10
6 percent for an agent. Some of them pay 15 percent to a
7 manager. That's why the number is 15 percent, believe me.

8 REP. O'NEILL: Is it 15 percent on the gross?

9 PRESIDENT & FOUNDER PETERSEN: 15 on the gross,
10 that's correct. Believe me, I have had these discussions in
11 Washington D.C. with treasury department officials asking why
12 on earth are you taxing children. Let me take this alleged
13 obligation and put it in a vile of trust and not only will the
14 children be better served, but so will society because the
15 children will not have had to pay the penalty for the sin of
16 working. I mean, imagine the circumstance.

17 Remember the little boy on "The Courtship of Eddie's
18 Father," Brandon Cruise? His parents did not pay his taxes,
19 his mother specifically. The IRS came after him because they
20 go after the social security number, not the adults that were
21 in charge and he was paying into his late 30s.

22 MS. ARNGRIM: Now, I did pay taxes and a manager
23 and an agent, etcetera, etcetera, and so that's why it was 15
24 percent. But, for instance, the judge in the hearing of my
25 contract put in a clause saying, you are signing this at 11,

1 I'm going to put in a clause that at 14 you can get out because
2 you all are too young to be signing a contract or other
3 children were at the time.

4 He also reminded that the producers and the parents, he
5 said, we're all going to sort of agree to do this here, but you
6 realize that these people are minors, so they can't really
7 agree to this contract. At 18 they can validate it.

8 I did pay my taxes as a child. As I said, self
9 supporting since I was 12. I didn't mind it, but, you know,
10 one of the problems for a minor that people forget is that they
11 don't really have deductions. Having a good account now -- and
12 I'm someone who goes, oh, yes, I have this and my mortgage and
13 that and I keep every receipt and I do deductions.

14 As a child, you can't own property, you don't have an
15 interest payment, none of the things that adults routinely take
16 for granted as, well, I'll do such and such because that's good
17 deduction. Most children don't have that. So at tax return
18 time, they really don't get anything back. So it is very, very
19 difficult for the child employee.

20 REP. O'NEILL: I guess my last question is -- and
21 I have just a quick comment -- residuals. Was that built into
22 your contracts or was that something --

23 MS. ARNGRIM: That's a whole separate hoojie
24 magoojie. Well, at least up -- for long, no one got residuals.
25 And then there was a period to the 60s you got it and it was

1 for six showings. I always use "The Waltons" versus "Little
2 House on the Prairie" example.

3 "The Waltons'" contract came before "Little House on
4 the Prairie". They started about a year before us. So people
5 on that show, if an episode was aired six times, they got paid
6 six times. Seventh time, they really didn't receive anything
7 at all. And the show could be aired endlessly.

8 "Gilligan's Island", they didn't get anything, did
9 they?

10 PRESIDENT & FOUNDER PETERSEN: No.

11 MS. ARNGRIM: No, they didn't. Where as, "Little
12 House on the Prairie," we were, just after the in perpetuity
13 clause -- and this was a Screen Actors Guild, this was the
14 union matter -- so indeed, I am still receiving residuals
15 today. I'll remind you they become smaller each time. As a
16 result, I received a check from my episode of "Fantasy Island"
17 the other day for two sets.

18 MR. PROVOST: And I haven't gotten a residual
19 check in over 40 years.

20 PRESIDENT & FOUNDER PETERSEN: How about the dog?

21 MR. PROVOST: No, I don't think the dog --

22 REP. O'NEILL: And I also apologize because I grew
23 up with Jon and Paul and, of course, we had a collie when I was
24 growing up, so she was very popular in our house. But I'm
25 being told by Pam that your character truly represented a

1 person in my family.

2 I have one question that I have to ask you. It's been
3 killing me for 30 years. I go to the movies, I watch the
4 credits and what is the key grip?

5 PRESIDENT & FOUNDER PETERSEN: A key grip is the
6 guy the runs the -- basically the electricians who set the
7 lights and everything. There are lots of industry terms that
8 are interesting.

9 We also have a good one called best boy, which actually
10 came out of the 20s at Republic Studio when a cinematographer,
11 even then, because people hung at the studio gates, he would
12 say to the producer, go out and get me the best boy. And it
13 became part of the crew lexicon.

14 I know that we have way overextended our time. And I
15 thank you so much for providing us an opportunity to sort of
16 fill in the place spaces between the formal lines.

17 CHAIRMAN GERGELY: And I've been very lenient on
18 the questioning. It's important that -- your testimony is very
19 important today, as well as getting it on the record from the
20 perspective where you came from. Rep. Perry.

21 REP. PERRY: Thank you, Mr. Chairman, and thank
22 you for your perseverance in this and for your diligence, your
23 sacrifices are noteworthy and your testimony is all
24 particularly compelling to me. I can tell you that I have seen
25 probably maybe one of each of your shows. I'm not a TV guy.

1 Maybe that's a good thing or maybe it's not.

2 I'm particularly interested in the trust fund as Rep.
3 O'Neill is. My question, however, regards, who's setting it
4 up, the parent or the producer? And I've got to tell you that,
5 as I think about it, as a parent myself and any parent that
6 puts their child in this thing in the first thing is already of
7 questionable reputing my opinion, but that's just my opinion.

8 But even with this clause, that after you're 18, you
9 can seek redress if the parents or the production have spent
10 all of the money or if the production company is out of
11 business, what does that mean? So in your perception, what's
12 the best way in doing this and why?

13 PRESIDENT & FOUNDER PETERSEN: I believe the
14 obligation falls on the parent to establish the Coogan Account.
15 This is not the Industry's obligation. The parent should open
16 a savings account for the child.

17 And, you know, there's something beneficial about a
18 parent contemplating, getting their child in the entertainment
19 business to suddenly confront -- the reality is, you know what,
20 we've got rules. It's a good thing.

21 And any of you who have gone to a little league game on
22 a Saturday afternoon or an AYSO soccer game, you've seen
23 parental misconduct -- you have -- the language, the abuse.
24 And we take steps to protect ourselves. And most of the sports
25 parents come to understand that you've got to operate within a

1 recognized guideline.

2 And that's a good thing for potential show business
3 parents to know that you've got open the Coogan Account, you've
4 got to go get a work permit, you have to insist that your
5 child's grades are appropriate and their health is good. And
6 then you must be present on the set to make sure those rules
7 are followed. That's positive.

8 MS. ARNGRIM: One thing that the Screen Actors
9 Guild can address is that the Screen Actors Guild actually does
10 a packet for young performers with instructions and which banks
11 are good to open a Coogan Account at, etcetera, and the parents
12 are expected to open it and then the producer sends 15 percent
13 to that account. And so, yeah, there is a structure in
14 existence that is used California, absolutely. There's an
15 instruction packet that people can get.

16 REP. PERRY: It seems to me that the parents or
17 the guardian and every other facet of the child's life -- the
18 minor child's life, that would be the appropriate place. But,
19 at the same time, I question their intentions in the first
20 place regarding placing the minor child in this position.

21 But I appreciate your testimony and your answer. I did
22 want to say that, with one exception of watching TV, I watch
23 the news. I've been watching that since I was about six years
24 old. Thank you.

25 CHAIRMAN GERGELY: Rep. Boback.

1 REP. BOBACK: Thank you so much for gracing us
2 with your presence. I grew up with all three of you and I want
3 to thank you for your contributions to wholesome family
4 entertainment. Thank you so much.

5 I'm also concerned with this 15 percent. Should
6 perhaps the two pieces of legislation address oversight for
7 this 15 percent to make sure that there is something for the
8 child actor upon their retirement? And I'm also concerned with
9 the back of paying taxes, as you said the mom -- Jay North's
10 mother -- did not pay the taxes.

11 PRESIDENT & FOUNDER PETERSEN: I can name you
12 hundreds.

13 REP. BOBACK: Okay. So perhaps that, too, should
14 be involved in that. No child actor is left hold the bag, if
15 you will, upon their requirement, that everything is paid up to
16 date. I don't know who or what we could do, but it sounds like
17 that would be lacking. I don't know, Rep. Murt, Rep. Gibbons,
18 maybe that should be addressed through this legislation. Is
19 that something good?

20 PRESIDENT & FOUNDER PETERSEN: The two successful
21 models -- well, actually, we have three. In New York, it's the
22 circuit court, which they oversee these things and they may
23 open any trust account on good cause shown and anyone is
24 permitted to raise a question in court.

25 In California, the superior court, in fact, handles

1 that. And if you remember, I'm the person who sued "Octomom"
2 to get that nonsense to stop. We were successful, even at the
3 Appellant level, that anyone on good cause can report to the
4 court that they see trouble.

5 The model in British Columbia, where we've successfully
6 passed meaningful legislation with the cooperation, I have to
7 tell you again, with all parties, there is actually an office
8 of the trust, which oversees these accounts and is very
9 aggressive at protecting the children's income. So we have
10 some successful models.

11 CHAIRMAN GERGELY: Rep. Gibbons.

12 REP. GIBBONS: You've mentioned real briefly, you
13 commented about the background checks. And I have thought is
14 it my understanding that that is not something that is taking
15 place elsewhere, that that would be something new to the
16 industry here in PA if we did that?

17 PRESIDENT & FOUNDER PETERSEN: Completely at --
18 it's important to remember in this -- thank goodness -- modern
19 world of ours, background checks are thankfully a few key
20 strokes and they are very inexpensive. Most employers do this
21 routinely and they should do it routinely.

22 And if any of you have sent your children to summer
23 camp -- I serve as a camp counselor and every year I am
24 fingerprinted. I sit through a 90-minute orientation meeting
25 so that the parents who send their children to us are reassured

1 that they are in good hands. I don't mind it. I don't think
2 it's burdensome and nowadays, it's not expensive.

3 REP. GIBBONS: And my other question is, when we
4 talk about the set teacher and I realize I guess in the model
5 that you guys were talking about, this is going beyond just
6 teaching, but also being more of an advocate. Is that the
7 experience that you had with the teachers? I know you talked
8 about the teachers that you had on set. Was that their jobs as
9 well, but more beyond educational, but more of safeguarding the
10 child?

11 MS. ARNGRIM: Absolutely. Isn't it to guard the
12 safety, health, welfare and morals of the child was actually
13 written into their job description and they were often referred
14 to as the welfare worker in the old days, even though they were
15 also the set teacher.

16 REP. GIBBONS: Thank you.

17 CHAIRMAN GERGELY: Again, thank you for your time
18 today. It is severely appreciated. Safe travels back to
19 California. You're always welcomed back to PA.

20 PRESIDENT & FOUNDER PETERSEN: Thank you all.

21 CHAIRMAN GERGELY: Next is Nancy Fox. She's the
22 National Director of Government Relations & Policy of the
23 Screen Actors Guild. Thank you for your time today.

24 NATIONAL DIRECTOR FOX: Well, thank you very much.
25 I'm happy to be here. And I want to thank the Chairman and the

1 members of the Committee for hosting this hearing. It's very
2 important to the Screen Actors Guild. I'll try not to go over
3 many things that have been talked about before.

4 We are very, very supportive of both Rep. Murt's bill
5 and Rep. Gibbons. And this is also my colleague, Marsha
6 Fishman. She's the executive director in covering PA and a
7 couple of other surrounding states.

8 So I just want to talk a little bit about the history
9 Screen Actors Guilds and the legislative advocacy of young
10 performers. We have helped create numerous laws in California,
11 New York and Louisiana and, as Paul Petersen has mentioned, and
12 the MPAA representative, we all work together --

13 CHAIRMAN GERGELY: Can you check your mike?

14 NATIONAL DIRECTOR FOX: Sorry. I'm not an actor.
15 We work together with Paul, with the MPAA, we have been very
16 successful in California and New York, Louisiana in creating
17 these bills we have a lot of experience with it. And what we
18 hope is that every time we do this, it gets better and better
19 and we hope that PA will be a model bill for the rest of the
20 country, particularly dealing with the new issues with reality
21 television. So we think that this is a very exciting and it's
22 a very good opportunity for us.

23 Protecting children in this industry also with it
24 brings a number of really complexed hurdles and challenges.
25 And so we want to make sure that this bill is written very

1 precisely. There are issues, such as local school district
2 restrictions, state government department's requirements and
3 capacities. You want to make sure people that something you
4 put in there, people are able to carry it through because the
5 last thing we want is a bill that doesn't work.

6 We want to make sure individual child needs, parental
7 responsibilities and realistic considerations for productions
8 are all contained in this bill. It's so important that they be
9 written careful and precisely to make sure that they are
10 enforceable, practical and truly accomplished what we intended
11 to do here.

12 So while this bill goes a long way in protecting
13 children and navigating the challenges we face, there are
14 several important changes. Many people have touched on them
15 and I won't go too deeply into of them.

16 The work hours, obviously, people have mentioned tat
17 the Screen Actors Guild has very strong contract, very strong
18 provisions protecting young performers and their work hours and
19 I'm going to kind of pass this around. But the work hours that
20 everybody else has mentioned, they are well established, safe
21 for children and acceptable to productions. So we're very
22 comfortable. They are also codified in California, New York
23 and Louisiana in those bills that was recently passed.

24 New York's was just passed in 2003. So that is still a
25 fairly recent development. But we've learned a lot. Frankly,

1 in New York, passing that bill, we have learned the devils and
2 the details. And you have to be very careful about how you
3 write this and making sure that the Department's view -- asked
4 to carry out these functions, actually have the capacity to do
5 it and are on board and everything is in place.

6 Issues, such as permitting, for example. Someone
7 mentioned that. It's very -- it's more often than not actors
8 have no advanced notice of actually being hired in many cases a
9 job is for one day or less. So creating a flexible permitting
10 system is really, really important if you want to make this
11 work.

12 We have seen a new one in New York that has an online
13 permitting system, that seems to work very well. That still
14 requires the parents -- and we agree with Paul. A lot of the
15 responsibilities absolutely should be on the parents. The
16 permitting process is a very important part of this, setting up
17 their trust account. Having all of those responsibilities
18 should be responsibility of the parent and it's a very
19 important thing.

20 Also, trust account information. I know you might have
21 some questions about that. We want to make sure that that is
22 functioning properly. 15 percent of the parents should set up
23 the account, absolutely. We want to make sure that the
24 production company has that. You want to make sure that that
25 number is transferred to the production company properly so

1 that the production company can actually cut that 15 percent
2 and then send it into that trust account. If that trust
3 account isn't there, we want to make sure that there's some
4 place for that money to go. It might be a state holding
5 account.

6 So all of these details are very important. So we are
7 willing to work with Rep. Murt and Rep. Gibbons and this
8 committee to craft all of that. Whether it be in regulation or
9 in this bill, there are some very detailed things that should
10 be addressed.

11 And we just want to thank you. I mean, obviously, this
12 is very important to us and we really do want to see if we can
13 make PA a model place to work. If it works for a production,
14 production still wants to come here, we agree with what
15 everybody says. This is a great industry and it's a great
16 business and we can do this and protect the children at the
17 same time.

18 CHAIRMAN GERGELY: Thank you for your time today.
19 A question is, from a Screen Actors Guild's perspective, how
20 many reality shows have you engaged in? We were just
21 discussing -- I would say reality series where there's
22 different segments, where there's different people, like the
23 "Hoarders", where each person is different and then there's
24 reality shows, like "Jon and Kate" where the people are
25 followed their whole life.

1 How many of you engaged -- what's the tipping point
2 where you say, as the Guild, you are now an actor and you need
3 to be engaged with us with respect to your contract?

4 NATIONAL DIRECTOR FOX: Very important and very
5 interesting question. The Screen Actors Guild does not cover
6 reality television. No union covers the actors on reality
7 television.

8 AFTRA, American Federation of Television and Radio
9 Artists, does cover the host sometimes of those reality shows,
10 but they are essentially non-union, which is actually all the
11 more reason for this bill. Screen Actors Guild and AFTRA have
12 done a great a job codifying this. So when it's a union
13 production, you can pretty much be sure that the kids will be
14 protected.

15 But reality television is largely a non-union area.
16 And the fine line is whether something is scripted or not and I
17 think there's an interesting debate going on, whether or not
18 reality shows are scripted programs and so there's a lot of
19 grey in there. But right now, it's non-union. And that's all
20 the more reason for this.

21 CHAIRMAN GERGELY: So no members of the Guild are
22 from reality shows?

23 NATIONAL DIRECTOR FOX: Eventually, they may go on
24 to become one, which is probably 15 minutes of fame and then
25 they go on to get something else. So, generally, no, they are

1 not at the time.

2 CHAIRMAN GERGELY: Okay. Rep. Murt.

3 REP. MURT: Thank you, Mr. Chairman. Nancy, is
4 scripted versus non-scripted, is that a criteria as to whether
5 or not someone should be members for Screen Actors Guild?

6 NATIONAL DIRECTOR FOX: Yes. It would actually
7 follow the contracts. So Screen Actors Guild wouldn't organize
8 in general an unscripted show at this point. The union may
9 decide to change that direction or after may change that
10 direction, but, no. It would follow the contract first.

11 So a child would have to obtain a job under a union
12 contract. So the Screen Actors Guild has already signed a
13 contract with the production company for. So they wouldn't
14 even be eligible, no.

15 REP. MURT: Is it your belief that reality TV is
16 scripted? Are you prepared to --

17 NATIONAL DIRECTOR FOX: It's a judgment call.
18 Personally, yeah. I look at it and think sometimes, for a lot
19 of this, well, that seems pretty orchestrated. I guess the
20 question is, are lines being fed to somebody or are they being
21 given a general outline of what they should be doing. You
22 know, play with your toy over here and when you play with your
23 toy do this. It's a fine line. I'm not sure that I'm actually
24 qualified as my opinion, that it walks a fine. But I'm not
25 sure.

1 REP. MURT: Relative to the television show --
2 reality television show in question -- the Christmas segment
3 was shot, I believe, in August or September. So under that
4 criteria, it is scripted. Thank you.

5 CHAIRMAN GERGELY: Rep. Boyd.

6 REP. BOYD: Thank you, Mr. Chairman. I want to
7 focus on the trust issue and the 15 percent. In the prior
8 testimony, it strikes me as a bit odd that we would designate a
9 trust for 15 percent of the gross wage, gross revenue, if you
10 will and then the balance -- the balance goes to whom? The
11 parent?

12 So we rely -- this issue of paying the taxes, the
13 withholding, which kind of ties into -- and I know it's an
14 evolving question because it's evolving in my mind, but it goes
15 to the fact that is the individual seen as a subcontractor,
16 then are they responsible to pay both sides of the social
17 security, is there withholding done, does the production
18 company -- because the production company should be withhold
19 the 36 percent tax. They should be withholding FICA, etcetera,
20 etcetera, etcetera. But it didn't sound like that was going on
21 with the 15 percent. So help clarify that for me.

22 NATIONAL DIRECTOR FOX: Sure. A child is paid,
23 the 15 percent is taken out of the gross, the production
24 company, the taxes are paid on gross, all of them is paid on
25 gross. So what happens, the reason that it is 15 percent --

1 so, yes, all taxes are paid, as far as I know. I know Paul
2 mentioned something else and I was curious to how the
3 conversation was, if there was something else.

4 But all taxes should be paid at the time. So when the
5 child receives the check, it will be less 15 percent and less
6 the taxes. But then, what you have is you will have 10 percent
7 to an agent to a manager. Another 15 -- sometimes kids have
8 agents and managers and that's 20 percent out of it. So the
9 idea of 15 percent, frankly, the child might end up with 40
10 percent of what they earned in their check.

11 The parent will also acknowledge, it takes some work
12 other than those payments to have a child in the industry. You
13 might have to get head shots, taking the child to and from the
14 audition all of the time. So I think there's some recognition
15 that a child in the business, there is some layout and we --
16 it's a sensitive issue, but we thought 15 percent -- we thought
17 -- it was established a long time ago, but it seems like a
18 reasonable amount.

19 REP. BOYD: And as a follow-up to my prior
20 question, does your organization have any connection at all to
21 the screen -- the Equity Actors Guild? I mean, is there any
22 discussions in trying to work them into the loop? I mean, I'm
23 really thinking of more to help these two guys as they finalize
24 this.

25 NATIONAL DIRECTOR FOX: Absolutely. We work very

1 closely with Actors Equity. We're very close with all of their
2 executives. We talk about this all of the time. We lobby with
3 them in New York and I'm sure that they will be here next time.
4 And, frankly, when we propose these work hours, I think it's
5 very important. We have work hours from Actors Equity that
6 would address their issues and so, yes, they are involved in
7 this issue and they should be brought into the conversation.

8 EXECUTIVE DIRECTOR FISHMAN: In fact, I was at the
9 after office yesterday to make sure that they knew that we were
10 all on the same page and in support. So, yes, we work
11 together.

12 REP. BOYD: Thank you.

13 CHAIRMAN GERGELY: Thank you time today and we
14 appreciate your testimony. Diane Heery, President of Heery
15 Casting Company and she is also the Secretary of the PA Film &
16 Television Industry Association. Thank you for coming today.

17 PRESIDENT HEERY: Thank you. Well, good morning,
18 everybody. As the Chairman said, I am Diane Heery. I am the
19 Secretary and a member of the PA Film Industry Association.
20 I'm also President of my own company, Heery Casting.

21 The PA Film Industry Association has a coalition of
22 over 800 business owners and individuals in the State of PA who
23 are involved in this growing entertainment and advertising
24 industry here in the state. Since the tax credit program was
25 started in 2006, we've seen huge economic activity grow here in

1 the Commonwealth. When movies, television shows, and
2 television commercials are shot here, the services that are
3 used are crew, hotels, rental cars, carpentry, staff, agents,
4 film processing, accounting, the multiplier involved is fairly
5 huge.

6 In the past couple of years, over \$150 million have
7 been invested in the film industry in PA. So we're a very
8 growing industry here and we're trying to keep real dollars
9 here in the Commonwealth, not New York, not California, not
10 Canada.

11 The Film Industry Association, we believe that minors
12 should be regulated by the Department of Labor for the
13 protection of those minors and for their families and the
14 producers as well. Well, we do think that the common law are
15 adequate. Yes, they can be improved, but we also would like to
16 see stronger enforcement of the current laws that we have that
17 pertain to minors in the film industry.

18 Let me explain a little bit of what I do. I'm the
19 casting director. I've been in casting for over 20 years in
20 the Commonwealth. I cast actors for movies, television shows,
21 commercials, training videos, anything where they need an
22 actor. On the average, my office will submit over 50 child
23 labor permit applications a month to the State Office. And
24 that's just my office Philadelphia. That's not counting what's
25 going on in Pittsburgh, Harrisburg or anywhere that's going on

1 in the state. And, yes, we did the casting for Kennywood's
2 commercials.

3 So I reviewed the two goals that we're discussing with
4 the members of our association and I do have a few comments to
5 it. Just wording issues, when we get down to who is required
6 to have these permits and in both bills, they talk about
7 children having -- being exempt if they're in educational,
8 theatrical performances and I think the intent of the bill is
9 to exempt them if they are in a school play.

10 But, currently, that wording would exempt in
11 educational video, as in, oh, a training video for a company --
12 that's educational -- or a nonprofit. Well, then if they're
13 going to do a public service announcement for the American Red
14 Cross, that's a nonprofit. So right now, I feel that the
15 wording of that particular phrase is inadequate and needs to be
16 adjusted.

17 In my office, our policy has always been, if ever any
18 production comes to us and the crew is getting paid and it's a
19 profit-making business, anybody is getting any money, even if
20 the child is getting zero, we enforce it and we make sure the
21 children processed through our office have permits, no matter
22 what kind of production it is and I think that that's an
23 important point that should be clarified because I feel that
24 there's a little muddiness with the bills in there.

25 As other people have discussed, the working hours are

1 very appropriate and I feel that we need to look at the Screen
2 Actors Guild because they have set the standard for the working
3 hours. And currently, HB 2515 does list working hours and are
4 very specific to certain ages, but they're not in sync with the
5 national standard of the Screen Actors Guild, could easily just
6 confuse a producer coming to the Commonwealth. Well, the SAG
7 contract says this and this says this. And, yes, we know that
8 the state law would prevail, but if we're going to change it,
9 let's be in sync with everybody else.

10 The studio teacher is a very necessary person to
11 accrue, the welfare worker. But, again, right now I feel that
12 the law is a little -- it needs to be clarified because if you
13 have a child who's working for a half a day on a television
14 commercial to require a small little local production company
15 to hire a studio teacher if the child is missing two hours of
16 school that day, is fairly onerous to a small production
17 company. I'm not talking about the major studios.

18 But there are hundreds of production companies based in
19 the State of PA who are making everyday jobs, television
20 commercials, training videos, and this also effect them. We
21 can't lose sight of the fact that there are other productions
22 happening in the state, other than big movie and television
23 shows.

24 The other thing that I feel is unclear is -- the bills
25 for the studio teachers right now is unclear because it states

1 that the teacher needs to pass a written test certifying them
2 as a studio teacher. And that is more specific as opposed to
3 just a regular teacher in the State of PA. So my reading of it
4 is implying that there's an additional test and certification
5 now to be passed for a teacher to be a studio teacher. So I
6 think we need clarification of that because, again, if you're
7 going to ask for an extra test, now, what if only two teachers
8 in the State of PA have passed this test? We only have two
9 certified teachers -- set teachers. So, again, I just think
10 it's a clarification in the bills.

11 The trust funds have been a lot of discussion today.
12 And we totally agree with the children's funds need to be
13 protected. I was a child actor myself. I'm not on the big
14 scale as the other folks were, but I have been acting since I
15 was eight years old. But, things to keep in mind is Paul
16 Petersen and everybody else, they're talking about, they were
17 major roles in major TV shows.

18 Again, 50 permits a month that aren't applying for, for
19 permit applications for children, they're extras. They are
20 working one day and they are getting \$50 or they are getting
21 minimum wage and if they only work three hours on set, they are
22 only making \$21 and then taxes are taken out. So to ask for 15
23 percent of that to go into a trust fund and then go through an
24 entire procedure of trust fund for a child that is going to
25 make \$20, I think is a little over the top.

1 I think a threshold is very appropriate. The State of
2 New Mexico now has a threshold, an earnings threshold of \$1,000
3 is required before a trust fund is required to be opened. The
4 State of Louisiana has a \$500 threshold. My personal feeling
5 is that it should be -- and this is not a random figure -- but
6 I'm saying an \$800 figure as a threshold because the Screen
7 Actors Guild minimum for a day player, for a speaking part in a
8 TV show or a movie is \$800.

9 So I feel that that is a place to begin for having that
10 trust fund. I think it's a sensible place because -- and,
11 again, it's not putting on a special responsibility for a
12 producer. Again, a small production company who is making a
13 little commercial for a little car dealership and he's got a
14 kid waving from his car and the kid got \$50 for it. And to ask
15 a producer to go through all of that for a small little
16 production where he's -- the producer is only making a few
17 thousand dollars on it.

18 HB 2515 also is requiring a double permit process.
19 They are requiring the child to have a permit and they are also
20 requiring the production company to have a permit. And
21 something to consider is, again, in the big world of the major
22 movies -- yes, they have time for this type of issue -- and the
23 average television commercial will come to me today, we will
24 cast it tomorrow and they will be shooting three days later.
25 And that's how quickly most of these things turn around. And

1 to now ask the production company to go through the process of
2 a permit for a small little production is something to be
3 considered

4 We have been doing a lot of talk about film and
5 television. And to put this in perspective, you also have to
6 remember that the Screen Actors Guild contract for extras only
7 exists in the eastern part of the State of PA. Anything west
8 of Harrisburg, the Screen Actors Guild does not exist for
9 extras. They exist for principal players, but not extras. So,
10 again, everybody west of Harrisburg, they are getting minimum
11 wage for almost anything.

12 75 percent of the work that goes through my office are
13 commercials. And, yes, we do almost all of the film
14 productions in the Philadelphia area, but our day-to-day bread
15 and butter are commercials. And, like I said, the average
16 commercial is only casting two or three days before shooting.

17 The current process -- and the State Labor Office has
18 been wonderful, I have to say this -- but the current process,
19 the parent -- once the child knows they have a job, they now
20 have to get their parent's -- the parent's signature has to be
21 notarized, the parent now has to go to the school and get the
22 school principal's signature and then the parent has to go to
23 the school district offices and get a signature from a school
24 district official as well.

25 And many times, the school district official will

1 refuse to sign it because they don't know the child personally.
2 So then we go through hoops to get the second signature that's
3 required and then we have to submit it to the State for
4 approval. So it's a longer process than you may think and we
5 squeeze it in to get their permit in before, but we get it
6 done.

7 But, with that said, if you're going to require a
8 smaller production company to have a studio teacher for only
9 one day of shooting to establish trust accounts and background
10 checks and to get a permit for their own production company,
11 I'll be honest, in Philadelphia, I can walk to New Jersey and
12 that's just the reality. The permitting process in New Jersey
13 is fairly easy. And they'll say, well, you know what, we can
14 find that location right there.

15 Now, I'm not saying the big Hollywood movies will do
16 that because they're coming to PA because of our tax credits.
17 But I'm talking about the PA companies. Our producers who live
18 here and work here who are here all of the time and to put
19 extra things on when they're just trying to earn a living, it
20 makes it difficult for them.

21 The other issue that I really feel is enforcement. All
22 of the current production companies who are abiding by the
23 current regulations are not our problem. It's the ones who are
24 operating without the permits that we'll never know about. I
25 mean, again, "Jon and Kate Plus 8," how many years did they

1 shoot without a permit and they just kept on shooting and they
2 never got caught. How did this happen?

3 I know of many producers who will come to me having
4 cast their projects other places. And I'll say to them, oh,
5 well, let's get your child permits and they look at me like I'm
6 a little crazy and I'll say we always get permits. And they
7 say to me, oh, I've never gotten permits in PA before and if I
8 go so-and-so, and so-and-so tells me that I don't need to
9 bother. They're the people that we need to reach out to and
10 find because they're the problem children here. How do we find
11 them? They're the phonebook. And we need education and
12 enforcement, is a real issue.

13 Also, one of the bills is proposing a fee -- and I
14 apologize, I can't remember which one -- an application fee for
15 the process, which I totally understand, but, again, we also
16 have to understand how much a child is making. If you're going
17 to have a \$25 application fee and the child only works three
18 hours and only made \$21 -- and, again, our problem in PA -- not
19 necessarily a problem -- but our permits are good for each job.

20 So our child works today on this commercial. Great.
21 And then maybe, for some reason, books something else in a
22 month, they need another permit. It's another permit every
23 job. Now, maybe if you're going to charge a fee, but then that
24 permit has to be good for multiple jobs in a certain time
25 period and then that would make more sense. But, right now,

1 one permit per each job, when the child is not making that much
2 money, needs to be considered.

3 I'm trying to see what else I have. I guess that's
4 basically it and other points. Thank you.

5 CHAIRMAN GERGELY: Thank you for your time today
6 and much of it is going to be very helpful. It makes a lot of
7 sense for teachers and permits and enforcement. A lot of it is
8 enlightening because you're from PA.

9 Rep. Murt and Rep. Gibbons, I think you're aware that
10 one of our colleagues has a daughter that is a child -- I'm not
11 going to say who -- she's a star in "Army Wives." And they
12 should tap to him and talk to him about his own experiences
13 with his daughter being in the industry and his own
14 perspectives. Any questions?

15 REP. MURT: No, thank you for your testimony.

16 CHAIRMAN GERGELY: Okay. Thank you very much.

17 PRESIDENT HEERY: Okay. Thank you.

18 CHAIRMAN GERGELY: Last is Mr. John Bell. He's
19 the Government Affairs Counsel of the PA Farm Bureau.

20 GOVERNMENT AFFAIRS COUNSEL BELL: Good morning,
21 Members of the Committee, Mr. Chairman. I am John Bell. I am
22 Counsel for Government Affairs with the PA Farm Bureau. We are
23 a farm organization with more than 50,000 families in the
24 Commonwealth. We appreciate the opportunity to speak with you
25 today on these two bills, which attempt to recodify the Child

1 Labor Law.

2 I think in the interest of time and maybe hunger, I
3 would ask that my prepared statement be treated as if read into
4 the record and I'll try to summarize what our issue is.

5 Essentially, the theme of our and precisely the same
6 theme that we offered in 2008, that any recodification of the
7 Child Labor Law tried to be as close as possible to be
8 consistent with the standards related to child labor that do
9 apply under the Federal Fair Labor Standards Act.

10 We would recognize and express appreciation at least
11 for the attempt made in House Bills 19 and 2555 (sic) to try to
12 tie the standards that would apply in agricultural labor to
13 that of FLSA. I think, more specifically, we do have concerns
14 with the specific language that attempts to do that. And to
15 understand our concerns, I think you need to generally
16 understand the amalgamation that really exists under the
17 Federal Fair Labor Standards Act with respect to coverage or
18 non coverage of child labor. There are issues of age, there
19 are issues of activity and there are issues of wages that
20 specifically apply to child labor.

21 In my prepared testimony -- and I would certainly
22 encourage you to read it -- we've come up with six potential
23 interpretations of the exemption of coverage provision that are
24 included in the house bills, any one of which could lead to
25 divergent results in the determination of what farmers need to

1 do or not need to do.

2 In addition, there are issues that are addressed in the
3 bills related to the administration of child labor and
4 regulation and requirements that may apply that aren't
5 addressed in the Federal Fair Labor Standards Act. And those
6 issues, which largely have been interpreted to not apply to
7 employment in agriculture are left open, I think, in our
8 opinion under the bills.

9 In the past, we have recommended specific language to
10 address our concerns. We would respectfully ask that we would
11 be happy to share that language again with the Committee and
12 with the House and we would respectfully ask that that would be
13 considered and incorporated in the final bills.

14 With that, I will entertain any questions.

15 CHAIRMAN GERGELY: We have none, Mr. Bell. Thank
16 you.

17 GOVERNMENT AFFAIRS COUNSEL BELL: Thank you very
18 much.

19 CHAIRMAN GERGELY: That concludes our hearing. I
20 want to thank everyone for taking the time to attend and for
21 those that traveled for giving them our insight in PA.

22 The timeliness of this year is difficult, as session is
23 almost over, but I think we've set the table for next session
24 with both parties and the fact that we've had success with
25 legislation in the past to make a sensible good bill come

1 forward has been said in testimony, model legislation for the
2 nation with respect to the child labor laws. Thank you very
3 much.

4 (The hearing concluded at 11:53 a.m.)

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I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

Kelsey J. Dugo
Notary Public