



The National Restaurant Association's Leading Role in Weakening Child Labor Laws

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INTRODUCTION

The National Restaurant Association was founded in 1919 with the express purpose of suppressing food workers' wages, both in the agricultural and restaurant sector, and especially to maintain the subminimum wage for tipped workers.¹ After Emancipation, the NRA sought to hire newly-freed Black people, not pay them, and force them to live on tips.² For the last 100 years, the NRA has lobbied consistently to maintain the subminimum wage for tipped workers, and to maintain the lowest possible minimum wage for all other restaurant workers.³

As long as they are not required to pay their workers full, livable wages, the NRA will continue to seek other populations — like children — to work for subminimum wages.

With the pandemic, restaurant workers reported a serious decrease in tips and increase in sexual harassment and customer hostility. As a result, millions of workers have left or are leaving the industry, creating the worst staffing crisis in the history of the industry.⁵ In response, thousands of independent restaurants have been raising wages to recruit staff, but the NRA, driven by the chains, has resorted to a different tactic: leading efforts to weaken child labor protections in multiple states nationwide in order to be able to have teenagers take the place of adults who are no longer willing to work for subminimum and poverty wages.⁶

Unfortunately, the restaurant industry has a long history of illegally employing minors; the NRA's advocacy to weaken these laws would allow them to scale up these practices with immunity. This brief will both outline the NRA's leading role in multiple state fights to weaken child labor laws and uplift numerous cases of child labor violations in restaurants. As long as they are not required to pay their workers full, livable wages, the NRA will continue to seek other populations — like children — to work for subminimum wages.

KEY FINDINGS

- › **The NRA is a leader in the fight to weaken child labor laws.** The other NRA's work to end child labor protections has been documented by media and think tanks in multiple states. The restaurant lobby actively works to remove minor work permit requirements that allow governments to monitor employers and increase the hours children can work while in school.
- › **Child labor violations are on the rise as some states look to loosen their rules.** While the National Restaurant Association works to end child labor protections, the number of child labor violations is on the rise. Since 2018, the U.S. Department of Labor has documented a 69 percent increase in children being employed illegally. This is happening despite the fact that youth participation in the workforce has been done as more young people look to complete schooling and school related extracurricular activities.
- › **The restaurant industry represents the vast majority of child labor abuses.** Restaurants are the worst offenders of child labor violations. The industry accounts for over 64 percent of child-labor violations.

EVIDENCE OF THE NRA'S LEADERSHIP IN MULTIPLE STATE FIGHTS TO WEAKEN CHILD LABOR LAWS

The restaurant staffing crisis is well documented.⁷ While thousands of independent, small business restaurants raise wages to recruit staff during the staffing crisis, the National Restaurant Association is responding to the crisis with a different tactic: openly advocating for the repeal of protections for children in the workplace.

A | National Restaurant Association: “Could extra teen working hours help restaurants with the labor shortage?”

In September of 2022, the other NRA posted a blog on their website titled “Could extra teen working hours help restaurants with the labor shortage?” that discussed how instead of raising wages, one way to staff restaurants would be to allow minors to work longer hours and later shifts on school nights.

Excerpt from the National Restaurant Association’s website:

“Introduced by Rep. Dusty Johnson (R-SD), the Teenagers Earning Everyday Necessary Skills (TEENS) Act, H.R. 8826, would amend the Fair Labor Standards Act to expand working hours for teens between the ages of 14-16. Specifically, the bill would allow 14- and 15-year-olds to work between the hours of 7 a.m. and 9 p.m. year-round and increase the number of workable hours during a school week to 24. Currently, teenagers are limited to working 18 hours/week and are not permitted to work past 7 p.m. when school is in session.”⁸

B | Republicans push for teenagers as young as 14 to work in restaurants, industrial jobs.

The NRA has used its lobbying strength to recruit allies in the halls of government. In the past two years, lawmakers in at least 11 states have sought to weaken child labor restrictions to help employers fill empty jobs. “[...]supporters of the state bills include national and state branches of the National Federation of Independent Business, the Chamber of Commerce and the National Restaurant Association, as well as lodging and tourism associations, home-builders and Americans for Prosperity, a conservative political advocacy group.”⁹ While not all of the laws proposed focus on the restaurant industry, almost all proposed legislation would allow restaurant owners to expand the hours young people can work on a school night, reduce government oversight of youth employment that ensures underage youth are not being exploited, and some bills even allow minors to handle alcoholic beverages.

Journalist Stephen Elliott reported that: “Arkansas and Tennessee enacted changes last month. A new Arkansas law removes a requirement that children under 16 provide proof of parental consent to work. The Tennessee law scraps the prohibition on 16- and 17-year-olds working in restaurants that derive more than a quarter of their revenue from alcohol.”¹⁰ Elliott’s reporting also stated that these child care rollbacks didn’t stop there.

Excerpt from the April 19 edition of *USA Today*:

Jessica Dunker, president and CEO of the Iowa Restaurant Association [...] said her group is most interested in provisions that would allow 14- and 15-year-olds to work later on school nights; allow some underage workers to obtain a driver’s license to drive to and from a job; and allow 16- and 17-year-olds to take and deliver alcohol orders at restaurants. At the start of the COVID-19 pandemic, Dunker said, the Iowa restaurant industry laid off about half of its workforce. In the years since, she said, “we were never able to recoup our workforce.”

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The Economic Policy Institute argues that the decline in teenage employment is a positive development, because it largely reflects the fact that more teenagers are staying in school. Of the 16- to 19-year-olds who said they were not working in 2021, 58.1% said it was because they were in school – up 21 percentage points compared with 2001.

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Debbie Berkowitz, a former federal and union worker-safety official who is now a fellow at the Kalmanovitz Initiative for Labor and the Working Poor at Georgetown University, said that for decades, policymakers generally have agreed on the need to protect minors in the workplace. Recently, though, she has seen a “pretty pronounced” shift in the states. “This is a push by certain industries to see if they can get away with hiring children so they can pay them less and disguise it as job training,” she said. “These entry-level jobs provide little in terms of skills.”¹¹

C | Report: Iowa GOP’s child labor bill was spearheaded by restaurant lobbyists

The National Restaurant Association lobbyists and the restaurant industry are the driving force behind Iowa Republican legislators’ proposed child labor bill, as the GOP is waging an extremist push to loosen child labor regulations across the United States. A report from Truthout details the other NRA’s efforts in Iowa.

Excerpt from April 4 in Truthout:

According to an investigation by More Perfect Union, the extremely powerful restaurant industry group the National Restaurant Association, sometimes known as the “other NRA,” spearheaded the effort behind the child labor expansion bill Senate File 167. The bill, sponsored by state Sen. Jason Schultz (R) would allow children as young as 14 to work dangerous jobs in industrial freezers, meat coolers and industrial laundry. It would also expand the hours that children are allowed to work during the school year and throughout the summer.”

“In the video report posted by More Perfect Union, Brad Epperly, a legal counsel for lobbyists, appeared to openly admit that the bill was written by the NRA. The NRA has been proselytizing about expanding child labor, and last year sent out a newsletter praising the “record hourly wages” that children are making at work in Iowa particularly.¹²

D | The Wisconsin Restaurant Association pushed for weakening child labor laws during the pandemic.

The Guardian reported on the efforts to roll back child labor protections and the potential harms to children. According to *The Guardian*, “experts fear increased stress and loss of sleep among students as some Republicans want to allow teenagers to work longer hours” and that the driver to weaken these laws during the pandemic came from the Wisconsin Restaurant Association.¹³ The bill was opposed by labor groups highlighting how it chipped away at child labor protections.

Excerpt from the November 2, 2021 edition of *The Guardian*:

Supporters of the bill, which include Republican legislators, the Wisconsin Restaurant Association and other industry groups, have argued the bill could help small businesses that are experiencing hiring and staff retention issues amid some industries experiencing labor shortages throughout 2021.

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“The passage of this bill would be a slippery slope for eliminating child labor practices in Wisconsin and in the United States in general,” said Stephanie Bloomingdale, president of the Wisconsin AFL-CIO, which opposes SB332. “Young teenagers need to have good work experiences that help them to learn work ethics and valuable skills, but at the same time, recognizing they also are kids that need time to study, to sleep and to prepare their minds for their future.¹⁴

E | Alabama Retail Association: Allowing workers under 21 to have increased access to alcohol is a “game-changer” for the restaurant industry.

The Alabama Retail Association represents retailers including restaurants celebrated when lawmakers in Alabama lowered the age a server had to be to handle alcohol, to 18 years. ARA board member Jheovanny Gomez who owns Jalapeños Mexican Grill stated on the association’s website this was “a game-changer for my business and the hospitality industry.”¹⁵

F | Economic Policy Institute uncovers attempts to weaken child labor protections in at least 10 states — one of the most active groups behind these efforts is the restaurant lobby.

On March 14, 2023, the Economic Policy Institute (EPI) released a bombshell report uncovering business lobbyists attempting to weaken child labor laws in ten states. EPI noted that

“across the country, the primary proponents of these laws are business groups and their state affiliates, particularly the National Federation of Independent Business, the Chamber of Commerce, and the National Restaurant Association (Lazare 2022).”

Excerpt from the Economic Policy Institute:

Both violations of child labor laws and proposals to roll back child labor protections are on the rise across the country. The number of minors employed in violation of child labor laws increased 37% in the last year and at least 10 states introduced or passed laws rolling back child labor protections in the past two years.

Attempts to weaken state-level child labor standards are part of a coordinated campaign backed by industry groups intent on eventually diluting federal standards that cover the whole country.

Youth labor force participation declines over the past 20 years reflect that a steadily growing share of young people are choosing to complete high school and obtain additional education in order to increase their long-term employability and earnings. Putting off work in order to obtain more skills and education is a positive trend — for both individuals and the economy — not one that should be slowed or reversed.

State and federal lawmakers must act to protect and advance the rights of workers of all ages and backgrounds while protecting poor and/or immigrant youth from exploitation. Policy recommendations include raising the minimum wage (and eliminating subminimum wages for youth), ending the two-tiered system of standards for agricultural and nonagricultural work, enforcing wage and hour laws, passing key immigration reforms, and supporting workers' right to organize and form unions.¹⁶

CHILD LABOR VIOLATIONS ARE ON THE RISE AS SOME STATES LOOK TO LOOSEN THEIR RULES

After declining for years, child labor violations have been rising since 2015, according to the U.S. Labor Department's Wage and Hour Division. The total number of violations is much lower than it was two decades ago, but experts are still troubled. In 2015 — the low point in the data — the Wage and Hour Division found 1,012 minors employed in violation of child labor laws, with an average of 1.9 per case. In 2022, that number more than tripled to 3,876, averaging 4.6 per case.¹⁷

Since 2018, the U.S. Department of Labor has documented a 69 percent increase in children employed illegally. Of child-labor violations from January 1, 2018 through November 23, 2022, 75 percent were in the food sector. Restaurants are the worst offenders, accounting for over 64 percent of child-labor violations.

THE RESTAURANT INDUSTRY REPRESENTS THE VAST MAJORITY OF CHILD LABOR ABUSES

A | Is your dinner brought to you by child labor?

Why the nation's food sector has the most child-labor violations.

Child labor is notoriously difficult to document, and the U.S. Department of Labor's Wage and Hour Division, tasked with enforcing child-labor laws, has only about 800 investigators regulating more than 11 million employers. Journalist Teresa Cotsirilos reporting for *Mother Jones* documented multiple violations.

Excerpt from the April 26 edition of *Mother Jones*:

Restaurants were by far the worst offenders. More than 64 percent of all the violations were committed by food service employers. Culprits ranged from regional pizza chains to high-end restaurants, and certain fast food chains were well represented. McDonald's franchises, for instance, committed 8.7 percent of the violations in the WHD data. The National Restaurant Association did not respond to multiple requests for comment, and McDonald's declined to comment for publication.

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The severity of the child labor violations that restaurants commit ranges widely. According to WHD officials, children often work earlier, later and longer hours than they're supposed to, and in some cases, managers are unaware they're breaking the law. Other violations are both deliberate and more severe. In 2020, WHD found that Manna Inc., a fast food franchise company, had hired 446 14- and 15-year-olds to work the graveyard shifts at nearly a hundred Wendy's and Fazo-li's locations across the country. Last December, WHD fined a Chick-fil-A more than \$6,000 after discovering it had illegally hired three teenagers, then paid several employees in chicken.

Teenage food service workers are often desperate for work. These are not "teenagers working [to buy] comic books or trading cards," says Manuel Villanueva, the western regional director for the workers rights' group Restaurant Opportunities Centers (ROC) United. "I've seen people manage to work three jobs just to get by, and then they have to send their kids to work."¹⁸

Labor abuses in the restaurant industry frequently go unreported. A UCLA Labor Center report last year found over one-third of fast food workers surveyed said they had kept quiet about dangerous conditions in their workplace and other issues, mostly because they were afraid they'd lose their jobs or certain shifts if they complained.¹⁹

B | McDonald's franchise owners are caught violating child labor laws in Pittsburgh, Pennsylvania.

A federal investigation found child labor violations involving more than a hundred teenagers at McDonald's locations in the Pittsburgh area. National Public Radio reported that the fast food franchise, Santonastasso Enterprises, illegally scheduled 14 and 15-year-old employees to work too many hours or work late shifts at 13 of its restaurants, according to officials.

Excerpts from the December 7 edition of National Public Radio:

Officials said one minor under the age of 16 was allowed to operate a deep fryer that was missing a device to automatically lower and raise the baskets – a task minors in that age group are not allowed to take on.

In a statement the couple said they “regret any scheduling issues that may have occurred at our restaurants.” The Santonastassos added that they have since implemented ‘a series of new and enhanced processes and procedures to ensure employees are scheduled appropriately.

Under the Fair Labor Standards Act, working teens under 16 can't clock in for more than 3 hours per day or after 7 p.m. on school days. They are also limited to 8 hours on non-school days, and no more than 18 hours during a regular school week. The laws are more flexible over the summer when school is traditionally out. Between June 1 and Labor Day, teens can work as late as 9 p.m.²⁰

C | U.S. Department of Labor finds South Carolina fast food restaurants endangered minor employees, violated their work hours limits.

Operators of four well-known fast food restaurant locations illegally employed workers under the age of 18 at hours and in occupations that jeopardized their safety, a series of investigations by the U.S. Department of Labor has found.²¹ Part of a cross-regional food services initiative in the Southeast by the department's Wage and Hour Division, the investigations identified violations by operators of Subway, Popeyes Louisiana Kitchen, Burger King and Frodo's Pizza locations across the state.

Extracts from the report:

Subway

Harvey Restaurant Co., operator of two Greenville locations and two in Travelers Rest, allowed 13 minor employees between the ages of 14 and 15 to work past 9 p.m. during summer months. The division assessed the employer a \$4,491 civil money penalty.

Pleasantway Inc., operator of two Greenville locations and one in Greer, allowed five 15-year-old employees to work past 7 p.m. between Labor Day and June 1. Four of these minors were also employed in prohibited baking activities. The division assessed the employer a \$4,902 civil money penalty.

Burger King:

Carolina Franchise Holdings LLC, operator of 36 Burger King franchise locations in the

Carolinas, Georgia and Florida, allowed two 15-year-old employees to work more than 18 hours per week during school weeks at a Newberry location. The division assessed the employer a \$1,382 civil money penalty.

Popeyes Louisiana Kitchen:

PLC Dev Group LLC, operator of nine franchises in South Carolina and one in North Carolina, allowed three 15-year-old employees to work more than 18 hours per week during school weeks at South Carolina establishments in Seneca, Columbia and Mauldin. The division assessed the employer a \$2,073 civil money penalty. Investigators also determined that PLC Dev Group clocked out some employees automatically, while they continued to perform work. The division recovered \$2,031 in overtime back wages and liquidated damages for nine workers at South Carolina locations in Anderson, Boiling Springs, Columbia, Mauldin and Greer.

Frodo's Pizza:

FPI Inc., operator of a Greenville location, allowed three 16-year-old employees to work as delivery drivers. Federal law prohibits minors from operating motor vehicles as part of their occupation. The division assessed the employer a \$3,006 civil money penalty.

CONCLUSION

When the National Restaurant Association was faced with the prospect of its members having to pay workers in the industry at least the full minimum wage with tips on top to alleviate the worker staffing crisis, its response has been to demand minors work longer hours with fewer protections.

The National Restaurant Association is a leader in the attack on child labor protections. From pushing to keep young people on the clock later on a school night, allowing minors to serve alcohol, and advocating to eliminate government oversight of youth workers, to rolling back basic worker protections, it is clear that the future the 'Other NRA' envisions is one that looks eerily similar to the child labor working conditions of the past. Restaurant owners, workers, customers, and lawmakers should reject the exploitative tactics of the 'Other NRA' and rally around the urgent need to raise the minimum wage and end the subminimum wage for tipped workers, so that all workers receive at least the full minimum wage with tips on top.

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