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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 27, 2020

Senate Finance Committee

SB 742 – Labor and Employment – Fair Recruitment and Transparency Act

Senate Bill 742 is designed to bring transparency to the foreign labor recruiting process and protect migrant workers from exploitation, while simultaneously strengthening Maryland's economy by making our State a more attractive location for productive workers to return. We should welcome guest workers with open arms and hearts. Not only because they help our economy, but because they are our guests and we have an obligation to protect them from abusive treatment.

Every year, Maryland businesses compete for a limited number of migrant workers who migrate legally under the H-2 visa program. The cap on the number of H-2 visas allowed per year are set by the federal government and our bill does nothing to raise or lower the cap; instead, we strive to provide basic protections for migrant workers in the foreign labor recruiting process. Bringing transparency and accountability to this process will strengthen our economy, because productive migrant workers will prefer to return to jobs in Maryland and employers will feel more comfortable with how their employees are being treated throughout the recruitment process.

It may be hard to imagine, but trafficking and forced labor are a growing problems in Maryland and while that type of abuse is more violent and malicious treatment of individuals, willful blindness to a lesser degree of worker mistreatment is no saving grace. Last year, we passed Maryland's first anti-Labor Trafficking legislation, with a stiff criminal penalty of 25 years. That behavior covers a different degree of coerciveness, but it rhymes with the type of exploitation we are trying to stamp out with this bill. We are focused on the behavior of the recruiters of the foreign labor, in order to shine a light for everyone to see and respond.

The coalition with me today seeks to hold bad actors accountable while providing clarity and guidance to responsible recruiters and employers. Specifically, our bill bans the exorbitant

recruitment fees that leave workers in a state of indentured servitude. We also mandate that foreign labor recruiters acquire a license and register with the State Commissioner of Labor and Industry. This registry will shield the best actors in our system from liability while protecting vulnerable communities from exploitation.

There is an amendment that you should have received to clarify this bill does not apply to J-1 visa categories. We have established a workgroup under this bill to look into those underlying issues separately.

We aim this legislation primarily at the H-2 program, which relates to people who work in agriculture, seafood, and landscaping, among other industries. The regulation of the J-1 visa program, which relates to cultural and educational exchange, raises some novel issues and this bill establishes a workgroup to study the J-1 program specifically. We have been in contact with many organizations in this space and we want to reassure them, we want to work together for common sense state level checks and balances to protect vulnerable workers and give them the resources to report abusive work conditions.

For these reasons, I respectfully urge a favorable report on SB 742, as amended.