



Testimony in Opposition to SB 742
Labor and Employment - Fair Recruitment and Transparency Act

This bill is very far reaching and affects many members of Maryland's tourism and hospitality industry. In order for foreign workers to come to the United States under the J-1 Visa Program, very stringent criteria must be met both by the workers and by the "sponsors" and employers. See pages 2-4 for the eligibility, fees and rules set down by the United States' State Department of Commerce.

During 2018, Maryland employed 5,557 in Summer Work Travel, as the fifth highest state employing student J-1 workers.¹ The majority of those workers are employed in Ocean City followed by Rockville, Gaithersburg, Glenarden, Rockville, Silver Spring, Owings Mills, Glen Burnie, Thurmont, St. Michael's and Annapolis. While there is no doubt some of those workers are hired by other types of businesses, the overwhelming number are tourism employees. Most of these workers come to learn the hospitality business and go home and secure positions in the industry in their homeland. Many of them are students and come to the U.S. as interns.

Under J-1 Visa regulations, companies that work as intermediaries, employers and workers must all register with the State Department and give full details of the employment, term, fees, etc., to the State Department. Therefore, having to do the same with the Maryland Department of Labor and Industry is duplicative, expensive and unnecessary.

We believe that while the sponsor of this bill may perceive a need for legislation for farm workers, but we do not believe that legislation is necessary for many of the other industries that use foreign workers under the J-1 Visa Program. The hospitality industry does not need, nor should be included in this broad legislation. We believe that the program is working well and that both the workers and employers are fully regulated by the United States government.

Therefore, we ask that the Committee give SB 742 an Unfavorable Report. Thank you for your consideration.

For further information, contact:

Amy Rohrer, CAE
President & CEO
Maryland Hotel Lodging Association

¹ See: <https://j1visa.state.gov/basics/facts-and-figures/participant-and-sponsor-totals-2018/>

US Department of Commerce regulations regarding J-1 Visas:

Eligibility and Fees

Sponsors screen and select their program participants according to the eligibility criteria for each program category. Some categories require that a personal interview be part of the screening and selection process. In addition to program-specific criteria, all participants must satisfy English language proficiency and insurance requirements. Sponsors are to provide participants with pre-arrival information prior to their departure from their home countries and an orientation upon their arrival in the United States. Sponsors are also required to monitor the progress and welfare of the participants for the duration of their programs.

English Language Proficiency

Participants must possess sufficient proficiency in the English language to participate in their programs. **[22 CFR 62.10(a)(2)]**

Insurance

Participants and any J-2 dependents (spouses and minor unmarried children under the age 21) accompanying them are required to carry medical insurance at the minimum [benefit levels](#) stated in the program regulations. Program sponsors are required to ensure that all participants have the appropriate medical insurance. Sponsors will verify that the participant's medical insurance meets the regulatory requirements, and will facilitate the purchase of coverage for participants who do not have their own insurance, or whose coverage does not meet the requirements. Participants interested in obtaining appropriate medical insurance should contact the responsible officer of their sponsor organization sponsoring their program. Willful failure on the part of the participant and/or any J-2 dependents to maintain active insurance coverage is grounds for termination from the program. Please refer to the regulations for details. **[22 CFR 62.14]**

Pre-Arrival Information

Sponsors are required to provide their participants with [information about the program](#) and related matters **before** they leave their home countries for the United States. Sponsors must also provide their participants with specific program information and any contractual obligations relevant to their program category. For details, please refer to the regulations. **[22 CFR 62.10 (b)(1-8) and specific regulations for categories of interest]**

Orientation

MHFLA

Maryland Hotel Lodging Association

Sponsors must offer appropriate [orientation](#) for all participants, and are encouraged to offer orientation to the participant's family (J-2 spouses and dependents), especially those expected to remain in the United States for at least one year. For details, please refer to the regulations. **[22 CFR 62.10 (c)(1-7) and specific regulations for categories of interest]**. Orientation materials should include information about the region, state and locale.

Monitoring

Sponsors are required to monitor the progress and welfare of their participants. Sponsors are to ensure that the participants' activities are consistent with the program category identified on the participants' Form DS-2019. Sponsors are also to require their participants to provide current contact (address and telephone number) information and to maintain this information in their files.

All program categories require that sponsors provide emergency, 24-hour contact information to their participants. Participants should not hesitate to contact the responsible officer if they need assistance. For additional information, please refer to the regulations. **[22 CFR 62.10(e) and specific regulations for categories of interest]**

Fees

Program Fees

Unless you are in a federally funded exchange program, sponsor organizations charge participants program fees. Fees vary from sponsor to sponsor based on the exchange category, the sponsor's program, program duration, etc. Be sure to check with your sponsor to get a breakdown of all costs and fees.

SEVIS Fee

When you are accepted into an exchange visitor program, the program sponsor will issue you a form DS-2019. The program sponsor will tell you if you must pay a SEVIS I-901 fee to the Department of Homeland Security (DHS) or if this fee is already part of your program fees. If your sponsor pays the SEVIS fee on your behalf, the Sponsor will provide you with a receipt confirming payment. Visit [SEVIS-901 fee](#) on the DHS website for more information.

Visa Fees

Nonimmigrant visa application processing fee - Each exchange visitor who applies for a visa at a U.S. embassy or consulate must pay the nonimmigrant visa application processing fee. Read more about [current fees](#) for State Department services. Visit the [Bureau of Consular Affairs website](#) to learn more on how to apply for a J visa. Visa applicants need to demonstrate their

MH^{LA}
Maryland Hotel
Lodging Association

eligibility for a visa during an interview by a consular officer at the U.S. embassy or consulate, generally in their country of residence.

You will need to provide a receipt showing the visa application processing fee has been paid when you come for your visa interview. NOTE: U.S. Government sponsored exchange visitor J visa applicants and their dependents are not required to pay visa application processing fees if participating in a Department of State, a U.S. Agency for International Development (USAID), or a U.S. Government funded educational and cultural exchange program that has a program serial number beginning with G-1, G-2, G-3, or G-7 printed on form DS-2019, Certificate of Eligibility for Exchange Visitor Status.

. Programs