



MARYLAND STATE & D.C. AFL-CIO

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**SB 742 – Labor and Employment – Fair Recruitment and Transparency Act
Senate Finance Committee
February 27, 2020**

SUPPORT

**Donna S. Edwards
President
Maryland State and DC AFL-CIO**

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony supporting SB 742 – Labor and Employment – Fair Recruitment and Transparency Act. My name is Donna S. Edwards and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of the 340,000 union members I offer the following comments.

The Maryland State and DC AFL-CIO represents thousands of union workers in Maryland and is part of a broader labor movement of 12.5 million AFL-CIO members. Many of our unions represent workers in industries with a prevalence of guestworkers—from education to hospitality to healthcare—and many of our members are on temporary work visas themselves. Reforming labor recruitment across industry categories is crucial to ending systemic abuse and improving conditions for all working people. SB 742 puts most of the compliance burden on the foreign labor contractors, not Maryland employers.

In a time of heated rhetoric and divisiveness around immigration, Maryland can lead the nation by passing this legislation, which will bring transparency to the recruitment process, level the playing field for workers and ethical employers, and combat human trafficking.

The status quo is unsustainable. Current laws on work visa programs are riddled with gaps in protections that allow for employment discrimination, fees to access work, the payment of below market wages, and restriction on movement. Internationally recruited workers face disturbingly common patterns of abuse, including discrimination, severe economic coercion, retaliation, blacklisting and, in some cases, debt bondage and human trafficking. Reform is needed to curb these abuses and shore up labor standards in the industries that use these visa programs.

In Prince George's County, we saw firsthand how the current system fails to protect workers. In 2011, investigators found that more than a thousand highly trained foreign teachers hired under the H-1B visa program were required to pay over \$4.2 million in illegal fees. The Department of Labor fined PG County Public Schools \$1.7 million in civil penalties and required it pay back wages—one of the largest penalties ever imposed by the DOL. Adding insult to injury, the H-1B workers who had been underpaid were then

unable to renew their visas due to the school district's violations, effectively causing them to lose their jobs. Clearly, we do not want our state's workers treated this way or our tax dollars wasted in this way.

The proposed law would root out this type of abuse and bring much needed regulation to the labor recruitment industry. The rights of American workers can only be protected if immigrant workers and guest workers are able to exercise their rights without fear of retaliation and reprisal, and when employers across industries no longer have an incentive to prefer guest workers because they are permitted to underpay and mistreat them.

This bill takes a comprehensive approach to reform that would improve working conditions and the business climate in Maryland. It will strengthen protections for workers by banning fees, improving transparency in the recruitment process, creating a registry for certified recruiters and requiring fair contracts to reduce fraud.

Maryland's unions support this bill as an essential step toward protecting workers' rights and fighting human trafficking in our state.

We ask for a favorable report on SB 742.