

**Maryland Legal Aid\_Scott Black\_FAV\_SB0742**

Uploaded by: Black, Scott

Position: FAV



**MARYLAND  
LEGAL AID**

*Advancing  
Human Rights and  
Justice for All*

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February 27, 2020

The Honorable Delores Kelley  
Chair, Finance Committee  
Maryland General Assembly  
Miller Senate Office Building 3 East Wing  
11 Bladen St., Annapolis, MD 21401

**RE: TESTIMONY IN SUPPORT OF SENATE BILL 0742  
Labor and Employment – Fair Recruitment and Transparency Act  
Invitation to testify from Senator Susan Lee**

**Dear Chairman Kelley and Members of the Committee:**

Thank you for the opportunity to testify in support of SB 0742, a bill that will help to eliminate abuse of Maryland workers as well as abuse of migrant and seasonal farmworkers. Maryland Legal Aid is a private, non-profit organization that provides free civil legal services to low-income Marylanders. In our 12 offices around the State we help individuals and families with a wide array of civil legal issues including consumer, housing, public benefits, employment and family law matters. We also represent abused and neglected children, and provide legal assistance to vulnerable older adults and nursing home residents. This letter serves as notice that Scott C. Black is testifying on behalf of Maryland Legal Aid, at the request of Senator Susan Lee.

Maryland Legal Aid has several collaborative partnerships with community agencies that seek to eliminate barriers to employment for low-income Marylanders. Consequently, Maryland Legal Aid has expertise in overcoming many barriers to employment for Maryland workers as well as in migrant and seasonal farmworkers' issues.

Many Maryland growers hire foreign recruiters to bring H-2A workers to Maryland for agricultural work. Both low-income Marylanders as well

as migrant and seasonal farmworkers are disadvantaged when foreign recruiters charge unlawful fees for H-2A employment. These unlawful fees depress the federally mandated wage and result in loss of employment opportunities for Maryland workers. These recruiter fees create a direct barrier to employment in Maryland. SB0742 will end these practices.

SB0742 will provide crucial checks to eliminate abuse of Maryland farmworkers and migrant and seasonal farmworkers, by:

- Banning recruitment fees that will prevent workers from arriving to work already indebted and vulnerable to coercive labor conditions;
- Prohibiting discrimination in recruitment, hiring, and job assignments; and
- Requiring the licensing of recruiters and the creation of a registry to ensure that farmers and workers know who they are collaborating with.

Existing federal H-2A regulations are designed to protect domestic workers from growers who hire foreign workers for less than the prevailing established wage.<sup>1</sup> The US Dept. of Labor annually calculates the Adverse Effect Wage Rate (AEWR). The purpose of AEWR is to prevent importation of foreign workers from having an adverse effect on the prevailing wage rate,<sup>2</sup> thereby having an adverse effect on Maryland wage earners. The AEWR is set by the federal government, for the sole purpose of neutralizing the adverse effect of imported foreign workers.<sup>3</sup> Currently, AEWR and other federal regulations prohibit an employer from seeking payments from prospective H-2A workers for recruitment costs.<sup>4</sup> The grower, the foreign labor contractor and their agents are all prohibited from charging recruitment fees for H-2A employment.<sup>5</sup>

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<sup>1</sup> The H-2A regulations are designed to ensure that the use of foreign workers does not depress the wages of U.S. workers. Shoreham Cooperative Apple Producers Assn, Inc. v. Donovan, 764 F.2d 135, 137 (2d Cir. 1985); NAACP v. Donovan, 737 F.2d 67, 69 (D.C. Cir. 1984); Salazar-Calderon v. Presidio Valley Farmers Assn., 765 F.2d 1334, 1338 (5th Cir. 1985); Okeelandta Corp. v. Bygrave, 660 So.2d 743, 745 (Fla. 4th DCA 1995) (one of the purposes of the Wagner-Peyser Act is "to protect domestic workers from foreign workers whom employers might be able to hire for less than prevailing domestic wages.").

<sup>2</sup> NAACP v. Donovan, 566 F.Supp. 1202, 1205 (D.C.C. 1983).

<sup>3</sup> Williams v. Usery, 531 F.2d 305, 306 (5<sup>th</sup> Cir. 1976).

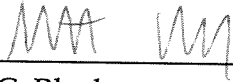
<sup>4</sup> 20 C.F.R. §655.135(j).

<sup>5</sup> 20 C.F.R. §655.135(k); Palma Ulloa v. Fancy Farms, Inc., 274 F.Supp. 3d 1287, 1288 n.2 (M.D. Fla. 2017).

Unfortunately, these prohibited fees are a common and growing practice. Unscrupulous growers can circumvent AEWR by a variety of means such as by taking a percentage of the recruitment fee or by taking advantage of workers who arrive at the job site in significant debt because of the fee. This month Maryland Legal Aid was alerted to a foreign recruiter who charged each foreign farmworker \$3,000 for H-2A employment on a Maryland farm. This particular recruiter impermissibly pocketed over \$40,000 for this one placement. SB0742 will prevent this abuse.

SB0742 will provide growers a registry of licensed recruiters who have been certified as to following proper recruiting practices, as well as a means of legal redress should the recruiter or the grower continue to charge impermissible fees for H-2A employment.

Maryland Legal Aid supports SB0742 without amendments and respectfully requests that this committee give it a favorable report.



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Scott C. Black  
Staff Attorney, Special Populations  
Maryland Legal Aid

# **Esperanza Center\_Support\_SB0742**

Uploaded by: Dolamore, Matthew

Position: FAV

**FINANCE COMMITTEE****Senate Bill 742****Labor & Employment – Fair Recruitment and Transparency Act**

February 27, 2020

Position: Support

The Esperanza Center, a program of Catholic Charities, is a comprehensive immigrant resource center located in the Fells Point neighborhood of Baltimore. Our staff and volunteers provide services and referrals, English language education, healthcare, and low-cost immigration legal services to thousands of immigrants each year. **We support SB 742 – Labor and Employment – Fair Recruitment and Transparency Act.**

SB 742 prohibits foreign labor recruiters from charging guestworkers a recruitment fee to seek employment under an H-2 Visa, and establishes a public registry of licensed foreign labor contractors in Maryland. It also requires that guestworkers seeking a job in Maryland be provided a contract detailing the terms of employment in a language accessible to them. Finally and critically, SB 742 establishes a workgroup to study the J-1 Visa in Maryland. These safeguards will help workers distinguish between legitimate and illegitimate employers, and are an important step to ending debt bondage in Maryland – a problem we see at the Esperanza Center.

The following is a J-1 Visa case example that illustrates the type of debt bondage that can occur in the H-2 program. It also illustrates the critical need to create the J-1 Visa workgroup that SB 742 will establish. The Esperanza Center is currently working with a group of young adults who were recruited in the Philippines to work for a hotel on Maryland's Eastern Shore. They each were led to take a loan for application fees over \$3,000 per person in order to benefit from a J-1 Visa program that promised them on-the-job training. Instead, the young adults encountered a work environment with long hours of menial labor. As they sought to pay off their debt, additional fees were subsequently added by the recruitment agent, and the amount of debt continues to increase. Esperanza Center's clients received threatening text messages from the recruitment agent, and their parents in the Philippines were forced by the agent to sign documents taking responsibility for the debt. As victims of labor trafficking, the Esperanza Center is seeking to help these young adults apply for protection under a T Visa.

Maryland provides numerous workplace protections, but workers cannot invoke those protections if they are in a debt bondage relationship with their employers. SB 742 promotes transparency and accountability by establishing a public registry of licensed foreign labor contractors, requiring a contract detailing terms of employment in an accessible language, and prohibiting recruitment fees for guestworkers seeking employment under an H-2 Visa. Through these actions SB 742 will reduce incidents of labor trafficking in Maryland and will allow Maryland's workers to safely access existing workplace protections.

**We urge you to issue a favorable report for SB 742.** Thank you.

Submitted by: Matthew J. Dolamore, Director

# **MDDCAFLCIO\_FAV\_SB742**

Uploaded by: Edwards, Donna

Position: FAV



# MARYLAND STATE & D.C. AFL-CIO

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Donna S. Edwards

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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.**

# **ACLUofMaryland\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



**Testimony for the Senate Finance Committee  
February 27, 2020**

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

**FAVORABLE**

JOSEPH SPIELBERGER  
PUBLIC POLICY COUNSEL

The ACLU of Maryland supports SB 742, which would help protect internationally recruited workers in Maryland from labor exploitation and trafficking.

AMERICAN CIVIL  
LIBERTIES UNION  
FOUNDATION OF  
MARYLAND

Specifically, this bill would:

- Protect foreign migrant workers from against discrimination, fraud, unsafe working conditions, and retaliation;
- Ensure that foreign migrant workers receive a contract on the job, and void any agreement by a foreign migrant worker to waive or modify any of their legal rights;
- Require individuals performing foreign labor contracting services to be licensed by the Commissioner of Labor and Industry; and
- Establish a Workgroup to Study the International Exchange Visitor Workers in Maryland.

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Maryland benefits from the tens of thousands of workers each year who come to our state on temporary work visas, uplift our economy, and and become an integral part of our community. However, migrant communities in Maryland are among the most susceptible to having their civil rights violated by their employers.

FIELD OFFICE  
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Recruiters and employers discriminate in hiring, mislead workers about the terms of employment, and charge recruitment fees that force people to take out overbearing loans for the chance to work in the United States. This leaves workers indebted on the job, more vulnerable to abuse, and more fearful of reporting crimes against them.

[WWW.ACLU-MD.ORG](http://WWW.ACLU-MD.ORG)

OFFICERS AND DIRECTORS  
JOHN HENDERSON  
PRESIDENT

SB 742 is an important step toward ensuring that workers understand their rights and are protected from trafficking, exploitation, and abuse, which will make Maryland a safer place to work and live.

For the foregoing reasons, we urge a favorable report on SB 742.

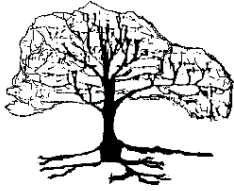
# **CATA\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

**COMITE DE APOYO A LOS TRABAJADORES AGRICOLAS  
FARMWORKERS SUPPORT COMMITTEE**

**C.A.T.A.**



**Maryland Senate Finance Committee Hearing  
Feb. 27, 2020**

**Written Testimony submitted by:  
CATA – The Farmworkers' Support Committee**

**SB 742– SUPPORT**

**Labor and Employment Fair Recruitment and Transparency Act**

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Dear Members of the Senate Finance Committee:

On behalf of CATA – El Comité de Apoyo a los Trabajadores Agrícolas (The Farmworkers' Support Committee), I am writing to express support for SB 742, legislation to protect internationally recruited workers in Maryland from labor exploitation and trafficking.

My name is Jessica Culley and I am the General Coordinator for CATA – the Farmworkers' Support Committee. CATA is a non-profit membership organization of migrant and immigrant farmworkers and low-wage workers in the Mid-Atlantic region of the United States. We work in Southern New Jersey, Southeastern Pennsylvania and the Delmarva Peninsula, organizing members of our community to fight for better working and living conditions in their workplaces and communities.

We have seen the H-2 programs expand significantly in the past several years in our region. Specifically, our organization has spent time outreaching to farmworkers and our experience has shown us that the living and working conditions of agricultural workers, including those working under the H-2A guest worker program, are already exploitative and need to be addressed through state oversight of these federal programs.

Each year, more than 5000 workers come to work in Maryland on temporary work visas under the H2 programs. These workers are an integral part of our communities and our economy. They work in various industries that contribute to the Maryland economy. They work in crab picking, poultry farming, landscaping – harvesting our vegetables, shoveling our snow and contributing to our local food movement. Abuses in the H2 programs are well documented and experienced widely. Our own outreach in CATA to workers in H2 programs have uncovered workers being charged recruitment fees, suffering widespread discrimination because of gender and age, workers not being paid the promised wages, workers being threatened with dismissal and immigration consequences if they complain and more. As a result of these abuses, guest workers themselves are exploited and Maryland residents working in these industries alongside guest workers, are also often negatively impacted.

When internationally recruited workers suffer abuses, the State of Maryland suffers. By eliminating recruitment fees for work in Maryland, ensuring workers receive a contract at the time of recruitment, and banning discrimination and retaliation, this legislation would combat debt bondage, human trafficking, and other extreme forms of labor exploitation in Maryland.

Through a public registry of recruiters, the bill would root out bad actors and level the playing field for employers who want to do right by their workers. By requiring recruiters to provide workers with an employment contract, this bill would ensure that workers coming to Maryland are fully informed of the terms of their employment before they decide to take a job.

CATA – The Farmworkers' Support Committee strongly encourages you to pass SB 742 and even to consider further action in the future to protect other categories of temporary guest workers. Thank you for making Maryland a place where internationally recruited workers are respected, and workplaces work for all workers.

# **CDM\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



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## SB 742

### Labor and Employment – Fair Recruitment and Transparency Act Hearing of the Senate Finance Committee February 27, 2020

#### SUPPORT

As leaders of this legislative effort, Centro de los Derechos del Migrante, Inc. (CDM or “Center for Migrants Rights”) submits the following testimony in support of SB 742 – Fair Recruitment and Transparency Act, a bill to combat human trafficking and labor exploitation in Maryland. SB 742 would ban recruitment fees; require recruiters to be licensed; provide temporary guestworkers with a contract laying out the terms of the job; and, prohibit discrimination in the H-2 guestworker program. The bill would protect temporary guestworkers from debt bondage, fraud, and human trafficking in Maryland.

#### *About Centro de los Derechos del Migrante*

With offices in Baltimore and throughout Mexico, CDM, a nonprofit organization, advocates for migrant workers here and abroad. Since its founding CDM has helped over 15,000 temporary guestworkers and recovered more than 20 million dollars in unpaid wages, thus establishing important legal precedents and policies to protect migrants all along the migrant stream. Through outreach, legal support, and policy advocacy, CDM seeks to remove barriers to justice and to strengthen temporary guestworkers’ rights.

SB 742 is timely. The number of temporary work visas granted under the H-2A and H-2B guestworker programs has risen but the protections have not. As advocates, we have seen over and over again how temporary guestworkers in these programs continue to experience debt bondage, poor housing conditions, and wage theft. In 2019, there were 257,667 visas granted under the H-2A program and 150,465 visas granted under the H-2B program.<sup>1</sup> Maryland’s governor and many elected officials nationwide have issued letters<sup>2</sup> seeking additional H-2B temporary work visas to meet the industry demand. However, missing in these letters is a call for heightened protections and proper oversight to ensure that no migrant worker ends up in a labor trafficking situation.

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<sup>1</sup> United States Department of Labor, Foreign Labor Certification Performance Data, available at: [https://www.foreignlaborcert.doleta.gov/performance\\_data.cfm](https://www.foreignlaborcert.doleta.gov/performance_data.cfm).

<sup>2</sup> Governor Hogan Urges Federal Officials to Make More H-2B Visas Available to Help Seafood Industry and Seasonal Employers, available at: <https://governor.maryland.gov/2020/01/21/governor-hogan-urges-federal-officials-to-lift-cap-on-h-2b-visas-to-help-seafood-industry-and-seasonal-employers/>



In 2013, we published Recruitment Revealed: Fundamental Flaws in the H-2 Temporary Worker Program and Recommendations for Change.<sup>3</sup> The investigation focused on international labor recruitment across industries of workers coming to the U.S. on H-2 visas. In that investigation 58% of workers reported having been charged fees; 47% reported taking out a loan to cover pre-employment expenses; 52% were not shown contracts,; and, 10% reported experiencing fraud because they paid a fee for a job that did not exist.

CDM has advocated for temporary guestworkers in Maryland for more than a decade. In 2010, CDM published Picked Apart: The Hidden Struggles of Migrant Worker Women in the Maryland Crab Industry.<sup>4</sup> The report examined the experiences of guestworker women in the Maryland seafood processing industry employed through the H-2B temporary work visa program. The majority, if not all, of the women were recruited in Mexico. Since then, there have been changes to the H-2B temporary work visa program but those changes are still not enough to protect guestworker women. Women taking these jobs still report having to pay some type of recruitment fee or a “kickback” to get a job in the U.S. Even though federal law requires that an employer reimburse the guestworkers for their transportation and lodging costs to the U.S., the women rarely get a full reimbursement. They essentially pay to work in the U.S.

### *Guestworkers in Maryland and Typical Abuses*

Marylanders interact with internationally recruited workers every day. These workers are part of the fabric of our communities – harvesting our food, cleaning our hotels, picking our crabmeat, and maintaining beautiful lawns throughout the state. But all too often, guestworkers are subject to unseen abuses. Regardless of visa category or industry sector, guestworkers in Maryland suffer abuses such as economic coercion, fraud, discrimination, retaliation/blacklisting, and human trafficking.

Economic Coercion: Workers in both the H-2A and H-2B programs report being charged high fees and costs by recruiters. These debts and contract terms, like breach fees that are triggered if a worker wants to leave the job, coerce workers into staying on the job, regardless of the conditions. The result is debt bondage, servitude, or even human trafficking. Juliana, an H-2B guestworker in Maryland, received approximately \$200 in her first week’s paycheck, but owed \$600 in visa and recruitment costs. After her first week in the U.S., assuming she put all of her wages towards repaying those visa and recruitment costs, she was still \$400 in debt and facing the 15 percent monthly interest rate on the loan she originally borrowed to pay those expenses.

Fraud: Workers in the H-2 program report that the terms of their employment and visa are misrepresented at the time of recruitment, and upon arrival at the job. In some cases, a written contract is not provided in a language the worker understands or not provided at all. For example, Yolanda, an H-2B guestworker in Maryland, found that her wages were much different than what the recruiter promised. Yolanda was promised \$7 per hour, but earned \$5 instead. She was promised overtime pay, but never received it. Her employer kept her paycheck stubs, so she could never actually verify her

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<sup>3</sup> Centro de los Derechos del Migrante, Inc., Recruitment Revealed: Fundamental Flaws in the H-2 Temporary Worker Program and Recommendations for Change (2013), available at: <http://www.cdmigrante.org/recruitment-revealed-fundamental-flaws-in-the-h-2-temporary-worker-program-and-recommendations-for-change/>.

<sup>4</sup> Centro de los Derechos del Migrante, Inc., Picked Apart: The Hidden Struggles of Migrant Worker Women in the Maryland Crab Industry (2010), available at: <https://cdmigrante.org/picked-apart-the-hidden-struggles-of-migrant-worker-women-in-the-maryland-crab-industry/>.

wages. When she was able to look at them, she did not recognize the deductions from her check because they were in English.

**Discrimination:** Employers and recruiters evade U.S. anti-discrimination law by recruiting overseas. In addition to overtly discriminating based on gender, age, race, or other factors, recruiters discriminatorily offer visas. In general, women are offered work on visas with fewer protections and lower wages. Women crab pickers in the Eastern Shore are paid by the pound versus their male coworkers who are paid an hourly rate. This means that women have to work harder and faster to make slightly more than the minimum wage.

**Retaliation and Blacklisting:** A guestworker’s H-2 visa is tied to their employer. The employer has a lot of power over the worker. Workers who complain about abuses face the possibility of being fired and thereby losing their visas. They also risk being blacklisted by recruiters and employers who will not hire them back the following year. Lucero, a migrant guestworker in Maryland, did not feel that she could speak with her employer about the housing conditions. She lived in one room with ten other women—two women per bed. Other women slept in the living room. The conditions were very difficult and afforded no privacy. Lucero and her housemates complained amongst themselves, but never to the boss. Lucero was afraid to speak with her boss.

### *Gaps in Federal Legislation and the Need for SB 742*

Existing federal legislation provides inadequate protections for internationally recruited workers. The major pieces of federal legislation governing the employment of migrant and seasonal workers are the Migrant and Seasonal Agricultural Worker Protection Act (MSPA) and the Fair Labor Standards Act (FLSA).<sup>5</sup> Both provide limited protections to internationally recruited workers and are replete with exceptions, limiting their power to effectively regulate international labor recruitment. SB 742 would create a comprehensive and consistent set of requirements related to recruitment of H-2 migrant workers along with creating a workgroup to study the J-1 International Exchange program. For example, the licensing and registration requirements found within the MSPA apply only to agricultural workers. Most egregiously, they do not require employers to provide a complete picture of the chain of recruitment for prospective migrant workers, leaving most of the process in the shadows. Since 2015, the Department of Labor has maintained a registry of H-2 recruiters, but it is only published quarterly, and attorney/agent recruiters often fail to list their recruiters as required. These limitations in data leave workers with no functional mechanism for verifying whether a job, in fact, exists.

### *J-1 Visa Participants in Maryland*

In 2018, there were over 10,000 J-1 temporary visa participants in Maryland. These J-1 visa holders worked in 18 different jobs throughout Maryland. Some worked in the hospitality and leisure industry, others as scientists at major research institutions, and others as au pairs in people’s homes taking care of children. The number of J-1 participants has increased throughout the years and yet little is known about the J-1 participants that come to Maryland. CDM has met with numerous J-1 participants as part of its work on two reports – *Shortchanged*, *The Big Business Behind the Low-Wage J-1 Au Pair Program* and *Shining a Light on Summer Work: A First Look at the Employers Using the J-1 Summer Work Travel*

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<sup>5</sup> Note that the wage-and-hour provisions of the FLSA do not offer migrant workers adequate redress due to a lack of oversight and enforcement, and, like MSPA, the FLSA does not apply to smaller employers.

Visa. The experiences documented in these reports show a program that is flawed and treats a young adult workforce poorly. SB 742 would bring stakeholders, elected officials, and experts together to study this program and how it functions in Maryland.

*Importance to Maryland's Economy*

There is a pressing need for Maryland to step in and pass the Fair Recruitment and Transparency Act. Maryland legislation that addresses oversight areas and allows the Maryland Department of Labor to investigate and protect workers from poor working conditions.

Maryland's businesses contracting with foreign labor contractors would benefit with the creation of a public registry. An online database would allow employers to determine which recruiters use acceptable recruitment practices. Guestworkers are more likely to accept jobs from these recruiters, knowing that they have been licensed by the state and cannot mischaracterize terms of employment. Maryland businesses would have some assurance that guestworkers would arrive as promised without having been misled by false claims of recruiters. The added legal safeguards would encourage workers to choose Maryland for employment. Further, these protections would lead to better worker retention from each season to the next because workers will know that they will be safe and treated fairly by Maryland businesses. Employers would spend less time and money training new workers.

Countless businesses, organizations, and human rights leaders have complained that the current recruitment system is rife with abuses due to the limited federal and state oversight. Maryland should step up not only because it is the moral thing to do, but because it helps Maryland's economy in the long run. Businesses need internationally recruited workers to fill important roles.

Without this legislation, fraud will continue to be committed every day and workers will have little protection in recruitment. We urge support for SB 742 and would be pleased to answer any questions the Committee may have.

ADDENDUM: Related Reports

Reports from Organizations

*Beneath the Pines: Stories of Migrant Tree Planters.* Southern Poverty Law Center.

*Close to Slavery: Guestworker Programs in The United States.* Southern Poverty Law Center.

*Culture Shock: The Exploitation of J-1 Cultural Exchange Workers.* Southern Poverty Law Center.

*Domestic Workers' Rights in the United States Report.* International Labor Recruitment Working Group.

*Strengthen Regulation of Foreign Labor Recruiters to Prevent Human Trafficking & Forced Labor Report.* Alliance to End Slavery & Trafficking.

*Gaming the System: Guest Worker Visa Programs and Professional and Technical Workers in the US.* Department for Professional Employees; AFL-CIO.

*Help Wanted: Hiring, Human Trafficking, and Modern Day Slavery in the Global Economy.* Verité; Humanity United.

*Hidden in the Home: Abuse of Domestic Workers with Special Visas in the United States.* Human Rights Watch.

*Human Trafficking on Temporary Work Visas.* Polaris.

*New Immigrants in an Old Industry: Mexican H-2B Workers in the Mid-Atlantic Blue Crab Processing Industry.* David Griffith, East Carolina University.

*Jornaleros mexicanos en EU con visa: los modernos olvidados.* Proyecto Jornaleros SAFE.

*Report of the August 2011 Human Rights Delegation to Hershey, Pennsylvania.* Human Rights Delegation, organized by National Guestworker Alliance.

*Injustice on Our Plates: Immigrant Women in the U.S. Food Industry.* Southern Poverty Law Center.

*Guestworker Diplomacy: J Visas Receive Minimal Oversight Despite Significant Implications for the U.S. Labor Market.* Economic Policy Institute.

*Leveling the Playing Field: Reforming the H-2B Program to Protect Guestworkers and U.S. Workers.* National Guestworker Alliance; The Dickinson School of Law at Penn State.

*Litany of Abuses: More Not Fewer Labor Protections Needed in the H-2A Guestworker Program.* Farmworker Justice.

*Migrant Workers' Access to Justice at Home: Indonesia.* Open Society Foundations.

CDM Testimony – SB 742 – Support  
Senate Finance Committee – Feb. 27, 2020 Hearing

*Monitoring International Labor Recruitment: A Cross-Visa Exploration of Regulatory Challenges.* Centro de los Derechos del Migrante, Inc.

*No Way to Treat a Guest: Why the H-2A Agricultural Visa Program Fails U.S. and Foreign Workers.* Farmworker Justice.

*Picked Apart: The Hidden Struggles of Migrant Worker Women in The Maryland Crab Industry.* Centro de los Derechos del Migrante, Inc.; Washington College of Law at American University.

*Recruitment Revealed: Fundamental Flaws in the H-2 Temporary Worker Program and Recommendations for Change.* Centro de los Derechos del Migrante, Inc.

*Shining a Light on Summer Work: A First Look at the Employers Using the J-1 Summer Work Travel Visa.* Centro de los Derechos del Migrante, Inc.

*Shortchanged, The Big Business Behind the Low-Wage J-1 Au Pair Program.* Centro de los Derechos del Migrante, Inc.

*Trafficking and Exploitation of Migrant Domestic Workers by Diplomats and Staff of International Organizations in the United States.* American Civil Liberties Union.

*Weeding Out Abuses: Recommendations for A Law-Abiding Farm Labor System.* Farmworker Justice; Oxfam America.

#### Government Reports

*Immigration Policy for Intracompany Transfers (L Visa): Issues and Legislation.* Congressional Research Service.

*H-2B Visa Program: Closed Civil and Criminal Cases Illustrate Instances of H-2B Workers Being Targets of Fraud and Abuse.* U.S. General Accounting Office.

*H-2A Agricultural Guestworker Program: Changes Could Improve Services to Employers and Better Protect Workers.* U.S. General Accounting Office.

*Inappropriate Uses of Educational and Cultural Exchange Visas.* U.S. General Accounting Office.

*Stronger Action Needed to Improve Oversight and Assess Risks of the Summer Work Travel and Trainee Categories of the Exchange Visitor Program.* U.S. General Accounting Office.

These reports can be found at: <https://migrationthatworks.org/>

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

Senate Finance Committee – Hearing – Feb. 27, 2020

Section	Paragraph	Summary
<p><b>7-101</b> (p. 3)</p>	<p>Definition</p>	<p>Agricultural Operation                      Agricultural work                      Commissioner                      Employer                      Employment                      Farm                      Farm labor contractor                      Foreign labor contractor – who/includes  <b>Foreign migrant worker – only H-2 workers</b>                      License                      Licensed farm labor contractor                      Licensed foreign labor contractor                      Migrant agricultural worker                      Perform farm labor contracting service                      Perform a foreign labor contracting service                      – 2 parts</p>
<p><b>7-103</b> (p. 7)</p>	<p>Non-waiver contrary to public policy</p>	
<p><b>7-202</b> (p. 7)</p>	<p>Commissioner authority</p>	<p>Conduct necessary investigations                      Enter labor camp, place of employment, or housing                      Supoena                      Circuit court authority</p>
<p><b>7-203</b> (p. 7)</p>	<p>Comm’r to maintain public registry</p>	<p>1. Online – “user-friendly” format                      2. English/Spanish                      3. Updated w/in 5 days after material change                      Must include:                      1. Name/contact of ER                      2. Number, occupations, wages, visa classifications, employment dates of foreign migrant workers                      3. Industry                      4. Names of all persons employed by/or contracted by the licensed to perform services AND cities, states, and foreign countries where services are performed</p>
<p><b>7-205</b> (p. 8)</p>	<p>AG authority</p>	<p>Court – enforcement (1) decision of Comm’r; (2) subpoena; (3) Comm’r order; (4) civil penalty collection. Can investigate alleged violation and proceed in a court.</p>
<p><b>7-301</b> (p. 9)</p>	<p>License</p>	<p>Required to perform service in the State</p>
<p><b>7-302</b></p>	<p>License Process</p>	<p>Applicant has to:</p>

<p>(p. 9)</p>		<ol style="list-style-type: none"> <li>1. Submit to Comm’r – application; 2 passport-sized pics; fee of \$25</li> </ol> <p>Application needs:</p> <ol style="list-style-type: none"> <li>1. Permanent place of residence of applicant</li> <li>2. Each address where the applicant expect to reside in MD</li> <li>3. Each labor contracting service that the applicant will perform for consideration</li> </ol> <p>If FARM LABOR CONTRACTING SERVICE:</p> <ol style="list-style-type: none"> <li>1. Name/address of each ag operation for whom the service will be performed in MD</li> <li>2. Name/permanent address of person keeping records of wages</li> <li>3. Number of migrant ag workers expected to be used in MD</li> </ol> <p>If FOREIGN LABOR CONTRACTING SERVICE:</p> <ol style="list-style-type: none"> <li>1. Number of foreign migrant workers</li> </ol> <p>If HOUSING to be provided:</p> <ol style="list-style-type: none"> <li>1. Name of each person who will provide the housing</li> <li>2. Address where the housing will be provided</li> </ol> <p>AWPA registration ID number  Resident agent name  Accept service of process</p> <p>If performing FOREIGN LABOR CONTRACTING SERVICE –</p> <ol style="list-style-type: none"> <li>1. Whether the applicant has violated any employment, labor, immigration laws</li> <li>2. Length of time applicant has been performing FLC services</li> <li>3. Revenue &amp; operating budget</li> <li>4. Manner in which service will be performed [what does this mean?]</li> <li>5. Whether applicant is/or has been registered w/ any other state of fed govt to perform FLC service</li> <li>6. IF YES to #5, then: <ul style="list-style-type: none"> <li>• Has registration been revoked/suspended, provide reasons if yes</li> <li>• Has other state/fed govt refused to reissue registration, if yes, the</li> </ul> </li> </ol>
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		<p>reasons for refusal</p> <ol style="list-style-type: none"> <li>7. Membership in professional orgs [WHY?]</li> <li>8. List of ERs who have used services w/in immediate preceeding 2 years: <ul style="list-style-type: none"> <li>• Name of each ER</li> <li>• # of foreign migrant workers hired by ER</li> <li>• Cities/countries of origin of the foreign migrant workers</li> <li>• Cities/states where foreign migrant worker were employed</li> <li>• Range of wages paid to the foreign migrant workers</li> <li>• Industries/occupations in which the foreign workers were employed</li> <li>• Value of the contract entered into by the ER and applicant</li> </ul> </li> <li>9. Names/addresses of all registered business agents in the US or in a foreign jrx.</li> <li>10. Tax ID numbers issued to applicant</li> <li>11. Names of all individual/companies employed /used by the applicant to perform FLC service</li> <li>12. “other relevant info Comm’r requires”</li> </ol> <p>10 day notice period Application info – no legal implication Comm’r make app forms available</p>
<b>7-305</b> (p. 12)	License effect	Farm labor contracting services OR foreign labor contracting services
<b>7-307</b> (p. 12)	License Duty	Must carry/show the license to each person whom the licensee intends to deal as a contractor/FLC and on request to State official
<b>7-308</b> (p. 13)	Comm’r authority to deny/suspend/revoke license	<ol style="list-style-type: none"> <li>1. Fraudulently/deceptively obtains/attempts to obtain license for applicant/other</li> <li>2. Fraudulently/deceptively use</li> <li>3. Knowing misrepresentation</li> <li>4. Pretending to be someone else</li> <li>5. Failure to comply with any provision of title</li> <li>6. Failure to comply with any regulation that Comm’r adopts</li> <li>7. Failure to comply w/ order passed by Comm’r</li> </ol>



		8. Failure to satisfy judmt obtained by Comm'r 9. Giving false/misleading info 10. Fails to comply with agmt 11. Housing violation 12. US DOL revoked certificate 13. Felony conviction (state/fed) 14. Misdo – in connection with service – IF relates to (1) gambling; sales, distribution, possession of alcoholic bev; controlled dangerous substance 15. No fees, costs, on H-2 worker
<b>7-310</b> (p. 14)	Summary license suspension	
<b>7-311</b> (p. 14)	No license	Comm'r authority to issue order to immediately cease operation Notice of the order, if requested, hold a hearing Order shall be: <ol style="list-style-type: none"> <li>1. Served personally or</li> <li>2. Sent by certified mail to the last known address of the person</li> </ol> Person has 7 days to request hearing after being served w/ order Order final unless hrg requested
<b>7-312.1.</b> (p. 15)	Bond – FLC	Comm'r shall require FLC to post a surety bond or other security IF: <ol style="list-style-type: none"> <li>1. FLC has violated a provision of this title or any order that the Comm'r issues or reg that the Comm'r adopts OR</li> <li>2. Receives a certified record of the finding of a unit of another state or the US that the FLC has violated any law that relates to:           <ul style="list-style-type: none"> <li>• Registration as a FLC OR</li> <li>• Employment, housing, transportation of a foreign migrant worker</li> </ul> </li> </ol> Comm'r may require security in an amt that the Comm'r considers adequate to ensure compliance with the laws of MD
<b>7-401.1</b> (p. 15)	FLC Contract	Signed by both FLC & FMW Must include: <ol style="list-style-type: none"> <li>1. Each place of employment in MD</li> <li>2. Name of ER/agents of the ER or FLC</li> <li>3. Description of the work activities</li> <li>4. Each condition of employment at</li> </ol>

		<p>each place of employment,</p> <ol style="list-style-type: none"> <li>(1) Wages to be paid</li> <li>(2) Person who will pay wage</li> <li>(3) When the wage is due</li> <li>(4) Hours to be worked;</li> <li>(5) Information about meals/rest period to be provided to FMW</li> <li>(6) Production standards AND</li> <li>(7) Length of employment time</li> </ol> <ol style="list-style-type: none"> <li>5. Housing, insurance, transportation that will be provided to FMW</li> <li>6. Any costs/deductions for housing/insurance</li> <li>7. Each labor dispute that the FLC knows exists at the place of employment</li> <li>8. Disclosure regarding the ability of the FMW to engage in strike/lockout</li> <li>9. Paystub – H-2 rules</li> <li>10. Any amts that will be withheld/deducted from FMW pay</li> <li>11. Any applicable penalties for early termination of employment</li> <li>12. Visa Info: <ol style="list-style-type: none"> <li>(1) Type of visa</li> <li>(2) Length of time for which visa is valid</li> <li>(3) Terms/conditions under which visa will be renewed</li> <li>(4) Who’s responsible for renewal of visa</li> <li>(5) Any expenses associated with renewal</li> </ol> </li> <li>13. Contact info, including phone # &amp; address, for the “individual, IC, sub-C, or agent” who will be in direct contact w/ FMW</li> <li>14. Worker’s comp insurance</li> <li>15. FLC/ER required to pay “all fees, including visa application fees, border crossing fees, transportation costs, or any other cost or fee related to recruitment”</li> <li>16. Proof of compliance w/ local housing code</li> <li>17. Education/training will be provided, if so, costs involved – and who’s responsible for paying</li> <li>18. Protections available to FMW under</li> </ol>
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		<p>Federal Trafficking Victims Protection Act</p> <p>19. Contact information for individuals/divisions w/in MD DOL and AG to report trafficking/labor rights violations</p> <p>Contract has to be provided (1) at time of recruitment process begins AND (2) primary language of FMW</p> <p>Changes to contract – changes in writing, given 48 hours to review/consider changes, voluntarily consents</p> <p>Housing postings Comm’r to make standard contract to FLC FLC shall file contract w/ Comm’r</p>
<b>7-401.2</b> (p. 19)	Prohibition on Fees by FLC	No fees. If so, FLC has to immediately repay FMW AND provide the exact or comparable employment for the FMW
<b>7-401.3</b> (p. 19)	ER Duty	<p>ER that uses FLC shall file w/ Comm’r – name and contact info for FLC</p> <p>Joint/several liability UNLESS – FLC was licensed EXCEPT if FLC charged a fee; ER knew of violation; “deliberate ignorance or reckless disregard”</p> <p>Aware at the time of violation...</p> <p>Jt/several liability – FLC &amp; agents</p> <p>Provision for recruiters/FLCs that did not deliver on the FMW. ER can notify Comm’r</p> <p>Report required under Section 7-206 – unrecovered fees by FLCs</p> <p>Orientation/training – federal/state law, including labor, trafficking laws. Comm’r to require certain format.</p> <p>No interference w/ outreach workers</p>
<b>7-403</b> (p. 21)	Recordkeeping	<ol style="list-style-type: none"> <li>1. Wages owed to each migrant ag worker</li> <li>2. Wages paid to each migrant ag worker</li> <li>3. Wages owed to each FMW</li> <li>4. Wages paid to each FMW</li> </ol>

<b>7-404</b> (p. 21)	Vehicles/Transportation	Drivers license required. Vehicle insurance. Comm'r shall set by reg the minimum amt of insurance coverage.
<b>7-501</b> (p. 22)	Prohibition on no license and no discrimination	Title 20, Subtitle 6 – State Govt Article
<b>7-502</b> (p. 22)	Prohibition on representation to public	
<b>7-503</b> (p. 23)	License Verification	Request confirmation from Comm'r OR examine license. Comm'r has 5 days to respond in writing. If change occurs, Comm'r must update If Comm'r fails to provide notice, a person is not liable for hiring a person who is not authorized to perform services in MD If Comm's says "not licensed," person cannot use services
<b>7-506</b> (p. 23)	Civil Penalty	Comm's MAY assess civil penalty who willfully or repeatedly violates: <ol style="list-style-type: none"> <li>1. Any provision of this title</li> <li>2. Any order under this title</li> <li>3. Any regulation adopted to carry out this title</li> </ol> May not exceed \$50,000 for each violation BEFORE penalty on agricultural operation: <ol style="list-style-type: none"> <li>1. Size of business</li> <li>2. Good faith effort to comply w/ Section 7-503</li> <li>3. History of previous violations</li> </ol> BEFORE penalty on FLC/Farm LC: <ol style="list-style-type: none"> <li>1. Size of business</li> <li>2. Gravity of violation</li> <li>3. Good faith of the contractor</li> <li>4. History of previous violations in MD or any other state</li> </ol>
<b>7-507</b> (p. 24)	Farm LC/ FLC Criminal Violation	WILLFULLY violates, is guilty of a Misdemeanor and on conviction is subject – 1 <sup>st</sup> offense → 50,000 or imprisonment not exceeding 1 year or both Subsequent offense → 100,000 or imprisonment not exceeding 3 years or both
<b>7-508</b> (p. 24)	No Adverse Action	Private right of action for adverse action – as to FLC
<b>J-1 Workgroup – Composition</b>		
Membership 2 – Senators		

2 – Delegate  
Sec of Labor  
Sec of Commerce  
Sec of Health  
AFL-CIO Rep

Governor to appoint:

- 1 – foreign labor advocacy group
- 2 – nonprofit community w/ an expertise in migrant worker issues
- 2 – business community w/ an expertise in migrant worker issues
- 2 – public w/ an expertise in migrant worker issues
- 2 - public w/ an expertise in education
- 2 – public w/ young adult issues
- 1 – affected business
- 1 – affected workforce
- 1 – public

Chaired by DOL Sec; Staffed by DOL

No compensations but yes reimbursement

Study:

- (1) Work conditions of J-1 visa holders in MD, including application processes, housing, health care, rates of pay, recruitment fees, and program fees
- (2) Best practices in other state that may be used to ensure J-1 visa holders are achieving maximum potential in MD
- (3) Demographic and socioeconomic profiles of J-1 visa holders
- (4) Geographic and age distribution of J-1 visa holders in MD
- (5) Participation rate, impact, and growth rate of J-1 visa holders in MD workforce
- (6) Industries and business locations of J-1 visa holders in MD and terms of work
- (7) Whether J-1 visa holders perform any work outside of the agreed terms
- (8) Demographics of temporary worker visa holders in MD
- (9) Industries that employ workers with temporary visas
- (10) Current state of labor law and impact on J-1 visa holders
- (11) Impact of potential changes to the MD labor laws to the benefit of J-1 visa holder
- (12) Make recommendations regarding any changes or improvements to the MD law based on workgroup findings

Deadline to report findings: Dec. 1, 2020, by June 30, 2021

# **Farmworker Justice\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



## FARMWORKER JUSTICE

February 26, 2020

Maryland Senate Finance Committee  
Senate Office Building, 11 Bladen St., Annapolis, Maryland 21401

### **RE: SB 742 – SUPPORT**

Dear Members of the Senate Finance Committee:

On behalf of Farmworker Justice, I am writing to express support for SB 742, “The Fair Recruitment and Transparency Act,” which would protect internationally recruited workers in Maryland from labor exploitation and trafficking.

Farmworker Justice is a national advocacy organization representing migrant and seasonal farmworkers who perform agricultural work in the United States. We seek to improve the wages, working and living conditions of all farmworkers. With respect to the H-2A temporary agricultural guestworker program, Farmworker Justice seeks to ensure that the operation of the program serves the statutory purpose of ensuring that U.S. workers are not displaced and do not suffer adverse effects in their wages or working conditions. We also seek to ensure that the program provides basic labor protections for both foreign H-2A workers and U.S. workers in corresponding employment.

The number of H-2A workers in the United States has increased dramatically in the last decade, jumping to over 250,000 positions certified in FY 2019 from approximately 85,000 positions certified in FY 2009. In Maryland, internationally recruited H-2A workers come to plant and harvest our crops and tend our livestock.

Across visa categories and industry sectors, internationally recruited workers experience similar patterns of abuse. Workers' experiences during recruitment abroad have a substantial impact on their earnings and conditions in the U.S., as well as on the U.S. workers in the labor market where the foreign workers are employed. Many foreign citizens recruited for jobs under temporary work visas are charged high recruitment fees to obtain U.S. employment. To afford those fees and transportation costs, workers often borrow money from the recruiters, frequently at high interest rates. In some cases, recruiters misrepresent the amount and conditions of work that will be available in the U.S. Upon arrival in the U.S., these indebted workers often are too fearful of losing their jobs and being deported to challenge unfair or illegal conduct. Moreover, employers regularly rely on international labor recruiters to discriminate in hiring on the basis of

gender and age. In these circumstances, U.S. workers are often viewed as insufficiently compliant and undesirable. Responsible, law-abiding employers should not suffer unfair competition from businesses that benefit from abusive international labor recruiting. When internationally recruited workers in Maryland suffer abuses, the state of Maryland suffers.

Improved protections must be put in place to ensure workers are provided accurate disclosures about the employment at the time of recruitment and to prevent fraud and misrepresentations; prevent discrimination based on age, gender and other protected categories; and ensure workers do not pay recruitment fees. While recruitment fees are prohibited in some visa programs, such as the H-2A program, they continue to be commonly charged. Workers have little incentive to come forward to report violations as they will likely lose their chance of obtaining a visa if they do so, limiting any ability to repay the debt they have accrued. Disclosure requirements, too, are frequently flaunted. Under the current H-2A program, for example, employers are supposed to provide H-2A workers with a copy of their work contract no later than when the worker applies for a visa, but this often does not happen.

Maryland SB 742 contains important provisions that would help prevent trafficking and other abuses in international labor recruitment across all visa programs in Maryland. Through a public registry of recruiters, the bill would root out bad actors and level the playing field for employers who want to do right by their workers. By requiring recruiters to provide workers with an employment contract, this bill would ensure that workers coming to Maryland are fully informed of the terms of their employment before they decide to take a job. Maryland SB 742 would help to fill the gap in legal protections that internationally recruited workers face.

By eliminating recruitment fees for work in Maryland, ensuring workers receive a contract at the time of recruitment, and banning discrimination and retaliation, this legislation would combat debt bondage, human trafficking, and other forms of labor exploitation in Maryland. This legislation is integral to ensuring that internationally recruited workers in Maryland are protected from economic exploitation and other abuses. Farmworker Justice strongly encourages you to pass SB 742. Thank you for making Maryland a place where internationally recruited workers are respected and workplaces are safe and just for all workers.

Sincerely,

Iris Figueroa  
Senior Staff Attorney  
Farmworker Justice



# **Guadalupe Herrera\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

Guadalupe Herrera  
Guanajuato, Mexico  
Re: **SB 742 - Fair Recruitment and Transparency Act - SUPPORT**

February 17, 2020

Maryland Senate Finance Committee  
Hearing - February 27, 2020

Dear Members of the Senate Finance Committee:

My name is Guadalupe Herrera and I am 35 years old. I'm originally from the state of Guanajuato in Mexico. For three seasons, I have been working in the crab picking industry in the Eastern Shore of Maryland with an H-2B visa. This would be my fourth season going to work in Maryland. I heard about the opportunity through a friend, Maribel, who has already been traveling there for 10 years.

A work day consists of going to bed at 6pm because by 1:20 am we have to be awake. We have the morning shift that starts at 2am. Before we leave, we look for our knives and materials to work. By 2am, we are at work picking crab. We weigh the crab meat every two hours. They pay us \$4.50 per pound. After four hours we have unpaid lunch time. We leave at 11 am or 12pm depending on the employer's orders.

After leaving work, I wash my work clothes in the washing machine. I share my room with three other coworkers. My other coworkers in the same house share a room with 11 other people. In total, we are about 17 people in the house. We have two stoves and two bathrooms.

**I support Bill 742 for the following reasons:**

- **Prohibition of recruitment fees:** Recruiters don't care that one has family, needs, or how we are going to pay. They are already winning by charging. There is a lot of financial need in our communities and the recruiter doesn't care about that or if we have to borrow to be able to pay these fees. Recruiters are not interested.
- **Discrimination:** This bill would help a lot with discrimination, especially the one faced by women. As a woman, one does not speak because then they won't recruit us to come. Sometimes men are stronghanded and do not respect our rights or the law. That is scary, but this law would help to have respect for everyone.
- **Ensures that everyone receives contracts:** The contract helps to know everything one is going to work on. It helps me to know how many months I am going to work, how much it will pay us, how much is the payment per pound, the jobs, the schedule, the wages for over time, the time for lunch, and the requirements. It is important to know what we are going to do.

I say we vote YES on bill SB 742.

Sincerely,

Guadalupe Herrera

## Traducción

Guadalupe Herrera  
Guanajuato, México

Re: **SB 742 - Ley de reclutamiento justo y transparencia - APOYO**

17 de febrero del 2020

Comité de Finanzas del Senado de Maryland  
Audiencia - Febrero 27, 2020

Estimados miembros del Comité de Finanzas del Senado:

Mi nombre es Guadalupe Herrera y tengo 35 años. Originaria del estado de Guanajuato en México. Desde hace 3 temporadas he estado trabajando en la industria de la jaiba en la costa este de Maryland con la visa H-2B. Esta sería mi cuarta. Yo escuche de la oportunidad por una amiga, Maribel, quien ya ha ido por más de diez años.

Un día de trabajo consiste en irme a descansar a las 6 pm porque para la 1:20 am ya tenemos que estar despiertas. Tenemos turno de las mañana que empieza a las 2 am. Buscamos nuestros cuchillos y materiales para trabajar. Ya estamos picando a las 2 am y tenemos dos pesas cada dos horas. Nos pagan \$4.50 por libra. Después de cuatro horas tenemos hora de almuerzo no pagada. Salimos a las 11 o 12 del día dependiendo de los pedidos de la patrona.

Ya saliendo del trabajo lavo mi ropa del trabajo en la lavadora. Yo comparto mi cuarto con 3 compañeras. Las compañeras de al lado comparten con 11 personas. En total, somos como 17 personas en la casa. Tenemos dos estufas y 2 baños.

### **Yo apoyo el proyecto de ley 742 por las siguientes razones:**

- **Prohibición de las cuotas del reclutamiento:** Los reclutadores no les importa que uno tiene familia, necesidades, o como vamos a pagar. El cobrador teniendo su dinero ya está ganando. Existe mucha necesidad y el reclutador no le importa eso o si pedimos prestado. No le interesa a los reclutadores. Esta ley ayudaría mucho con eso.
- **Discriminación:** Este proyecto de ley ayudaría mucho con eso, especialmente con mujeres. Una no habla porque después no nos piden para venir a trabajar. Pero a veces los hombres son manos duras y no nos respetan los derechos ni la ley. Eso da miedo pero esta ley ayudaría para tener respetos para todos.
- **Asegura que todos reciban contratos:** El contrato ayuda a saber todo lo que uno va a trabajar. A mí me ayuda a saber cuántos meses voy a trabajar, cuanto nos va a pagar, cuanto es el pago por libra, los trabajos, el horario, el tiempo extra, el horario para salir al lonche y los requisitos. Es importante para saber lo que vamos a hacer.

Yo digo que votemos SI en el proyecto de ley SB 742.

Atentamente,  
Guadalupe Herrera

# **HPP UofBaltimore School of Law\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

## Testimony of the Human Trafficking Prevention Project The University of Baltimore School of Law

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**BILL NO:** Senate Bill 742  
**TITLE:** Labor and Employment – Fair Recruitment and Transparency Act  
**COMMITTEE:** Finance  
**HEARING DATE:** February 27, 2020  
**POSITION:** **SUPPORT**

The incidence of known human trafficking cases involving foreign labor recruiters is increasing dramatically in the United States. While the many foreign labor recruiters behave ethically and are engaged in lawful conduct, a growing percentage are often complicit with, or directly involved in, the trafficking of workers. The Human Trafficking Prevention Project at the University of Baltimore School of Law supports Senate Bill 742 because it will enhance Maryland's ability to protect foreign workers legally entering the United States on H-2 temporary work visas from human trafficking and other human rights abuses.

Unscrupulous recruiters commonly lure foreign workers to the United States by misrepresenting the terms of the worker's employment. Recruiters frequently charge guest workers exorbitant fees to facilitate placement with U.S. employers. When workers arrive in the U.S. indebted, they remain in abusive or exploitative working conditions under debt bondage or other forms of modern slavery. Recruiters also circumvent anti-discrimination laws, defraud U.S. visa programs, weaken workplace protections for all workers, and retaliate against workers who complain about unlawful treatment.

This legislation would:

- Eliminate debt bondage by prohibiting foreign labor recruiters from charging workers any costs, fees, or expenses and requires fee repayment and hiring if a worker reports having been charged fees.
- Promote transparency and accountability by creating a public registry of licensed foreign labor recruiters, available online, which will also include names of employers, industries of recruitment, names of all persons employed by the recruiter, and locations of recruitment.
- Reduce fraud by creating a licensing requirement for foreign labor recruiters through which recruiters must disclose previous violation of laws; previous activity; operating budget and revenue; manner of recruitment; registry with any other state or government, including revocations, suspensions, and refusals to reissue; professional memberships; list of employers who have used their services over the past two years; and a history of recruitment over the past two years.
- Require employers to use licensed foreign labor recruiters, and permitting the State to revoke or suspend the license if the licensee knowingly provides fraudulent or misleading information to a foreign migrant worker.
- Require foreign labor recruiters to provide workers with a signed contract, at the time of recruitment, detailing the terms of employment, including wages due and by whom they will be paid, in the primary language of the worker.
- Prohibit discrimination and retaliation by recruiters.

- Enact a workgroup focused on studying the J-1 visa program in Maryland to determine if legal intervention is needed here, as well.

In a time when it is even more critical to provide legal safeguards for our most marginalized immigrant populations, SB 742 would make foreign-born H-2 workers less vulnerable to the crime of human trafficking by increasing the regulation of foreign labor recruiters. For these reasons, the Human Trafficking Prevention Project at the University of Baltimore School of Law supports SB 742. We respectfully urge a favorable report.



# **Justice in Motion\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

February 25, 2020

Maryland Senate Finance  
Senate Office Building, 11 Bladen St., Annapolis, Maryland 21401

House Economic Matters Committee  
House Office Building, 6 Bladen St., Annapolis, Maryland, 21401

## **RE: SB 742 – SUPPORT**

Dear Members of the Senate Finance and House Economic Matters Committees:

On behalf of Justice in Motion, I am writing to express support for SB 742, legislation to protect internationally recruited workers in Maryland from labor exploitation and trafficking. Specifically, we support the inclusion of a J-1 worker workgroup to study the treatment of J-1 workers in Maryland. Like other categories of internationally recruited workers, J-1s come to the U.S. to work, often after having been charged high fees and misled about the terms of their employment. J-1 workers deserve to be protected from labor exploitation and trafficking, too.

Justice in Motion is a non-profit based in Brooklyn. Our core program involves training and supporting a Defender Network, comprised of human rights advocates in migrants' countries of origin. The Network educates migrants before they come to the U.S., partners with U.S. advocates on specific cases of labor exploitation, and advocates for systemic change. Justice in Motion's U.S. legal staff trains U.S. advocates on representing migrants after they return to their homes abroad, and provides advice, referrals, and case facilitation support. Justice in Motion also engages in policy advocacy, both nationally and internationally, drawing from unique insight into how various temporary work programs operate, from the perspective of both the countries of employment and origin. We have projects in the United States, Canada, Mexico, and Central America.

Annually, over 15,000 workers came to work in Maryland on H-2 and J-1 visas. These workers are an integral part of our communities and our economy. H-2 workers harvest crops, cultivate our lawns, and compose the vital workforce that propels Maryland's important seafood industry. J-1 workers care for our children as au pairs, teachers, camp counselors, and lifeguards. They also serve in our restaurants, advance our universities, and staff our hotels. These temporary workers experience recruitment and workplace abuses. Recruiters discriminate in hiring, mislead workers as to the terms of employment, and charge workers recruitment fees that leave them indebted on the job. These debts serve as a barrier to reporting abuses, and as a result, Maryland is less safe.

Transparency in the recruitment process does not extend to the guestworkers in many cases. The recruiters and foreign affiliates of sponsor agencies are often not publicly registered. Workers report that these third parties require additional fees during the recruitment process, and they mislead workers as to the terms of the employment and living conditions in the United States.

These guestworkers regularly report that their employment is not what they were promised and that their indebtedness from recruitment fees results in economic coercion.

Businesses that rely on the J-1 and H-2 programs will tell you that SB 742 is an attack on their business model and the programs themselves. The reality is that this bill seeks to protect guestworker programs from widespread labor exploitation. In the case of the J-1 program, sponsor agencies and their powerful lobby have misled businesses into believing that the program will not be viable if J-1s are not charged fees. The reality is that sponsor agencies are not willing to take a cut themselves in order to protect J-1 workers from economic coercion.

**Workers should not have to pay in order to secure a job.**

When internationally recruited workers suffer abuses, the State of Maryland suffers. By eliminating recruitment fees for work in Maryland, ensuring workers receive a contract at the time of recruitment, and banning discrimination and retaliation, this legislation would combat debt bondage, human trafficking, and other forms of labor exploitation in Maryland.

Through a public registry of recruiters, the bill would level the playing field for employers who want to do right by their workers. By requiring recruiters to provide workers with an employment contract, this bill would ensure that international workers coming to Maryland are fully informed of the terms of their employment before they decide to take a job.

Justice in Motion strongly encourages you to pass SB 742 to protect J-1 and H-2 workers in Maryland. Thank you.

Sincerely,



Jeremy McLean  
Policy and Advocacy Manager

# **Kathy Ogle\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

Kathy Ogle  
Translator/Interpreter/Owner  
Translations for a Small World

February 21, 2020

Maryland Senate Finance Committee  
Hearing - February 27, 2020

**Re: SB 742 - Fair Recruitment and Transparency Act – SUPPORT**

Dear Members of the Senate Finance Committee:

My name is Kathy Ogle and I am an interpreter by profession. Over the years I have interpreted for many migrant workers who come to work in the United States as part of guestworker programs. Their stories are compelling to me as they are a reflection of who we are as a society when we invite these “guests” to work among us.

The temporary work visa programs are designed to help U.S. employers bring foreign labor on a temporary basis and have sometimes worked well. Employers get the low-wage labor of hard-working migrants and “low-skilled” migrants can take advantage of one of the few legal ways of coming to work seasonally in the United States to earn dollars that can help their families make ends meet.

However, the system is also fraught with abuse and policymakers have known this for some time. It is not new. Over the years I have heard and interpreted stories of:

- Workers who had to cover the cost of their own passport, visa, transportation, and other fees in order to come to the U.S. By the time they arrived, they were deeply in debt.
- Workers who paid a recruiter a fee to be put on a list and considered for jobs in the U.S., only to lose that money and never get a job.
- Workers who never saw a contract at all and workers who signed papers written in a language they did not understand.
- Workers who were promised a certain hourly wage, only to be told that the wage was actually a daily rate that would be earned through 12-15 hours of work each day.
- Workers who were promised a certain number of hours of work each day, but then were given far fewer hours and therefore earned much less.
- Workers who wanted to leave a job and find another to escape workplace abuses, but knew their visa was tied to a specific employer.
- Workers who lived in isolated places where all their purchases came from a company store, so their earnings were funneled right back to the employer.

- Carnival workers who were forced to drive all night and then set up the rides the next day, then take down the rides and drive again to the next town with only a few hours of sleep.
- Agricultural workers crowded into rundown trailers with no bathroom, no air conditioning, and no kitchen.
- Cruise ship workers who were sexually harassed or abused or humiliated on the job, whose complaints were ignored.

Additionally, every year Maryland welcomes thousands of young people who are excited to be chosen for a State Department-approved J-1 visa for “cultural exchange.” Sadly, I have heard many stories from J-1 workers who arrive and find that the work is not what they were promised. Some worked in a warehouse for 12 hours a day with no opportunity to learn English or participate in any cultural activities. I have heard from Au Pairs on duty 6-7 days a week, working long hours and having no real way to get to know the country they had come to see.

Now, these abuses have not all taken place in Maryland or in relation to jobs in Maryland. But many of them have. Maryland employers have been among those who benefit from these guestworker programs and the hard work of these officially-sanctioned migrants. Thousands of these migrant workers are among us each year working in jobs such as landscaping, agriculture, and crab-picking to name a few.

I believe it is incumbent on Maryland to make sure that guestworker programs are well regulated and do not exploit or ignore the exploitation of workers. These programs should meet both the workers’ and employers’ needs. By adopting the measures contained in SB742, you will be taking important steps towards making Maryland employers model employers, and making the guestworker program something Maryland can be proud of.

Sincerely,

Kathy Ogle

# **Laura Ferrer\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

Laura Ferrer  
Dominican Republic  
Re: **SB 742 - Fair Recruitment and Transparency Act - SUPPORT**

February 18, 2020

Maryland Senate Finance Committee  
Hearing - February 27, 2020

Dear Members of the Senate Finance Committee:

My name is Laura Ferrer. I am twenty-one years old, and I'm from the Dominican Republic. During the summer of 2019, I came to work in Maryland under the J-1 Summer Work Travel program. I worked in a variety of jobs -- hostess, playground attendant, and grocery stocker-- in Maryland's Eastern Shore. Today, I share my story today and support **SB 742** because the J-1 cultural exchange program needs to be studied and improved so our rights as workers and people are protected.

In the Dominican Republic, I had to pay recruitment and agency fees to be able to come to the United States under the J-1 program. My agency fees were USD \$1,800 to participate in the program. But I also had to pay a housing fee (\$250), a house deposit (\$250), my visa appointment (\$170), and flight (\$300 approximately). If I add everything, I ended up paying USD \$2,750. This is common for other program participants.

To be able to afford the program, I took out a loan of USD \$2,800, and is the reason why I ended up working a lot in the United States. I worked three jobs because I wasn't full time in any of them. I worked around 96 hours a week to pay off the loan. I worked three days in one job, two nights in another, and six days during the morning. I was paid \$10.10 USD on my six days, \$12 USD in my two days and \$11 USD in my three days job. I was supposed to be an ice cream server, but the position was already taken.

To save money on groceries and food, I went to the local church pantries. In Ocean City, there are several churches providing free food and meals for J-1 workers. They also provide toiletries and other basic necessities.

The housing I received during the 2019 season was my biggest regret. In my house, I lived with at least 40 other people. We had no windows-- the entire building was an old warehouse. I often had humidity in my room, and because of the amount of people, most of the common areas were dirty most of the time.

I also observed discrimination take place in the J-1 program. Men were given more work hours, which allowed them to make more money. Positions that women were capable of doing and paid more were often assigned solely to men. Administrative positions available were more likely to be given to women, even though women are as capable of carrying out those tasks.



I also personally experienced discrimination based on my national origin. They assumed that because of my Dominican nationality, I would be more disorganized or less diligent. The truth is that we were very responsible -- our own necessity [to make a living] forced us to be. I also observed discrimination based on physical appearance, regardless of our capacity to carry out tasks. The program is rife with racism-- most of the host/server jobs were given to those that fit the U.S. standards of beauty--straight blonde hair, blue eyes. I was lucky that I spoke English and was able to get a job as a server, but often that doesn't matter as long as you look a certain way.

I support SB 742 because my story is one of many, and these are issues that are commonly experienced by peers in the program. No one should have to pay such high fees for a cultural experience and then have little time to actually engage in it because we have to work multiple jobs to pay off the debt. We should have safe housing, and importantly, we should be treated with respect.

I ask legislators to vote YES on SB 742 because the J-1 program needs to be studied and improved for all that are being welcomed into the state of Maryland.

Sincerely,

Laura Ferrer

# **MD Legal Aid\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



**MARYLAND  
LEGAL AID**

*Advancing*  
**Human Rights and  
Justice for All**

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04.2019



February 27, 2020

The Honorable Delores Kelley  
Chair, Finance Committee  
Maryland General Assembly  
Miller Senate Office Building 3 East Wing  
11 Bladen St., Annapolis, MD 21401

**RE: TESTIMONY IN SUPPORT OF SENATE BILL 0742  
Labor and Employment – Fair Recruitment and Transparency Act  
Invitation to testify from Senator Susan Lee**

**Dear Chairman Kelley and Members of the Committee:**

Thank you for the opportunity to testify in support of SB 0742, a bill that will eliminate farmworker abuse for Maryland workers and for migrant and temporary farmworkers. Maryland Legal Aid is a private, non-profit organization that provides free civil legal services to low-income Marylanders. In our 12 offices around the State we help individuals and families with a wide array of civil legal issues including consumer, housing, public benefits, employment and family law matters. We also represent abused and neglected children and provide legal assistance to vulnerable older adults and nursing home residents. This letter serves as notice that Scott C. Black is testifying on behalf of Maryland Legal Aid, at the request of Senator Susan Lee.

Maryland Legal Aid provides free civil legal services to Maryland hourly wage earners throughout the State, and to seasonal migrant farmworkers including H-2A temporary agricultural workers. The migrant farmworkers are recruited annually by Maryland growers from foreign countries to pick vegetable and fruit crops that end up in Maryland grocery stores serving Maryland consumers. SB0742 will protect farmworkers from illegal recruitment practices and will ensure that all farmworkers are paid at the federally mandated rate. Maryland Legal Aid has legal

expertise in overcoming barriers to employment for Maryland workers, as well as for seasonal and migrant farmworkers.

Both low-income Marylanders and seasonal and migrant farmworkers are disadvantaged when foreign recruiters charge an unlawful fee for H-2A employment. This fee artificially depresses the mandated wage for all workers, and creates a barrier to employment of wage earners in Maryland. SB0742 will end these practices.

SB0742 will eliminate farmworker abuse for Maryland workers and for migrant and temporary farmworkers, by:

- Prohibiting discrimination in recruitment, hiring ,and job assignments;
- Banning recruitment fees to prevent workers from arriving to work already indebted and vulnerable to coercive labor conditions;
- Requiring the licensing of recruiters and the creation of a registry to ensure that farmers and workers know who they are collaborating with.

Existing federal H-2A regulations are designed to protect domestic workers from growers who hire foreign workers and pay them less than minimum domestic wages.<sup>1</sup> The U.S. Department of Labor annually calculates the Adverse Effect Wage Rate (AEWR). This rate establishes a minimum farmworker wage for all workers on a farm, including regular domestic and H-2A workers. This existing law prevents recruited foreign laborers from having an adverse effect on Maryland wage earners.<sup>2</sup> The AEWR is set by the federal government to neutralize the adverse effect of imported foreign workers.<sup>3</sup> This law protects Maryland domestic workers. Unscrupulous growers, however, can circumvent the AEWR by taking a percentage of a recruitment fee charged to H-2A applicants. These fees range from \$3,000 - \$4,000 per worker, collected up front, before employment begins. The recruited migrant farmworker thus begins his

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<sup>1</sup> The H-2A regulations are designed to ensure that the use of foreign workers does not depress the wages of U.S. workers. Shoreham Cooperative Apple Producers Assn, Inc. v. Donovan, 764 F.2d 135, 137 (2d Cir. 1985); NAACP v. Donovan, 737 F.2d 67, 69 (D.C. Cir. 1984); Salazar-Calderon v. Presidio Valley Farmers Assn., 765 F.2d 1334, 1338 (5th Cir. 1985); Okeelandta Corp. v. Bygrave, 660 So.2d 743, 745 (Fla. 4th DCA 1995) (one of the purposes of the Wagner-Peyser Act is "to protect domestic workers from foreign workers whom employers might be able to hire for less than prevailing domestic wages.").

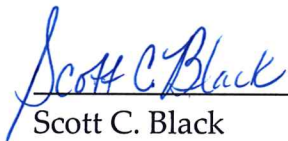
<sup>2</sup> NAACP v. Donovan, 566 F.Supp. 1202, 1205 (D.C.C. 1983).

<sup>3</sup> Williams v. Usery, 531 F.2d 305, 306 (5<sup>th</sup> Cir. 1976).

employment already indebted to the recruiter. The recruiter collects many thousands of dollars, illegally. SB0742 will prevent this.

Current federal regulations prohibit an employer from seeking payments from prospective H-2A workers for recruitment costs.<sup>4</sup> Growers, foreign labor contractors and their agents are all prohibited from charging recruitment fees from prospective H-2A workers.<sup>5</sup> Unfortunately however, these fees are a common and growing practice. SB0742 will provide a registry of certified recruiters who have been trained to follow proper recruiting practices. It also makes the grower (who is the employer) and the recruiters, jointly and severally liable should the recruiter or farmer impose the impermissible fees on H-2A employment.

Maryland Legal Aid supports SB0742 without amendments and respectfully requests that this committee give it a favorable report.



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Scott C. Black  
Staff Attorney, Special Populations  
Maryland Legal Aid

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<sup>4</sup> 20 C.F.R. §655.135(j).

<sup>5</sup> 20 C.F.R. §655.135(k); Palma Ulloa v. Fancy Farms, Inc., 274 F.Supp. 3d 1287, 1288 n.2 (M.D. Fla. 2017).

# **MTW\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



# Migration that Works

Senate Finance Committee  
11 Bladen St.  
Senate Office Building  
Annapolis, MD 21401

February 24, 2020

RE: SB 742 (Sen. Lee) - SUPPORT - Hearing of Feb. 27, 2020

Dear Members of the Senate Finance Committee:

Migration that Works submits this letter to express support for SB 742: Fair Recruitment and Transparency Act, sponsored by Senator Susan Lee. Formed in 2011 as the International Labor Recruitment Working Group, Migration that Works is a coalition of over 30 labor, migration, and anti-trafficking organizations and academics working together to end abuse in international labor recruitment across industries and visa categories.<sup>1</sup> We have supported earlier versions of this bill in 2017 (HB 1307/SB 1016) and in 2018 (HB 1493/SB 526).

This bill would directly affect Maryland's substantial guestworker population. Each year, approximately 18,000 internationally recruited workers come to Maryland under the H-2A, H-2B and J-1 visas combined. The majority of those in the H-2 visa programs arrive from Mexico and work as farmworkers, landscapers, crab pickers and construction workers. Workers on J-1 visas are generally from Ireland, Romania, the Philippines, and the Dominican Republic and work in the food services, recreation, and hospitality industries, among many others. In the past decade, H-2A programs have more than tripled in size. Guestworker programs are growing; protections have not.

Irrespective of visa category or industry, migrant workers report similar patterns of abuse – they often begin when migrant workers are recruited to work in their home communities. Maryland employers rely on foreign labor contractors, or recruiters, to find and recruit workers abroad to migrate temporarily to work for their companies in the United States. Recruiters often charge workers exorbitant fees in exchange for job opportunities. Consistently, workers arrive at their job site indebted making them more dependent on the job, and less likely to seek redress for workplace abuse.

Due to the lack of transparency in the H-2 and J-1 programs, it is virtually impossible for workers to verify the veracity of job offers and/or terms of employment. One in ten migrant workers pays for a

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<sup>1</sup> The following organizations and individuals are members of the ILRWG: AFL-CIO; American Federation of Teachers (AFT); Janie Chuang and Jayesh Rathod from the American University, Washington College of Law; Centro de los Derechos del Migrante, Inc.; Coalition to Abolish Slavery and Trafficking (CAST); Department for Professional Employees (DPE); Economic Policy Institute (EPI); Farmworker Justice; Farm Labor Organizing Committee; Jennifer Gordon from Fordham University School of Law; Patricia Pittman and Susan French from George Washington University; Justice at Work; Justice in Motion; National Domestic Workers Alliance; National Employment Law Project; National Guestworker Alliance, New Orleans Workers' Center for Racial Justice; National Immigration Law Center; Oxfam; Towards Justice; Polaris; Sarah Paoletti from University of Pennsylvania Law School; Safe Horizon; Service Employees International Union; Solidarity Center; Southern Poverty Law Center; UniteHere! International Union; Jennifer Hill from the University of Miami, School of Law; Catherine Bowman; Seafood Workers Alliance, and Verité.

nonexistent job, and workers are systematically agreeing to labor conditions without having first seen and understood terms of employment.

Current guestworker recruitment and hiring conditions enable egregious discrimination. Despite encompassing more than 20% of the general farmworker population,<sup>2</sup> women have only made up 6-7% of those in the H-2A program nationwide.<sup>3</sup> Similarly, they have made less than 10% of those in the H-2B program.<sup>4</sup> Those hired tend to be funneled into lower-paying jobs and positions.<sup>5</sup> When workers have fewer employment opportunities, they are more likely to stay in coercive conditions or refrain from bringing forth complaints to avoid losing their job.

Recruiters currently exercise wide discretion over migrant workers who come to the U.S. with little accountability or government regulation. Existing regulations do not require licensing or registering of international labor recruiters, who essentially facilitate the migration of thousands of migrant workers into Maryland every year. This lack of regulation creates conditions where workers must put their fates in the hands of unscrupulous recruiters and without access to legal recourse if they experience abuse.

Lastly, the lack of transparency in the J-1 program subjects workers to similar conditions of abuse. Regulated by the U.S. Department of State, the J-1 visa program encompasses fourteen total subcategories. The federal government fails to publish information about J-1 employers or occupations. Through Freedom of Information Act requests and in-depth interviews, our coalition has found that J-1 workers are paying thousands in fees and subject to extortionate wage theft.

SB 742 would prevent recruitment abuse in the state of Maryland by:

- Prohibiting recruiters from charging internationally recruited workers any costs, fees, or expenses and requires employers to reimburse workers for any costs personally incurred in travel to and from the workplace to home communities.
- Promoting transparency and accountability by creating a public online registry of licensed recruiters that can verify names of employers, industries of recruitment, and locations of recruitment.
- Requiring recruiters to provide workers with a signed contract, at the time of recruitment, detailing the terms of employment and in the primary language of the worker.
- Prohibiting discrimination in the recruitment and hiring of migrant workers.
- Promoting ethics and competency by requiring the licensing of recruiters.
- Creating a J-1 workgroup to study the program and different issues faced by participants.

Stronger protections against trafficking and coercion uphold the dignity of migrant workers while ensuring the integrity of Maryland's thriving industries. Bad actors should not be able to undermine the safety of migrant workers who sustain our economy and form part of our communities.

Sincerely,

Rachel Micah-Jones, Chair  
Migration that Works  
rachel@cdmigrante.org

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<sup>2</sup>Farmworker Justice. "No Way to Treat a Guest: Why the H-2A Agricultural Visa Program Fails U.S. and Foreign Workers."

<sup>3</sup>"Nonimmigrant Admissions by Selected Classes of Admission and Sex and Age." *Department of Homeland Security*, 6 June 2019, [www.dhs.gov/immigration-statistics/readingroom/NI/NonimmigrantCOAsexage](http://www.dhs.gov/immigration-statistics/readingroom/NI/NonimmigrantCOAsexage)

<sup>4</sup> *Ibid.*

<sup>5</sup>Centro de los Derechos de Migrante, Inc., *Engendering Exploitation*, July 6, 2018.



**Oliver Benzon Martinez\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

Oliver Benzon Martinez  
Dominican Republic  
Re: **SB 742 - Fair Recruitment and Transparency Act - SUPPORT**

February 10, 2020

Maryland Senate Finance Committee  
Hearing - February 27, 2020

Dear Members of the Senate Finance Committee:

My name is Oliver Benzon Martínez and I am from the Dominican Republic. In 2015, I traveled to the United States on a J-1 Summer Work Travel visa to Ocean City, Maryland. Thousands of students go year after year to work in Maryland on J-1 visas seeking to achieve what we call the “American Dream.” I am submitting this testimony in support of SB 742 because I want to protect other J-1 workers like me.

Before coming to Ocean City, I was excited to visit a new place and had high expectations for my summer job as a cook. I wanted to make enough money to send home to my family. To get the job that I wanted, I was required to pay \$1,500 to a recruiter agency here in the Dominican Republic. I understood that they would share that fee with my sponsor agency in Maryland. The recruitment agency advertised both in writing and verbally that they were interested in hiring men only to be cooks in restaurants.

When I arrived in Maryland, I felt deceived. The worksite was nowhere near ready to open. Most of my co-workers and I did not have enough money to pay our expenses. In those first two weeks, I had to ask my aunt for money just to be able to pay for food.

Although my contract was to work as a cook, I instead had to work in the construction and set-up of the restaurant. I cleaned, carried boxes and other heavy materials, moved kitchen equipment and furniture. After two weeks of hard manual labor, I was shocked when my supervisor paid me a very small percentage of the hours that I had worked. He just said that I could take or leave the money he was offering me.

Despite my best efforts, I had no support from my sponsor or the U.S. authorities in charge of the J-1 program. I felt alone and unable to get help. Since that summer, I have had problems with severe depression. It is very hard when you know that you have the proof of injustice in your hands and you cannot find help anywhere.

I know other J-1 workers who have experienced what I have or worse. They do not complain to the authorities because their sponsors or employers threaten to fire or deport them from the country.

I believe that foreigners deserve equal treatment and justice just as Americans do. I hope that recounting my experience will help Maryland senators, as SB 742 propose, to create a

workgroup to study the experiences of others J-1 international workers as I was and better protect them.

Thank you for your leadership on this important issue for guestworkers in Maryland.

Oliver Benzon Martinez

# **Patricio González\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

Patricio González  
Zacualtipán, Hidalgo, México  
Re: **SB 742 - Fair Recruitment and Transparency Act - SUPPORT**

February 11, 2020

Maryland Senate Finance Committee  
Hearing - February 27, 2020

Dear Members of the Senate Finance Committee:

I am Patricio Gonzalez. I'm from a town near Zacualtipan de Angeles, in the Mexican state of Hidalgo. Here, we're all farmworkers. In 2012, I decided to go to the United States to save a little money, improve my situation and to help my parents.

A friend put me in contact with a company called Gibson Landscapes, Inc. I spoke with the owner over the phone, and he said he wanted to hire me as an H-2B landscaper in Maryland. He then sent me to a processing agent in the state of San Luis Potosí. The contract she gave me had Gibson Landscapes' name and address on it. The contract detailed my duties, my salary, my right to overtime pay, and it explained that my employer would reimburse my visa and transportation costs.

I had to take out loans to cover the hundreds of dollars in visa and transportation fees it cost to travel from Mexico to Maryland. Although I arrived in Maryland with barely \$20 USD in my pocket, I was hopeful that my employer would follow through on the reimbursements that my contract had promised. Unfortunately, this wasn't the case. When I showed up for work as told, my employer told me he didn't have any work for me. Instead, he said I'd be working for another company called New World Gardens. But because the owner of New World Gardens was on vacation, I'd have to wait.

I ended up waiting for the owner of New World Gardens for two weeks. During that time, I didn't know what to do. It was my first time in the U.S. and I didn't speak English. I didn't have any money, and I didn't have anywhere to live. I had a lot of debt and was so worried about my loans. With the help of some acquaintances back home, I was lucky enough to contact some people who were willing to give me lodging for free and something to eat. If it hadn't been for them, I would have been on the street.

When I finally started work, it was confusing to know who my employer was, because while New World Gardens directed my work, my checks had Gibson Landscapes name on them. I soon realized, however, that neither New World Gardens nor Gibson Landscapes intended to uphold my contract. Although I often worked more than 40 hours per week, I never received overtime payments. When I asked the owner of New World Gardens about my pay and about my transportation and visa reimbursements, she refused to pay them to me. That's why I support SB 742 because it establishes that employers cannot charge fees and must reimburse workers for

expenses. Finally, she told me that if I wanted to go back to Mexico, that she would withhold a week's worth of my pay.

There were times when I felt that there was nobody to turn to for help. I sometimes felt like crying. I never imagined that a U.S. company would treat me like that.

I know that there are other H-2 workers that face the same thing that I did, but who are afraid that their employer will never hire them again if they speak out. In my community, employers and recruiters have a lot of power. They can easily retaliate against someone, take their name off the list, and nobody would ever find out.

I know that recruiters also take advantage of workers by charging them fees - sometimes hundreds of dollars - as if it were a "token of gratitude" for choosing them. There has to be more accountability throughout the recruitment process: prohibit fees and that there is a registry of companies and work location.

I want my story to be heard aloud so that lawmakers in Maryland can understand our situation, approve the SB 742 and make sure that companies comply with their workers' contracts. Migrant workers should receive reimbursements for their transportation and visa expenses as promised.

Thank you for your leadership on this important issue for guestworkers in Maryland.

Patricio González

## Traducción

Patricio González

Zacualtipan, Hidalgo, México

Re: **SB 742 - Ley de reclutamiento justo y transparencia – APOYO**

11 de febrero del 2020

Comité de Finanzas del Senado de Maryland

Audiencia - Febrero 27, 2020

Estimados miembros del Comité de Finanzas del Senado:

Soy Patricio González. Soy de un pueblo cercano a Zacualtipan de Angeles en el estado mexicano de Hidalgo. Aquí todos somos trabajadores agrícolas. En 2012 decidí ir a los Estados Unidos para ahorrar un poco de dinero, mejorar mi situación y ayudar a mis padres.

Un amigo me puso en contacto con una compañía llamada Gibson Landscapes, Inc. Hablé con el dueño por teléfono y él me dijo que quería contratarme como jardinero con una visa H-2B en Maryland. Luego me envió con un agente de procesamiento al estado de San Luis Potosí. El contrato que ella me dio tenía el nombre de Gibson Landscape y la dirección de la compañía. El contrato detallaba mis deberes, mi salario, mi derecho a tiempo extra y explicaba que mi empleador me reembolsaría el costo de la visa y el transporte.

Tuve que obtener préstamos para cubrir los miles de dólares de la tarifa de la visa y el costo del viaje de México a Maryland. A pesar de que llegue a Maryland con apenas 20 dólares en mi bolsillo, yo tenía la esperanza de que mi empleador cumpliría con los reembolsos que mi contrato había prometido. Desafortunadamente ese no fue el caso. Cuando me presenté a trabajar como me dijeron, mi empleador me dijo que no tenía trabajo para mí. En cambio, dijo que estaría trabajando para otra compañía llamada New World Gardens. Pero debido a que el dueño de New World Gardens estaba de vacaciones, tuve que esperar.

Terminé esperando al dueño de New World Gardens por dos semanas. Durante ese tiempo no sabía qué hacer, era mi primera vez en Estados Unidos y no sabía hablar inglés. No tenía dinero ni dónde vivir. Tenía muchas deudas y estaba muy preocupado por los préstamos. Con la ayuda de algunos conocidos en casa, tuve la suerte de contactar a algunas personas que estaban dispuestas a darme alojamiento gratis y algo de comer. Si no hubiera sido por ellos, habría estado en la calle.

Cuando finalmente comencé a trabajar, era confuso saber quién era mi empleador, porque aunque New World Gardens dirigía mi trabajo, mis cheques tenían el nombre de Gibson Landscapes. Sin embargo, pronto me di cuenta de que ni New World Gardens ni Gibson Landscapes tenían la intención de cumplir mi contrato. Aunque a menudo trabajaba más de 40 horas por semana, nunca recibí pagos de horas extras. Cuando le pregunté al dueño de New World Gardens sobre mi paga y sobre el transporte y los reembolsos de la visa, ella se negó a

pagarme. Es por eso que apoyo la ley SB 742 porque establece que los empleadores no pueden cobrar cuotas y deben reembolsar los gastos a los trabajadores. Finalmente, ella me dijo que si quería volver a México, que retendría el pago de una semana.

Hubo momentos en que sentí que no había nadie a quien pedir ayuda. A veces tenía ganas de llorar. Nunca imaginé que una compañía estadounidense me trataría así.

Sé que hay otros trabajadores H-2 que se enfrentan a lo mismo que yo, pero que temen que su empleador nunca los vuelva a contratar si hablan. En mi comunidad, los empleadores y los reclutadores tienen mucho poder. Pueden tomar represalias fácilmente contra alguien, quitar su nombre de la lista y nadie lo descubriría.

Sé que los reclutadores también se aprovechan de los trabajadores al cobrarles una cuota, a veces cientos de dólares, como si fuera una "muestra de gratitud" por elegirlos. Tiene que haber más responsabilidad en todo el proceso de reclutamiento: prohibir las cuotas y que exista un registro de las empresas empleadoras y la ubicación del trabajo.

Quiero que mi historia sea escuchada en voz alta para que los legisladores de Maryland puedan comprender nuestra situación, aprobar la SB 742 y asegurarse de que las empresas cumplan con los contratos de sus trabajadores. Los trabajadores migrantes deben recibir reembolsos por sus gastos de transporte y visas según lo prometido.

Gracias por su liderazgo en este importante tema para los trabajadores migrantes en Maryland.

Patricio González



# **Public Justice Center\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



**Sally Dworak-Fisher, Attorney**  
Public Justice Center  
1 North Charles Street, Suite 200  
Baltimore, Maryland 21201  
410-2325-9409, ext. 273  
dworak-fishers@publicjustice.org

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**SB 742 - Labor and Employment - Fair Recruitment and Transparency Act**  
**Hearing before the Senate Finance Committee, February 27, 2020**

**Position: SUPPORT**

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization that seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project aims to ensure that our state's low-wage workers receive fair and full payment for their labor and other basic protections. The PJC **supports SB 742**.

**SB 742 Will Create Necessary Transparency in Guestworker Recruitment.** Migrant workers apply for H-2 jobs through recruiters while still outside the US, an arrangement that allows for myriad abuses. Many workers send personal information and recruitment fees to job brokers, only to find that the job does not exist<sup>1</sup>. Even if the posted job is legitimate, not all employers provide a written contract, leaving workers in the dark. SB 742 would require recruiters to join a public registry, a step that would foster transparency and assure potential workers that the job is legitimate and fair.

**SB 742 Will Enable Guestworkers to Speak Out Against Abuse Without Fear of Retaliation.** H-2 visa holders are dependent on their individual employer for their status, meaning that if they leave the job they can be subject to deportation. This leaves workers vulnerable; in cases of abuse or trafficking, workers are unlikely to stand up to their employers, due to the risk of losing not only their jobs, but also their legal status in the US<sup>2</sup>. In addition to fears of deportation, many H-2 workers also incur large debts from recruitment fees, paid before even arriving in the country<sup>1</sup>, and the need to work off their debt silences them. By banning the use of recruitment fees and protecting workers from retaliation, SB 742 bill would empower exploited workers to challenge illegal practices.

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<sup>1</sup> *Recruitment Revealed*, Centro de los Derechos del Migrante, Feb. 2018. Available at [https://cdmigrante.org/wp-content/uploads/2018/02/Recruitment\\_Revealed.pdf](https://cdmigrante.org/wp-content/uploads/2018/02/Recruitment_Revealed.pdf)

<sup>2</sup> *Close to Slavery*, Southern Poverty Law Center, Feb. 19, 2013. Available at <https://www.splcenter.org/20130218/close-slavery-guestworker-programs-united-states#recruitment>

*The Public Justice Center is a 501(c)(3) charitable organization and as such does not endorse or oppose any political party or candidate for elected office.*

Because SB 742 represents an opportunity to protect vulnerable workers while encouraging ethical business practices in Maryland, the Public Justice Center **SUPPORTS SB 742** and requests a **FAVORABLE** report.

# **UofMCareyLaw\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV



Maureen A. Sweeney  
Law School Professor  
Immigration Clinic

***Clinical Law Program***  
500 W. Baltimore Street, Suite 360  
Baltimore, MD 21201  
msweeney@law.umaryland.edu  
410-706-3922

February 26, 2020

Maryland Senate Finance Committee  
Senate Office Building, 11 Bladen St., Annapolis, MD 21401

**RE: SB 742 – Fair Recruitment and Transparency Act – SUPPORT**

Dear Members of the Senate Finance Committee:

On behalf of the University of Maryland Carey Immigration Clinic, I am writing to express support for SB 742, legislation to protect internationally recruited workers in Maryland from labor exploitation and trafficking.

The Immigration Clinic represents individuals in immigration related proceedings in Maryland and advocates for protection and full legal representation for immigrants in our state.

Over 5,000 workers come to work in Maryland with H-2 temporary work visas year after year. These workers are an integral part of our communities and our economy. They pick our vegetables, maintain beautiful lawns, and sustain the crab industry in the Eastern Shore. Recruiters discriminate in hiring, mislead workers as to the terms of employment, and charge workers recruitment fees that leave them indebted on the job. These debts serve as a barrier to reporting abuses, and as a result, Maryland is less safe.

When recruited workers suffer abuses, the State of Maryland suffers. By eliminating recruitment fees for work in Maryland, ensuring workers receive a contract at the time of recruitment, and banning discrimination and retaliation, this legislation would combat debt bondage, human trafficking, and other forms of labor exploitation in Maryland.

Through a public registry of recruiters, the bill would root out bad actors and level the playing field for employers who want to do right by their workers. By requiring recruiters to provide workers with an employment contract, this bill would ensure that workers coming to Maryland are fully informed of the terms of their employment before they decide to take a job.

The UM Carey Immigration Clinic strongly encourages you to pass SB 742. Thank you for making Maryland a place where internationally recruited workers are respected and workplaces work for all workers.

Sincerely,

A handwritten signature in cursive script, appearing to read "Maureen A. Sweeney".

Maureen A. Sweeney  
Law School Professor  
Director, Immigration Clinic

# **WomensLawCenterofMD\_SUPPORT\_SB742**

Uploaded by: Guzman, Sulma

Position: FAV

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BILL NO: Senate Bill 742  
TITLE: Labor and Employment – Fair Recruitment and Transparency Act  
COMMITTEE: Finance  
HEARING DATE: February 27, 2020  
POSITION: **SUPPORT**

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The Women's Law Center (WLC) supports Senate Bill 742 because it will enhance Maryland's ability to protect foreign workers legally entering the United States from human trafficking and other human rights abuses. The incidence of known human trafficking cases involving foreign labor recruiters is increasing dramatically in the United States. While many foreign labor recruiters behave ethically and are engaged in lawful conduct, a growing percentage are often complicit with, or directly involved in, trafficking of workers.

Unscrupulous recruiters commonly lure foreign workers to the United States by misrepresenting the terms of employment. Recruiters frequently charge guest workers exorbitant fees to facilitate placement with U.S. employers. When workers arrive in the U.S. indebted, they remain in abusive or exploitative working conditions under debt bondage or other forms of modern slavery. Recruiters also circumvent anti-discrimination laws, defraud U.S. visa programs, weaken workplace protections for all workers, and retaliate against workers who complain about unlawful treatment.

Senate Bill 742 would:

- Eliminate debt bondage by prohibiting foreign labor recruiters from charging workers any costs, fees, or expenses and require fee repayment and hiring if a worker reports having been charged fees.
- Promote transparency and accountability by requiring foreign labor recruiters to be licensed, ensuring competency and ethical standards.
- Create a public registry of all foreign labor contractors so that workers can verify the recruiter's identity and job location.
- Require foreign labor recruiters to provide workers with a signed contract, at the time of recruitment, detailing the terms of employment and in the primary language of the worker.
- Create a J-1 Workgroup to study the program in Maryland.

Senate Bill 742 would make foreign workers less vulnerable to the crime of human trafficking by increasing the regulation of foreign labor recruiters. Therefore, the WLC supports Senate Bill 742 and urges a favorable report.

*The Women's Law Center of Maryland is a private, non-profit, membership organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal assistance to individuals and strategic initiatives to achieve systemic change. The Women's Law Center operates three hotlines, Protection Order Advocacy and Representation Projects in Baltimore City, Baltimore County and Carroll County, and the statewide Collateral Legal Assistance for Survivors and Multi-Ethnic Domestic Violence Projects.*



**Lee\_FAV\_SB742**

Uploaded by: Senator Lee, Senator Lee

Position: FAV

SUSAN C. LEE  
Legislative District 16  
Montgomery County

MAJORITY WHIP

Judicial Proceedings Committee

Joint Committee on  
Cybersecurity, Information Technology,  
and Biotechnology

Chair Emeritus  
Maryland Legislative Asian American  
and Pacific Islander Caucus

President Emeritus  
Women Legislators of the  
Maryland General Assembly, Inc.



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Susan.Lee@senate.state.md.us

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.

# **Maryland Catholic Conference\_FAV\_SB742**

Uploaded by: Wallerstedt, Anne

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

**February 27, 2020**

**SB 742**

**Labor and Employment – Fair Recruitment and Transparency Act**

**Senate Finance Committee**

**Position: Support**

The Maryland Catholic Conference (“Conference”) represents the public policy interests of the three Roman Catholic (arch)dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

Senate Bill 742 expands the current farm labor contracting state statute to H-2B visa holders and foreign labor contractors. It also calls for a task force to study J-1 visa holders and employers and the economic impact of the program throughout the state.

The Catholic Church strongly opposes human trafficking because it disregards the dignity of human life. Although anti-human trafficking efforts often focus on sex trafficking, the Church reminds us to turn our attention to labor trafficking that is very prevalent in the United States as well. The Church is also a strong advocate for immigrants and the needs and rights of workers.

Many people come to Maryland through visa programs that allow them to work here for certain amounts of time and they do not deserve to be exploited in that process. Sadly, it is far too common for the terms of employment to be misrepresented and/or for contractors to charge exorbitant fees that put workers in debt bondage and other situations that can reach to the severity of labor trafficking. Expanding the state licensing requirement to also apply to H-2B visa holders and foreign labor contractors gives the State greater ability to determine which foreign labor contractors can operate in the State, ensures that workers receive truthful contracts, prohibits contractors from charging workers any fees for their services, and promotes transparency for businesses, workers, and the State by establishing a public registry of all licensed contractors. This legislation is a recognition of the need for regulation in the foreign labor recruitment process to prevent such exploitation.

Pope Francis said, “Human trafficking is a crime against humanity. We must unite our efforts to free the victims and stop this increasingly aggressive crime which threatens not only individuals but the basic values of society and of international security and justice.” Let us unite in our efforts to prevent labor trafficking in Maryland.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on Senate Bill 742.

# **Maryland Human Trafficking Task Force\_FAV\_SB742**

Uploaded by: Wallerstedt, Anne

Position: FAV



**BILL NUMBER:** SB 742

**TITLE:** Labor and Employment – Fair Recruitment and Transparency Act

**COMMITTEE:** Finance

**HEARING DATE:** February 27, 2020

**POSITION:** SUPPORT

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The Maryland Human Trafficking Task Force (MDHTTF) supports Senate Bill 742. Each year, MDHTTF takes on initiatives to support the identification of survivors, the prosecution of traffickers, and the betterment of state law to reflect these realities. However, until last year, there was no criminal labor trafficking statute in Maryland, so there remains a significant lack of data collection and information sharing about those who are most at risk from being exploited in situations that may arise to the severity of labor trafficking.

The National Human Trafficking Hotline, which takes calls on reported incidents of human trafficking and refers them to law enforcement, has reported hundreds of cases of trafficking of foreign nationals in the past decade. Additionally, as stronger state and federal laws are enacted, civil and criminal suits are expected to increase with regards to labor trafficking in Maryland. What is worrisome, however, is the inability to know how many more people may currently be at risk or already trafficked. It is the position of MDHTTF that Senate Bill 742, in tandem with Maryland's new labor trafficking statute, takes a reasonable incremental approach to addressing this issue.

The MDHTTF appreciates your consideration and respectfully requests a favorable report on Senate Bill 742.

**About MDHTTF:** Formed in 2007 by the U.S. Attorney's Office, the Attorney General of Maryland, and the State's Attorney for Baltimore City, MDHTTF serves as the lead investigative, prosecutorial, and victim services coordinating body for anti-human trafficking activity in the State of Maryland. MDHTTF has grown to include most law enforcement agencies in the State, all child-serving state agencies, the Federal Bureau of Investigations, Homeland Security Investigations, most local State's Attorney's Offices, and dozens of victim service agencies. MDHTTF is comprised of five committees – legislative, law enforcement, victim services, public awareness, and training. During this time, MDHTTF has grown a robust understanding of the issue of human trafficking in Maryland.

**CIEE\_UNF\_SB 742**

Uploaded by: Harris, Erica

Position: UNF





The Honorable Delores Kelley  
Chairwoman, Senate Finance Committee

3 East Miller Senate Office Building  
Annapolis, Maryland 21401

February 27, 2020

**Re: Oppose Senate Bill 742- Labor and Employment - Fair Recruitment and Transparency Act**

Dear Chairwoman Kelley and Members of the Senate Finance Committee:

Thank you for the opportunity to comment on Senate Bill 742. The Council on International Educational Exchange (CIEE) respectfully requests an unfavorable report on Senate Bill 742.

As the nation's largest and oldest sponsor organization of the U.S. Department of State, CIEE gives students and professionals around the world a unique opportunity to experience life in the United States—to learn and grow in the classroom, in the workplace, and beyond. As a U.S. Department of State designated sponsor for 9 program categories under the J-1 Exchange Visitor Program, we sponsor more than 800 exchange visitors in Maryland each year: primarily Summer Work Travel along the Eastern Shore and Intern/Trainee categories in and around Baltimore City and the Washington, D.C. suburbs.

Senate Bill 742 seeks to address foreign labor abuses, an important public policy issue. We support these efforts. However, in defining employment broadly and including cultural exchange, in its current form it would be extremely detrimental to the J-1 Exchange Visitor Program, unnecessarily harming the state of Maryland and U.S. foreign policy. This is not a labor program; it is a cultural exchange program, bringing high potential young people from all over the world to the United States to experience American culture, improve their English, study, train, and, in some cases, work. The work component allows participants to offset some of their costs, and enables the participation of groups that would otherwise be unable to afford to travel to the U.S.

The J-1 Exchange Visitor Program is overseen and regulated by the U.S. Department of State and administered by program sponsors such as CIEE. By regulation, sponsors are responsible for the health, safety, and welfare of program participants: we provide 24-hour support, monthly check ins, program orientations, and vetting of all placements. The regulatory complexity and personal liability introduced in SB 742 would make the implementation of J-1 programs nearly impossible in Maryland. Furthermore, a prohibition on program fees being charged to participants would tie participants to one employer, which would be disallowed by regulation: J-1 participants are able to change or leave their employers, for any reason. Lastly, SB 742 establishes a workgroup to study international exchange visitor workers in Maryland, but does not explicitly include representation from sponsor organizations, the Department of State, or exchange industry associations who would be able to speak to program management and regulatory requirements.

Once again, thank you for the opportunity to comment on Senate Bill 742. If I can be of additional assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "James P. Pellow".

Dr. James P. Pellow  
President and CEO

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**CIEE Corporate Headquarters**

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## **Harrisongroup\_unf\_sb742**

Uploaded by: Harrison, Ashley

Position: UNF

February 27, 2020

Miller Senate Office Building

11 Bladen Street

Annapolis, MD 21401

SB 742: Labor and Employment-Fair Labor and Transparency Act

TESTIMONY IN OPPOSITION OF SB742

BEFORE THE SENATE FINANCE COMMITTEE

ON FEBRUARY 27, 2020

The Harrison Group in Ocean City MD is the largest private employer in Worcester County. We operate 11 oceanfront hotels and have been an enthusiastic supporter of the Department of State's J-1 Summer Work and Travel (SWT) program as a host employer for thousands of students. In order to fully staff and operate our hotels, we annually hire approximately 800 summer seasonal employees with J-1 students accounting for over 200 of these positions. We are not able to hire enough employees from the surrounding areas despite extensive efforts to do so in the past.

In 2011 Secretary Clinton ordered an extensive review of the J-1 program and enacted strict program regulations and thorough employer vetting after complaints arose from students in Hershey, PA. As an employer in 2020, I am put through a vetting process with both the Sponsor agencies and the Department of State that requires proof of valid business licenses, worker's compensation insurance and an interview. I am forbidden from employing students in hazardous jobs, agricultural jobs, jobs with a commission based salary or shifts that are exclusively from 12a-8am among other regulations. I also must certify that I have not displaced American workers in order to hire a J-1 student. Most importantly, I must demonstrate how students will be exposed to American culture and acknowledge that I fully understand that this is a cultural exchange program and not an employment focused program. Students are not tied to their job and employer in a way that they would be on a traditional employment based visa. Earning a US wage allows students to offset the significant program fees and provides for a safer and more stable experience as not every student comes from a country or family of significant means. As a further measure, all prospective program participants must be a full time

university student and proficient in both written and spoken English. These requirements are more restrictive than those of an employment based visa such as the H2B of which I have also utilized.

The J-1 SWT Program is strictly a cultural exchange program that happens to have an employment element to it. It was the mission in 1961 when President Kennedy signed it into law and it remains the mission today.

The preamble of the Fulbright-Hayes Act/ Mutual Education and Cultural Exchange Act of 1961 reads in part as follows:

"The purpose of this chapter is to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries by means of educational and cultural exchange; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations, and the contributions being made toward a peaceful and more fruitful life for people throughout the world; to promote international cooperation for educational and cultural advancement; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world"

The friendships I made as an American college student working alongside the "foreign students" in my family's restaurant have carried into adulthood. I have been invited to weddings of my former coworkers, watched my American friend meet her husband, seen J-1 students grow up to have children, had couples who met as J-1 students come back to Ocean City on their Honeymoon, have gone to visit friends in six countries and had conversations that stretched late into the night about foreign relations and world history that would rival any classroom setting that I have been in. The J-1 Program facilitates an exchange and understanding that cannot be replaced by a traditional study abroad program or taking a vacation. It allows American students who are not able to afford or attend a study abroad program the chance to participate and interact with people from nations that they might not have ever heard of or would be exposed to. Each year Ocean City locals have approximately 4,000 students from nearly 20 countries visit them for the summer. That's a wealth of knowledge, diversity, language, ideas and future understanding and that no university program can duplicate.

In closing, I respectfully ask that the J-1 Program be excluded from the language of SB742 and recognized for the cultural exchange program that it is by granting an unfavorable report to SB742.

Sincerely,

Ashley Harrison

Harrison Group

**CIEE\_UNF\_SB 742**

Uploaded by: Marczyk, Bernie

Position: UNF



The Honorable Delores Kelley  
Chairwoman, Senate Finance Committee

3 East Miller Senate Office Building  
Annapolis, Maryland 21401

February 27, 2020

**Re: Oppose Senate Bill 742- Labor and Employment - Fair Recruitment and Transparency Act**

Dear Chairwoman Kelley and Members of the Senate Finance Committee:

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Senate Bill 742 seeks to address foreign labor abuses, an important public policy issue. We support these efforts. However, in defining employment broadly and including cultural exchange, in its current form it would be extremely detrimental to the J-1 Exchange Visitor Program, unnecessarily harming the state of Maryland and U.S. foreign policy. This is not a labor program; it is a cultural exchange program, bringing high potential young people from all over the world to the United States to experience American culture, improve their English, study, train, and, in some cases, work. The work component allows participants to offset some of their costs, and enables the participation of groups that would otherwise be unable to afford to travel to the U.S.

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Once again, thank you for the opportunity to comment on Senate Bill 742. If I can be of additional assistance, please do not hesitate to contact me.

Sincerely,

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Dr. James P. Pellow  
President and CEO

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# **OC\_Chamber\_UNF\_SB0742**

Uploaded by: Purcel, Melanie

Position: UNF



## **The Greater Ocean City, Maryland Chamber of Commerce, Inc.**

### **SB742 Labor and Employment - Fair Recruitment and Transparency Act**

**TESTIMONY IN OPPOSITION ON BEHALF OF  
THE GREATER OCEAN CITY CHAMBER OF COMMERCE  
BEFORE THE  
Senate Finance Committee  
February 27, 2020**

The Greater Ocean City Chamber of Commerce represents over 950 businesses and job creators in the region and oversees the seasonal workforce program. On behalf of those businesses, I am writing to express our strong OPPOSITION to SB 742 Labor and Employment - Fair Recruitment and Transparency Act.

This bill essentially provides that an agreement by a foreign worker to waive certain rights is void as contrary to public policy; requiring an individual to be licensed by the Commissioner of Labor and Industry before the individual may perform a foreign labor contracting service in the State for consideration; providing that a certain license authorizes the licensee to perform foreign labor contracting services for consideration. Senate Bill 742 seeks to address foreign labor abuses, an important public policy issue. We support these efforts. However, in defining employment broadly and including cultural exchange, in its current form it would be extremely detrimental to the J-1 Exchange Visitor Program, unnecessarily harming the state of Maryland and U.S. foreign policy. This is not a labor program; it is a cultural exchange program, bringing high potential young people from all over the world to the United States to experience American culture, improve their English, study, train, and, in some cases, work. The work component allows participants to offset some of their costs, and enables the participation of groups that would otherwise be unable to afford to travel to the U.S.

This bill would have a dramatic and devastating effect on Ocean City as well as any other part of the state that hosts these participants. Each year, our hospitality community relies on the J1-Visa Summer Work and Travel program to bring 4,000+ students to our area. We simply do not have enough local people to fill the number of jobs necessary to run the hundreds of seasonal businesses. A recent survey of Ocean City Chamber members revealed that 95% of employers would face a negative financial impact if this program were

*Eunice Q. Sorin Visitor & Conference Center*

12320 Ocean Gateway, Ocean City, Maryland 21842 • 410-213-0144 • Fax 410-213-7521

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eliminated or reduced. This includes the inability to operate at full capacity, provide service to guests etc. SWT students help to supplement staffing when American seasonal workers are not available (e.g., when college students are in school).

If the J-1 Exchange Visitor Program were allowed to be harmed by SB742, our State would lose not only local economic benefits but also a valuable cultural exchange program with a proven record of success.

- It is important to stress that the Exchange Visitor Program is a Federal program, highly regulated under the U.S. Department of State. Designated sponsor organizations administer the program and are responsible for Exchange Visitor's health, safety and welfare while on the program. Several of the designated sponsors have office locations in Ocean City to provide in-person assistance to their EVs.
- Unlike participants on work visa programs, the Exchange Visitors are not tied to their host employer. Exchange Visitors (EVs) may leave their host employer at any time, as per the Federal regulations. It is not uncommon for EVs to change their primary host employer during their program, and their sponsor organization assists them with this process.
- More than 4,000 Exchange Visitors contribute to the seasonal workforce in Ocean City and the tourism industry would be devastated without them. Many businesses would be forced to reduce the amount of time they can remain open, and/or limit of the number of guests/visitors they are able to serve. Some businesses could even be forced to close their doors.
- Ocean City has long recognized the importance of the Exchange Visitor Program and has been a leader with our community support efforts, having started the first official community support group nearly 15 years ago. Other communities across the entire USA have utilized our community support group as a model for their own community efforts (there are now over 30 such Community Support Groups around the country!). Our group is a committee under the OC Chamber of Commerce and is comprised of prominent local business members, the HMRA, church and civic leaders, emergency management personnel, sponsor representative, local hospital, and community volunteers. The committee adds an additional layer of support for the EVs during their program and has a direct link to all of the sponsor organizations and the Department of State. Additionally, the committee works closely with Town and local government officials to assure that the EV's health, safety and welfare remain our top priority while they are living in our community.

Again, this bill would create dire consequences for the largest and most effective U.S. public diplomacy program and for businesses throughout our State.

**If these provisions go into effect, the J-1 Exchange Visitor Program will cease to exist in Maryland and MD businesses as well as our State and local economy would suffer.**

It is important to note that the majority of wages earned by SWT program participants go back into the local economy for rent, food, entertainment, and retail purchases. It is estimated that the economic impact of the SWT Program in the State of Maryland is **\$31.8 million**.

For the aforementioned reasons, the Ocean City Chamber of Commerce respectfully requests an unfavorable report for SB742.

Please feel free to contact me with any questions regarding the position of the Greater Ocean City Chamber of Commerce at 410-213-0144 ext 102.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melanie Pursel', written in a cursive style.

Melanie Pursel- President & CEO

Greater Ocean City Chamber of Commerce

# **OC\_Chamber\_UNF\_SB0742**

Uploaded by: Purcel, Melanie

Position: UNF



## **The Greater Ocean City, Maryland Chamber of Commerce, Inc.**

### **SB742 Labor and Employment - Fair Recruitment and Transparency Act**

**TESTIMONY IN OPPOSITION ON BEHALF OF  
THE GREATER OCEAN CITY CHAMBER OF COMMERCE  
BEFORE THE  
Senate Finance Committee  
February 27, 2020**

The Greater Ocean City Chamber of Commerce represents over 950 businesses and job creators in the region and oversees the seasonal workforce program. On behalf of those businesses, I am writing to express our strong OPPOSITION to SB 742 Labor and Employment - Fair Recruitment and Transparency Act.

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Sincerely,

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Melanie Pursel- President & CEO

Greater Ocean City Chamber of Commerce

**MHLA\_UNF\_SB-0742**

Uploaded by: Rohrer, Amy

Position: UNF



**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.<sup>1</sup> 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

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<sup>1</sup> 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**

# MH<sup>LA</sup>

## 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

**MHFLA**  
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

## **CIEE\_UNF\_SB 742**

Uploaded by: Sanchez Ifekauche, Delora

Position: UNF



The Honorable Delores Kelley  
Chairwoman, Senate Finance Committee

3 East Miller Senate Office Building  
Annapolis, Maryland 21401

February 27, 2020

**Re: Oppose Senate Bill 742- Labor and Employment - Fair Recruitment and Transparency Act**

Dear Chairwoman Kelley and Members of the Senate Finance Committee:

Thank you for the opportunity to comment on Senate Bill 742. The Council on International Educational Exchange (CIEE) respectfully requests an unfavorable report on Senate Bill 742.

As the nation's largest and oldest sponsor organization of the U.S. Department of State, CIEE gives students and professionals around the world a unique opportunity to experience life in the United States—to learn and grow in the classroom, in the workplace, and beyond. As a U.S. Department of State designated sponsor for 9 program categories under the J-1 Exchange Visitor Program, we sponsor more than 800 exchange visitors in Maryland each year: primarily Summer Work Travel along the Eastern Shore and Intern/Trainee categories in and around Baltimore City and the Washington, D.C. suburbs.

Senate Bill 742 seeks to address foreign labor abuses, an important public policy issue. We support these efforts. However, in defining employment broadly and including cultural exchange, in its current form it would be extremely detrimental to the J-1 Exchange Visitor Program, unnecessarily harming the state of Maryland and U.S. foreign policy. This is not a labor program; it is a cultural exchange program, bringing high potential young people from all over the world to the United States to experience American culture, improve their English, study, train, and, in some cases, work. The work component allows participants to offset some of their costs, and enables the participation of groups that would otherwise be unable to afford to travel to the U.S.

The J-1 Exchange Visitor Program is overseen and regulated by the U.S. Department of State and administered by program sponsors such as CIEE. By regulation, sponsors are responsible for the health, safety, and welfare of program participants: we provide 24-hour support, monthly check ins, program orientations, and vetting of all placements. The regulatory complexity and personal liability introduced in SB 742 would make the implementation of J-1 programs nearly impossible in Maryland. Furthermore, a prohibition on program fees being charged to participants would tie participants to one employer, which would be disallowed by regulation: J-1 participants are able to change or leave their employers, for any reason. Lastly, SB 742 establishes a workgroup to study international exchange visitor workers in Maryland, but does not explicitly include representation from sponsor organizations, the Department of State, or exchange industry associations who would be able to speak to program management and regulatory requirements.

Once again, thank you for the opportunity to comment on Senate Bill 742. If I can be of additional assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "James P. Pellow".

Dr. James P. Pellow  
President and CEO

**CIEE Boston Offices**

200 and 60 State Street  
Boston, MA 02109  
+1 617-221-6080

**CIEE Corporate Headquarters**

300 Fore Street  
Portland, ME 04101  
+1 207-553-4000

# **2020 SB742 Testimony in Opposition - MTC**

Uploaded by: Toomey, Ruth

Position: UNF



**LETTER OF OPPOSITION ON BEHALF OF  
MARYLAND TOURISM COALITION**

**IN OPPOSITION OF SB 742 Labor and Employment - Fair Recruitment and Transparency Act  
Senate Finance Committee - February 27, 2020**

Madam Chair, Mr. Vice Chair, and committee members:

My name is Kristin Hanna, Legislative Chair of the Maryland Tourism Coalition, a 50-year old organization that represents the various services, attractions, organizations and accommodations that make up the State's Industry. On behalf of our 1,000+ members, I would like to express our opposition of SB742.

Tourism is extremely important to Maryland's economy! It creates 150,000 (and growing) jobs and is the 10<sup>th</sup> largest industry in the state. Visitors to Maryland spend nearly \$18.1 billion in Maryland each year and they generate close to \$2.5 billion in state and local taxes. Without tourism in the state of Maryland, each household would pay \$1,140 more in local taxes.

We recognize the bill tries to correct a real issue concerning foreign labor abuses and we support that initiative. However, the bill in current form is detrimental to the J-1 Exchange Visitor Program. This program supports many Maryland tourism businesses, especially over the summer and is intended to be a cultural exchange program. Passing this bill in current form would prohibit this program and be devastating for the industry as they staff for the busy summer months.

On behalf of the Maryland Tourism Coalition, we respectfully request that you oppose SB 742.

Sincerely,

*Kristin Hanna*

Kristin Hanna  
MTC Legislative Chair and Board Member

# **Alliance Fact Sheet\_UNF\_SB 742**

Uploaded by: Zherka, Ilir

Position: UNF



# MARYLAND STATE FACT SHEET

Each year, Maryland businesses host international college students and graduates participating in the Department of State's J-1 visa Summer Work Travel, Intern, Trainee, Au Pair, and Camp Counselor programs. This collaboration offers myriad diplomacy and national security benefits to our country, and significant economic benefits – including vital tax revenue – to communities across Maryland.

## Economic Impact of Summer Work Travel Participants:

\$29.5 million

\*Source: *Summer Work Travel (SWT) Program Review* by EurekaFacts, August 2018

## Economic Impact of Intern and Trainee Participants:

\$6.5 million

\*Source: *Intern and Trainee Exchange Program Review* by EurekaFacts, June 2017

## Prominent Host Communities:

Baltimore, Gaithersburg, Ocean City, Rockville, Silver Spring

## Prominent Host Employers:

AquaSafe Pool Management  
Dolle's Candyland  
Fenwick Inn  
Holiday Inn Oceanfront (Ocean City)  
Marshall Hotels & Resorts  
Six Flags Entertainment Corp.

## International Students in the State:

19,671

\*Number of international students enrolled at colleges/universities in the state. Source: *Open Doors 2018*

## American Students Abroad:

4,910

\*Total number of U.S. Study Abroad Students enrolled through institutions in the state, 2016/2017. Source: *Open Doors 2018*

## Total Number of Participants:

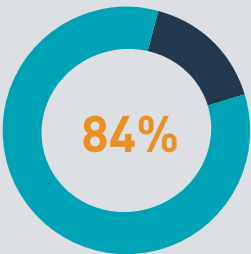
- **Au Pair**  
1169
- **Camp Counselor**  
717
- **Intern**  
255
- **Summer Work Travel**  
5557
- **Trainee**  
111

\*Source: *U.S. Department of State, 2018*



The Camp Counselor Program, a category within the U.S. Department of State's Exchange Visitor Program (EVP), offers international participants a way to interact directly with American youth campers by overseeing and leading group activities at camp during the U.S. summer season. The Alliance for International Exchange partnered with EurekaFacts, an independent research firm that specializes in social science and policy research, to conduct a thorough review and evaluation of the Camp Counselor Exchange Visitor Program. EurekaFacts surveyed 2,561 participant alumni and 376 host camps to determine the impact of the program. Highlights of the results are presented below.

## Camp Counselor Programs Enhance Positive Opinions of the U.S.



of participant alumni report a more positive opinion about the United States and American culture after their experience at American camps



The total estimated contribution of Camp Counselor exchange visitor participants to the U.S. economy in 2018

## Camp Counselor Programs Support U.S. National Security

**Camp Counselor Programs are Excellent Public Diplomacy Tools in Fostering Positive Attitudes Towards the U.S.**



**98%** of participants made connections with Americans

**91%** of participants still keep in touch with Americans after leaving the U.S.

**76%** of participants have more positive views of American people

**71%** of participants have more positive views of American culture

**Building personal skills and experiencing a different culture are top drivers of participation for Camp Counselors**



**97%** of participants feel that their program will help them in their futures

**95%** chose to participate to gain new or to improve their personal skills

**94%** of participants chose to participate to experience living in a different culture

**87%** of participants cited learning how to interact with people from other cultures as a top driver for participation in the program



*\* Earning money is the least important motivator when deciding to participate in comparison to other motivating factors indicated*

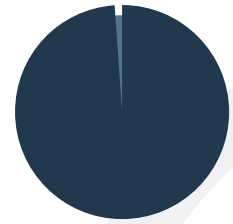
## Camp Counselor Programs Support the U.S. Economy

- International camp counselors contributed over \$59 million in total expenditures during their 30-day travel period in 2018
- On average, camp counselor participants spend \$2,373 per month. Most money is spent on lodging such as hotels (\$12.3 million) and entertainment such as dining out or going to the movies (\$11.5 million)
- Camp counselors spend more than \$4 million in NY, PA and ME. 12 of the remaining 47 states had camp counselors' expenditures between \$1 million and \$4 million.

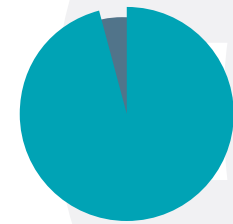


## Camp Counselor programs are important for American businesses

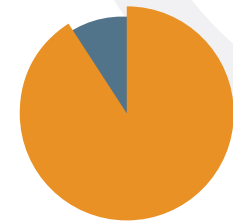
**99%** of host camps offer equivalent chances regarding job opportunities for Americans in the U.S. Roughly the same amount of host camps offer equally available opportunities for training and development to Americans as for international counselors in the U.S.



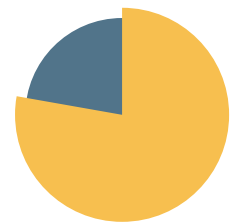
**96%** of host camps said that exposing American campers and counselors to international culture is a top motivator for participating in the program



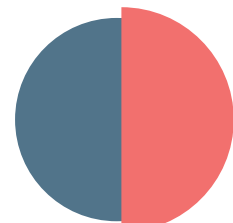
**91%** of host camps believe their organization would be negatively impacted if the Camp Counselor program ceased to exist



**78%** of host camps indicated that camp services or activities would be reduced in the absence of international camp counselors



**50%** of host camps report the absence of the Camp Counselor program would result in the inability to operate during the season and would decrease revenues.



## Alliance for International Exchange

1828 L Street, NW, Suite 1150

Washington, DC 20036

Phone: 202-293-6141

Fax: 202-293-6144

<http://www.alliance-exchange.org>



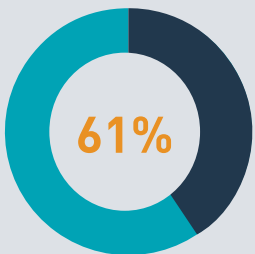
## The Summer Work Travel (SWT) Program

is the largest U.S. Department of State regulated student exchange program. Every year, more than 94,983 university students from over 100 countries come to the United States to learn about American culture through temporary work and travel opportunities. Participants live, work, and travel in the U.S. (many in tourist areas) for a maximum of four months during their home university summer breaks. EurekaFacts surveyed 2,800 SWT alumni and 460 U.S. businesses participating in the program to determine the impact on local communities. Highlights of the results are presented below.

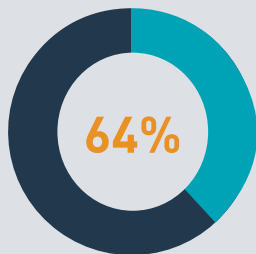
The total estimated contribution of SWT exchange visitor participants to the U.S. economy in 2016 was about \$509MM. That roughly equals \$5300 per participant.



### SWT Supports Future Partners for U.S. Businesses



of participants report higher regard for American companies.

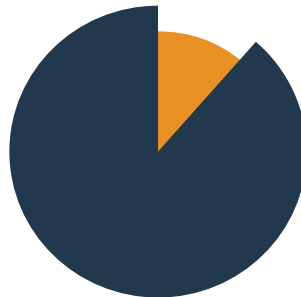


of participants have higher opinion of the way Americans do business.

## SWT Supports U.S. National Security



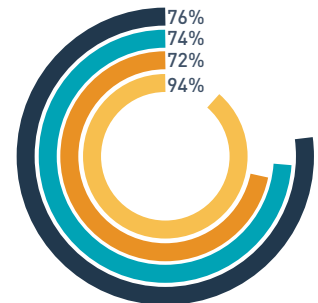
### SWT Participants Specifically Choose to Learn About And Experience Life in The U.S.



**91%** of SWT participants report cultural exchange as their top reason for participating in the program. In contrast, very few participants said that learning specific work skills, gaining experience for a degree program, or earning money were their top reasons for participation.

It is in the United States' national security interests to facilitate opportunities for Americans to connect with people from all over the world, specifically with students from countries critical to U.S. foreign policy.

### The SWT Program is an Excellent Public Diplomacy Tool — Fostering Positive Attitudes Toward the U.S.



**76%** of SWT participants have a higher overall regard for the U.S. after the program.

**74%** of participants said that their opinions of Americans became more positive.

**72%** have more positive views of American culture.

**94%** made friendships with Americans during their stay, and of those, 88% reported that they keep in touch with their new American friends.

## SWT Strengthens U.S. Economy

### SWT Help U.S. Businesses Meet Seasonal Labor Shortages

- According to published reports, summer work participation among American students has been declining since 1990, a trend due to shifting priorities toward education and other summer activities.
- 96% of employers report seasonal labor shortages. In fact, 51% of employers surveyed said labor shortages were their most important reason for participating in the SWT program.
- SWT students do not displace local workers.
- Predictive models show that the number of SWT placements in a community is related to labor shortages. For instance, the number of SWT placements is higher in areas where there is greater workforce participation, a lower proportion of non-seasonal workforce involved in tourist-related industries, and fewer college students are available for seasonal jobs.

### Without SWT, American Businesses Would Suffer Leading to Loss of American Jobs

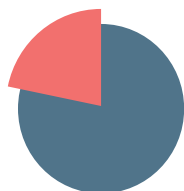
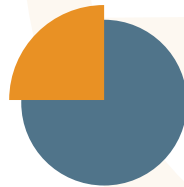
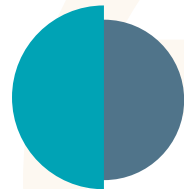
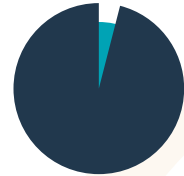
**97%** of employers report having more seasonal jobs available than workers to fill them.

**50%** of employers state that the absence of SWT participants would have a negative impact on their revenues.

**25%** of employers report that it is likely or very likely that without SWT participation they would not be able to stay open during the summer season.

**39%** of employers say that it is likely or very likely that they would have to reduce hours of operation.

**22%** of employers report that it is likely or very likely that they would have to lay off permanent American staff members after the season.



### Alliance for International Exchange

1828 L Street, NW, Suite 1150

Washington, DC 20036

Phone: 202-293-6141

Fax: 202-293-6144

<http://www.alliance-exchange.org>

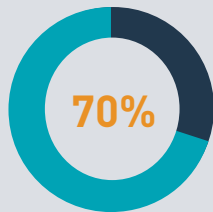


The Intern and Trainee programs, part of the Department of State Exchange Visitor Program, offer international candidates the opportunity to temporarily live in the United States, participate in professional training with host organizations, and experience American culture and society. The Alliance for International Exchange commissioned an independent research firm, EurekaFacts, to conduct a thorough review of the Intern and Trainee programs.

## Intern and Trainee Programs Support U.S. National Security



The total contribution of Intern and Trainee exchange visitors to the U.S. economy in 2017



of participants report a more positive opinion about the American way of doing business and about American companies

### Intern and Trainee Programs Support the U.S. Economy

- During their stay, Interns and Trainees contribute an estimated **\$662.6 million** to the U.S. economy
- Intern and Trainee participants spend approximately **\$2,000** per month in their local communities on items such as housing, food, entertainment, and travel

Intern and Trainee Programs are Valuable Public Diplomacy Tools in Fostering Positive Attitudes Towards the U.S.

**95%**

of participants said they had a good or very good experience in the U.S.

**75%**

of participants developed a more positive opinion of American people after their experience

**73%**

of participants state they developed a more positive opinion of the U.S. in general after their program experience

**70%**

of participants developed a more positive opinion of American culture

## Building professional skills and learning about U.S. culture are top drivers of participation for Interns and Trainees



**79%** choose to participate in the program to learn about U.S. culture, and **85%** participate to gain job related experience. In contrast, earning money is the least important reason Interns and Trainees participate.

The benefits to future career aspirations outweigh any cost associated with participating in the program. **95%** feel their program provided them with practical skills and expertise, and **96%** agree that their program experience will help them in the future.



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## Intern and Trainee programs add value to American businesses

**85%** of host organizations consider the programs important to their business

**75%** of host organizations stated that participants broaden perspectives of current staff through exposure to different cultures

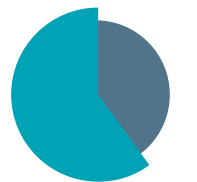
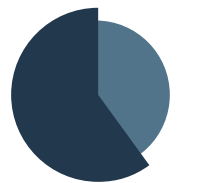
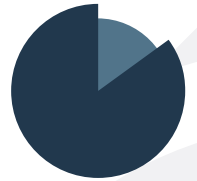
**71%** of host organizations state that the program helps current staff develop intercultural communication skills

**71%** of host organizations offer equivalent intern or trainee program opportunities for Americans in the U.S. and reported that these positions are equally or more available to Americans than international participants

**70%** of host organizations participate to bring a unique cultural dimension to the workplace

**60%** of host organizations cite that Interns and Trainees bring a unique work ethic that positively contributes to the organization

**60%** of host organizations would experience a negative impact if the Intern and Trainee programs were no longer available



# **ALLIANCE\_UNF\_SB 742**

Uploaded by: Zherka, Ilir

Position: UNF





The Honorable Delores Kelley  
Chairwoman, Senate Finance Committee  
3 East Miller Senate Office Building  
Annapolis, Maryland 21401

February 27, 2020

**Re: Oppose Senate Bill 742- Labor and Employment - Fair Recruitment and Transparency Act**

Dear Chairwoman Kelley and Members of the Senate Finance Committee:

We appreciate the opportunity to share our views of Senate Bill 742. While we understand SB 742 has been altered from its predecessor bill, SB 526, it nonetheless poses a significant threat to the viability of international exchange visitor programs in Maryland. For that reason, we recommend an unfavorable report on the bill.

The J-1 Exchange Visitor Program was authorized by the Mutual Educational and Cultural Exchange Act of 1961, Senator William Fulbright's landmark legislation to engage and influence future leaders around the world. International visitors currently have opportunities to learn much more about Americans in Maryland through the Summer Work Travel, Intern, Trainee, Camp Counselor, Au Pair, Research Scholar, Short-Term Scholar, and Specialist programs.

These programs are heavily regulated by the Department of State ("DOS"). DOS identified program sponsors to be the key people who are responsible for the health, safety, and welfare of participants. To protect participants, sponsors vet all placements, provide program orientation, make available twenty four hour support, conduct monthly check ins, and find new opportunities for participants when the first placement is not the right fit. But, to administer these programs successfully, sponsors must be able to collect fees and rely on a set of uniform regulations nationwide. Without those two things, international exchange programs in Maryland would collapse.

SB 742 differs from SB 526 by using the term "migrant worker." While regular use of that term clearly would not include exchange participants, the definition of "employment" in the SB 742 includes "cultural exchange" and "training" programs. Eliminating those two terms from the bill would be a big step forward. The Committee, however, should leave no doubt about the scope of the bill by expressly exempting J-1 Exchange Visitor Programs. Participants in all these programs express high degree of satisfaction and there are already significant mechanisms in place to address concerns when they arise.

SB 742 also creates a Working Group to assess the J-1 programs, but the composition of that Group is unbalanced. It should include representatives with expertise on the J-1 Exchange Visitor Program. It should also include representatives of the U.S. Department of State. Lastly, SB 742 should charge the Working Group with conducting a thorough review of the current U.S. regulations of these programs with an eye toward making recommendations to DOS, if warranted.

International exchange programs are an essential tool of our foreign policy. By fostering people-to-people diplomacy, these programs create greater understanding of the United States – our culture, economy, and political system. Participants deepen their understanding of English and sharpen the problem solving skills, both of which make them more marketable when they go home. They also form strong relationships with Americans that often span many years and generations. Participants contribute significantly to the U.S. economy while they are here. Many also come back often to visit as tourists. Please see attached a fact sheet demonstrating the positive impact of these programs on Maryland, as well as summaries of reports on the Camp Counselor, Intern, Trainee, and Summer Work Travel programs.

The U.S. Department of State's Exchange Visitor Program is functioning well and achieving its goals of increasing mutual understanding between people and enhancing peace and prosperity globally. It should be expressly excluded in Senate Bill 742.

Sincerely,



Ilir Zherka  
Executive Director

# **SB 742 Letter of Information MD Dept of Labor**

Uploaded by: Harrison, Michael

Position: INFO

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## Senate Bill 742

Date: February 27, 2020  
Committee: Finance  
Bill Title: Labor and Employment - Fair Recruitment and Transparency Act  
RE: Letter of Information

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The Department of Labor offers the following letter of information regarding the Committee's review and consideration of Senate Bill 742. This bill will substantially impact the Department by adding a requirement to license "Foreign Labor Contractors." The bill incorporates licensing requirements for Foreign Labor Contractors into existing State statute that previously only required licensure for farm labor contractors.

Before performing any farm labor contracting activity, a farm labor contractor must register with the United States Department of Labor and obtain a certificate of registration. The federal government has a robust licensing scheme for various foreign workers under the J-1, H-1B, H-2B, H-2A and permanent visa programs. This bill only covers the H-2A workers and would further require that those employers wishing to employ foreign workers register with the State in addition to federal entities.

The additional licensing scheme will likely provide a strong disincentive to hire foreign individuals for farming activities and for short-term, seasonal employment. These individuals are employed by the State's farming community and participate in Maryland's communities. The additional requirements, and the heavy civil penalties under this bill may discourage Maryland's employers from obtaining foreign labor.

The Department appreciates the Committee's consideration of this information when considering Senate Bill 742.