

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