
Senate Bill 742

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

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.