

HB 3142 STAFF MEASURE SUMMARY

House Committee On Labor and Workplace Standards

Prepared By: Erin Seiler, LPRO Analyst

Meeting Dates: 2/12

WHAT THE MEASURE DOES:

Exempts employers from unemployment taxes on the wages of noncitizens who work in Oregon on H-2A visas. Takes effect on the 91st day following adjournment sine die.

Fiscal impact: (info)

Revenue impact: (info)

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The H-2A temporary agricultural program allows agricultural employers who anticipate a shortage of domestic workers to bring nonimmigrant foreign workers to the United States to perform agricultural labor or services that are temporary or seasonal. To employ foreign workers on an H-2A visa, a farm employer must receive certification from the United States Department of Labor (USDOL). The USDOL must certify that there are not sufficient domestic workers who are able, willing, and qualified, and who will be available at the time and place needed, to perform the labor or services involved in the petition; and show that employing H-2A workers will not adversely affect the wages and working conditions of similarly employed domestic worker.

The USDOL establishes the rules and regulations for workers and employers who participate in the H-2A programs. For example employers must offer and provide: housing at no cost to the worker that is certified by Oregon's Occupational Safety and Health Administration (OR-OSHA) or rental housing that meets local rental standards; workers' compensation or equivalent insurance coverage at no cost to the worker; guarantee at least 3/4 of the total hours of work stated in the work contract; and pay the Adverse Effect Wage Rate.

Oregon's H-2A employers pay Unemployment Insurance (UI) taxes for foreign guest workers, however the workers do not qualify for unemployment benefits. Under the H-2A program, workers may not seek other employment in the United States after the expiration of the contract with a single, identified employer, and as such, they do not qualify for unemployment benefits.

House Bill 3142 exempts employers from unemployment taxes on the wages of noncitizens who work in Oregon on H-2A visas.