

Bill Summary: Workforce for an Expanding Economy Act

The Workforce for an Expanding Economy Act, or <u>H.R. 1740</u>, seeks to create a new "H-2C" nonimmigrant visa category for non-agricultural, low-skilled workers. The act creates an initial maximum of 85,000 temporary visas for primarily construction, hospitality, and hospital workers.

Representatives Lloyd Smucker (R- Pennsylvania), Francis Rooney (R-Florida), and Greg Steube (R- Florida) re-introduced the Workforce for an Expanding Economy Act on March 13, 2019.

Representative Smucker used to <u>own a drywall business</u> and has long been supportive of proconstruction policies. He introduced the bill <u>in tandem</u> with a plan to create a two billion dollar tax credit for apprenticeship training and career and technical education institutions (<u>H.R. 1739</u>). The two bills come at a time when <u>almost 80%</u> of construction contractors nationwide have reported difficulty in finding new workers, and when unemployment in Representative Smucker's home state of Pennsylvania is at an <u>eighteen year low</u>.

The Workforce for an Expanding Economy Act would:

Create a new H-2C visa category. The visa would be three years in length and twice renewable, for non-agricultural, low-skilled workers. The number of H-2C visas established under the act would be between 45,000 and 85,000 per fiscal year, although in certain circumstances the maximum could be increased by up to 5%. Visa holders would be eligible to move between registered positions as long as they are not unemployed for longer than 45 consecutive days.

Only positions meeting the following requirements would be eligible:

- Nonagricultural employment;
- Unfilled for multiple months;
- Unskilled, defined as not requiring a college degree (jobs in O*NET Zones 1-3);
- Incomparable to a position in which an American worker was laid off less than 45 days prior; and
- Approved by the Secretary of Homeland Security.

Only employers meeting the following conditions would be eligible:

• Located in a "full employment area," defined as a county where the unemployment rate during the relevant fiscal quarter is less than 5%;

- Clean record concerning payroll taxes and fair labor practices;
- No ongoing strike, lockout, or labor dispute; and
- Approved by the Secretary of Homeland Security.

Only employees meeting the following conditions would be eligible:

- Clean background check and compliance with biometric data collection;
- Compliance with electronic monitoring modeled after the web-based SEVIS tracking and
 monitoring system used for nonimmigrants students and exchange visitors. SEVIS tracks
 basic status events and changes such as entry/exit data, changes of address and
 employment notifications and reports them electronically to DHS and the Department of
 State;
- Not from a country determined by the Secretary of State to have repeatedly provided support for acts of international terrorism; and
- Approved by Secretary of Homeland Security.

Expand E-Verify. All eligible H-2C employers would be required to participate in the E-Verify program to ensure that all of their employees are authorized to work in the United States.

Require Secretary of Homeland Security oversight. This oversight function would include approval of applications from both potential workers and employers, establishing registries of eligible positions and employers, assessing complaints, and implementing the electronic monitoring of visa holders. These functions would be paid for by a "Scarcity Recruitment Fee" paid by employers, as well as by filing fees for various required applications.

Set penalties and fees. Noncomplying employers and employees would be subject to a series of penalties and fines. H-2C employers found responsible for fraud or worker protection violations would be subject to one to two years of ineligibility and a \$3,000 to \$25,000 fine, depending on context and circumstances. Those found guilty of human trafficking would be made permanently ineligible. For intentionally failing to report to a registered position, H-2C nonimmigrant employees would face a \$5,000 fine or not more than 90 days in prison. Each subsequent offense would result in a fine of up to \$10,000 and imprisonment for up to one year.