



Freedom Network USA

September 8, 2022

The Honorable Gavin Newsom
Governor of California
1303 10th Street, Suite 1173
Sacramento, CA 95814

Re: AB 364 (Rodriguez) – Foreign labor contractor registration – Support

Dear Governor Newsom,

On behalf of Freedom Network USA, I write today to request your signature on AB 364 (Rodriguez).

As a national network of trafficking survivors, legal and social service providers, researchers, advocacy organizations, and expert consultants, we believe strong protections for the most vulnerable workers are a crucial component of preventing all forms of human trafficking. We support the protections this legislation will provide for temporary workers in California. AB 364 is a step in the right direction to prevent the exploitation of temporary workers by foreign labor contractors.

The abuses perpetrated by unscrupulous foreign labor contractors (FLCs) on temporary workers legally coming to work in California are numerous. They include the imposition of illegal recruiting fees, visa charges, and transportation costs, as well as overcrowded housing, indecent labor conditions, and threats of blacklisting and deportation if complaints are reported. These abuses lead to human trafficking. Indeed, the National Human Trafficking Hotline documents that the majority of its cases involving foreign workers reaching out for help involve temporary work visas and foreign labor recruiters.

To address this well-documented exploitation, in 2016, with broad bipartisan support, California legislators passed SB 477, which was intended to tighten oversight of these recruiters regardless of the profession or visa category through which they recruited workers. The main provisions of the bill:

- Require Foreign Labor Recruiters (FLR) to register with the state and provide comprehensive disclosure of workers' rights to them during the recruitment

- process or face penalties for non-compliance
- Provide a safe harbor from liability for employers using registered FLRs
- Establish a complaint mechanism for aggrieved workers to recover damages for violations of the statute

Even when these protections went into effect, recruiters managed to weave a loophole into the legislation that excluded the vast majority of temporary workers, resulting in only 3% of the now more than 300,000 workers coming to the state annually being protected by the law.

Even though unskilled foreign laborers on H-2A visas laboring in our fields and vineyards are the group most exploited by FLCs, not only in California, but nationwide, corrupt FLR practices affect California's tech industry, the other major driver of the state's economy. Abusive FLRs entice corporations with the promise of cheaper labor by substituting foreign workers for US ones. In giving these entities an unfair competitive advantage over corporations who play by the rules, it is not just foreign workers who suffer, but displaced US workers and law-abiding businesses as well.

California is the fifth largest economy in the world. It also attracts the most foreign temporary workers of any US state. The vast majority of these workers rely on the services of FLRs. Given the magnitude of the problem and the resulting inequities negatively affecting individual workers, both foreign and domestic, and California's competitive landscape, we respectfully request that you sign AB 364 Into law.

Please demonstrate the leadership Americans have come to expect from their California, and confront and remedy the social injustices derived from the exploitation of vulnerable workers, particularly now as we rebuild our economy in the aftermath of the Covid pandemic. Sign AB 364, an important first-of-its-kind piece of legislation to protect all temporary workers coming to California and serve as a model for the nation and globally.

Sincerely,



Jean Bruggeman
Executive Director
Freedom Network USA

Cc: Assemblymember Rodriquez