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1 HB302

2 MSSP3WW-2

3 By Representatives Robbins, Fidler, Marques, Sorrells, Brown,
4 Kiel, Colvin, Ross

5 RFD: Judiciary

6 First Read: 18-Feb-25



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A BILL
TO BE ENTITLED
AN ACT

Relating to immigration; to amend Section 25-11-5, Code of Alabama 1975, to further provide for the directory of new hires maintained by the Department of Workforce; to add Article 2 to Chapter 11, Title 25, Code of Alabama 1975, to be known as the Alabama Foreign Worker Transparency Act, to require labor brokers that recruit or hire foreign workers for eventual job placement in this state to register with the Department of Workforce; to impose reporting requirements on labor brokers and charitable organizations that provide financial support to foreign workers; to authorize the Secretary of Workforce to investigate labor brokers and charitable organizations for certain violations; to provide civil penalties for violations; to provide a criminal penalty for violations; to authorize departments and agencies that administer public benefits to require disclosure of the financial sponsor when a lawful alien applies for benefits; to require reimbursement from a sponsor in case the lawful alien receives public benefits in place of support promised by the



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29 sponsor; to authorize a civil action by the Attorney General
30 to enforce collection of reimbursement; and to provide
31 authority for the Secretary of State to dissolve a domestic
32 entity or to revoke the registration of a foreign entity; and
33 to amend Section 31-13-9, Code of Alabama 1975, to specify
34 that employers may lose public incentives for hiring an
35 unauthorized alien.

36 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

37 Section 1. Sections 25-11-1 through 25-11-17 of Chapter
38 11 of Title 25, Code of Alabama 1975, are designated as
39 Article 1.

40 Section 2. Section 25-11-5, Code of Alabama 1975, is
41 amended to read as follows:

42 "§25-11-5

43 (a) An employer shall report to the department, within
44 seven days of hiring, each new hire, recall, or rehire. The
45 information to be reported shall include the name, address,
46 Social Security number or United States Citizenship and
47 Immigration Services (USCIS) number, and date of hire of each
48 newly hired, recalled, or rehired individual and the name,
49 address, and state and federal identification numbers of the
50 employer. The information shall be reported on forms supplied
51 by the department or by such other method as approved by the
52 secretary. Notwithstanding the foregoing, employers may
53 transmit reports to the department magnetically or
54 electronically twice a month, not less than 12 days nor more
55 than 16 days apart, when required.

56 (b) The department shall enter into the State Directory



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57 of New Hires the information received from an employer within
58 five days of receipt.

59 (c) The department shall provide this information to
60 the Department of Human Resources in a timely manner as agreed
61 upon by the secretary and the commissioner, for purposes of
62 identifying individuals with outstanding legal child support
63 obligations.

64 (d) Upon entry into the State Directory of New Hires,
65 the department shall have two days to cross-match the new hire
66 information to identify individuals receiving unemployment
67 compensation or workers' compensation benefits.

68 (e) Within three days of entry into the State Directory
69 of New Hires, the department shall forward the new hire,
70 recall, and rehire information to the Federal Department of
71 Health and Human Services for inclusion in the National
72 Directory of New Hires."

73 Section 3. Article 2, commencing with Section 25-11-30,
74 is added to Chapter 11 of Title 25, Code of Alabama 1975, to
75 read as follows:

76 Article 2.

77 §25-11-30

78 This article shall be known and may be cited as the
79 Alabama Foreign Worker Transparency Act.

80 §25-11-31

81 The Legislature finds the following:

82 (1) Significant numbers of foreign nationals are being
83 settled in Alabama communities to fill positions in plants,
84 businesses, or seasonal jobs through worker supply chains that



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85 may include labor brokers and individuals or entities that
86 have pledged to provide housing and financial support.

87 (2) These foreign workers are by and large lawfully
88 present in the United States pursuant to a variety of federal
89 temporary parole programs or due to asylum.

90 (3) Lack of reliable information concerning the
91 processes by which foreign workers and their dependents arrive
92 in Alabama can foment an atmosphere of mistrust between
93 citizens, elected officials, foreign workers, and employers.

94 (4) Settlement services and other assistance provided
95 to foreign workers and their dependents by charitable
96 organizations is also significant to the placement of foreign
97 workers in the United States, exerting significant influence
98 on our communities, economy, and workforce.

99 (5) Without burdening lawfully operating businesses,
100 employers, temporary employment agencies, employment agencies,
101 or professional employer organizations, it is imperative that
102 the pathways by which foreign nationals are recruited to work
103 in Alabama communities, and the collaborative roles of labor
104 brokers, nongovernmental organizations, and sponsors in these
105 processes be made transparent, with an orderly means to gather
106 reliable information and data on the foreign segment of our
107 workforce.

108 §25-11-32

109 As used in this article, the following words have the
110 following meanings:

111 (1) ASSOCIATED AUTHORIZED ALIEN. An authorized alien as
112 defined in Section 4 of the act adding this section who meets



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113 both of the following requirements:

114 a. Is a dependent of, is a member of the same household
115 as, or otherwise accompanies a foreign worker.

116 b. Has not been granted an Employment Authorization
117 Document or is not applying for employment authorization.

118 (2) BONA FIDE EMPLOYMENT SERVICE PROVIDER. Any
119 temporary staffing agency, including an employment agency
120 licensed pursuant to Chapter 10 of Title 34 or a professional
121 employer organization regulated pursuant to Chapter 14 under
122 this title, which performs all of the following:

123 a. Files federal and state employment tax returns for
124 their temporary worker employees.

125 b. Provides workers' compensation coverage for their
126 temporary worker employees pursuant to Chapter 5.

127 c. Participates as an enrollee in E-Verify pursuant to
128 Section 31-13-15.

129 (3) CHARITABLE ORGANIZATION. An entity which holds
130 itself out as providing benevolent, philanthropic, or
131 humanitarian aid or services, and which may perform activities
132 that include education or advocacy to influence law and
133 government policy. The term includes those entities known as
134 nongovernmental organizations and charities affiliated with
135 churches or other religious groups.

136 (4) DEPARTMENT. The Alabama Department of Workforce.

137 (5) DHS. The United States Department of Homeland
138 Security, including any of its components such as U.S.
139 Citizenship and Immigration Services.

140 (6) ENTITY. Any individual or group of individuals



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141 employing or contracting with one or more individuals to
142 perform or engage in any activity, enterprise, profession,
143 occupation for gain, benefit, advantage, livelihood, or
144 charitable activity, whether for profit or not for profit, and
145 including, but not limited to, the following:

146 a. Self-employed individuals, business entities filing
147 articles of incorporation, partnerships, limited partnerships,
148 limited liability companies, either domestic or foreign and
149 authorized to transact business in this state, business
150 trusts, and any entity that is required to register with the
151 Secretary of State.

152 b. Any entity that possesses a business license,
153 permit, certificate, approval, registration, charter, or
154 similar form of authorization issued by the state; any entity
155 that is exempt by law from obtaining a business license; and
156 any entity that is operating unlawfully without a business
157 license.

158 (7) FOREIGN WORKER. An authorized alien as defined in
159 Section 4 of the act adding this section who has been granted
160 an Employment Authorization Document.

161 (8) LABOR BROKER. a. Any entity that recruits or hires,
162 or expects to recruit or hire, six or more foreign workers
163 during a calendar year for the purpose of supplying the
164 foreign workers to a third-party client, in exchange for
165 consideration, for job placement in the state. A labor broker
166 may also provide settlement services to foreign workers or
167 associated authorized aliens.

168 b. The term does not include a bona fide employment



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169 service provider, governmental department, agency, or a
170 political subdivision of the state, including a public
171 institution of higher education.

172 (9) SECRETARY. The Secretary of Workforce.

173 (10) SETTLEMENT SERVICES. Those services rendered on
174 behalf of a foreign worker or an associated authorized alien
175 including, but not limited to, any of the following:

176 a. Relocation from outside of the United States or from
177 another location within the United States to a community at or
178 near a worksite employer.

179 b. Application to DHS for approval of status as an
180 authorized alien as defined in Section 4 of the act adding
181 this section, including receipt of an Employment Authorization
182 Document.

183 c. Application to DHS to serve as a sponsor.

184 d. Arrangement or provision of housing at or near the
185 worksite employer.

186 e. Arrangement or provision of other services or
187 support, including, but not limited to, translating, access to
188 state and local public benefits and social services, driver
189 license, Social Security card, transportation, banking, health
190 care, school enrollment, visa application, clothing, household
191 essentials, or any other support.

192 (11) SPONSOR. The term includes the following:

193 a. When used as a noun, the same meaning as defined in
194 Section 4 of the act adding this section.

195 b. When used as a verb, to act as a sponsor within the
196 meaning defined in Section 4 of the act adding this section.



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197 (12) SPONSORSHIP. The status of being a sponsor as
198 defined in Section 4 of the act adding this section.

199 (13) STATE. The State of Alabama.

200 (14) THIRD-PARTY CLIENT. Any entity that contracts with
201 or gives consideration to a labor broker to obtain foreign
202 employment workers for job placement. The term may include a
203 bona fide service provider or worksite employer.

204 (15) WORKSITE EMPLOYER. The entity that supervises,
205 directs, or controls the daily or regular tasks performed by a
206 foreign worker at a job location, or the entity for which the
207 foreign worker performs services on a daily or regular basis
208 at a job location. The term includes, but is not limited to, a
209 plant, farm, factory, production or processing facility,
210 building site, office, retail or service outlet, vehicle or
211 equipment fleet, garage or repair facility, service route, or
212 other location in the state.

213 §25-11-33

214 (a) Beginning October 1, 2025, no entity may perform
215 the services of a labor broker in this state, as defined in
216 this article, unless the entity registers on an annual basis
217 with the department.

218 (b) Each entity subject to the registration requirement
219 shall file with the department a completed registration form
220 that shall include the following information:

221 (1) The names under which the entity conducts business.

222 (2) The address of the principal place of business of
223 the entity and the address of each office or location it
224 maintains in the state.



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225 (3) The entity's taxpayer or employer identification
226 number.

227 (4) A list by jurisdiction of each name under which the
228 entity has operated in the preceding five years, including any
229 alternative names and names of predecessor entities.

230 (5) The names of all individuals or entities who own,
231 directly or indirectly, any equity interest in the registering
232 entity, unless the registering entity distributes shares of
233 ownership to the public.

234 (6) Disclosure of any conviction in any jurisdiction
235 for any crime of moral turpitude as defined in Section
236 34-13-1, or human trafficking, committed by an individual who
237 is an employee or a contractor who performs work for the
238 entity.

239 (7) If the registrant is a foreign entity, the name and
240 location of the individual or entity's registered agent in the
241 state.

242 (c) The information required under subsection (b) shall
243 be submitted to the department under oath with the notarized
244 signature of an officer or principal of the entity.

245 (d) If the information submitted to the department
246 discloses that an employee or a contractor who performs
247 services for the entity has been convicted for a crime as
248 described in subdivision (b)(6), and the employee or
249 contractor is located in the state, the entity shall be
250 ineligible to perform the services of a labor broker in this
251 state while the entity retains the individual as an employee
252 or contractor.



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253 (e) The department shall adopt rules establishing the
254 following:

255 (1) The registration fee and any filing fees in amounts
256 that are sufficient for the department to administer this
257 article.

258 (2) Additional information required by the registration
259 form and provisions for supplementing or revising registration
260 information, as is necessary to administer this article.

261 §25-11-34

262 A labor broker subject to the registration requirement
263 of Section 25-11-33 shall submit to the department, on an
264 annual basis, a report that contains the following information
265 with respect to each foreign worker referred or supplied to a
266 third-party client:

267 (1) The name of the foreign worker and the nation of
268 origin.

269 (2) The location within or outside the United States at
270 which the labor broker first established contact with the
271 foreign worker.

272 (3) The identity of the third-party client in the state
273 to which the foreign worker was referred, delegated, or
274 supplied.

275 §25-11-35

276 (a) Beginning October 1, 2025, a labor broker subject
277 to the registration requirement of Section 25-11-33 or a
278 charitable organization that is a sponsor shall comply with
279 the requirements of this section.

280 (b) (1) A labor broker or charitable organization shall



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281 submit to the department, for each foreign worker and each
282 associated authorized alien it sponsors, copies of: (i) the
283 declaration or affidavit of support submitted to DHS; and (ii)
284 approval by DHS of sponsor status.

285 (2) The information required in subdivision (1) shall
286 be submitted to the department no later than 30 days after
287 receiving approval from DHS of sponsor status.

288 (3) If the place of residence of the foreign worker or
289 associated authorized alien under sponsorship changes from the
290 residence as shown in the declaration or affidavit of support,
291 the labor broker or charitable organization is under a
292 continuous duty for the duration of the sponsorship to notify
293 the department of the change in address.

294 (c) Any labor broker or charitable organization that
295 arranges for, or refers, a foreign worker or any associated
296 authorized alien to any individual or other entity for
297 sponsorship shall submit to the department, on an annual
298 basis, all of the following information:

299 (1) The name of the foreign worker or associated
300 authorized alien for whom the proposed sponsorship was
301 arranged or the referral was made.

302 (2) In the case of an individual to provide
303 sponsorship, the individual's residential address and
304 available contact information.

305 (3) In the case of an entity to provide sponsorship,
306 the address of the location of operation and available contact
307 information.

308 §25-11-36



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309 A labor broker that recruits or hires a foreign worker
310 for supply to a third-party client in this state shall confirm
311 the identity of the foreign worker and the foreign worker's
312 employment authorization status with E-Verify pursuant to
313 Section 31-13-15, unless the labor broker is the entity
314 assisting the foreign worker to obtain an employment
315 authorization document from DHS.

316 §25-11-37

317 (a) There is established a foreign worker resource
318 database, to comprise the information for registration,
319 reporting, or submission to the department required by this
320 article and Section 31-13-15, to be cross-matched by an
321 individual and entity, regardless of status as a foreign
322 worker, associated authorized alien, labor broker, charitable
323 organization, third-party client, or sponsor.

324 (b) The department shall implement and maintain the
325 database.

326 (c) Information from the database may be shared on
327 request with DHS, other departments and agencies of the state,
328 and any political subdivision of the state.

329 §25-11-38

330 (a) The registration and reporting requirements of this
331 article, and the civil and criminal penalties provided herein,
332 shall not be construed to govern or apply to any third-party
333 client, bona fide employment service provider, or worksite
334 employer.

335 (b) This article shall not be construed to supersede
336 the Beason-Hammon Alabama Taxpayer and Citizen Protection Act,



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337 Chapter 13, Title 31, and the defenses provided to employers
338 that terminate employees discovered to be unauthorized aliens
339 if the employers are in compliance with E-Verify and other
340 employment laws.

341 §25-11-39

342 (a) The department may impose the following penalties
343 for noncompliance with this article:

344 (1) For failure to register or failure to renew
345 registration as required pursuant to Section 25-11-33, an
346 administrative fine of no more than five hundred dollars
347 (\$500).

348 (2) For each separate failure to submit any information
349 as required by Sections 25-11-34 through 25-11-36, an
350 administrative fine of not less than two hundred fifty dollars
351 (\$250) nor more than five hundred dollars (\$500).

352 (b) (1) The secretary may investigate, audit, or review
353 any labor broker or charitable organization when there is a
354 reasonable basis to suspect that any of the same may be liable
355 for any of the following violations of this article:

356 a. Submission by a labor broker or charitable
357 organization of information to the department required under
358 this article that is materially false, including any
359 intentional omission in a facially complete report or
360 submission.

361 b. Retention by a labor broker of an employee or
362 contractor who is located in this state and who has been
363 convicted of a crime of moral turpitude or human trafficking
364 as described in Section 25-11-33.



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365 c. Deduction by a labor broker of an amount greater
366 than 15 percent from the wage or other compensation paid to a
367 foreign worker, or withholding any higher percentage of the
368 same, as payment or reimbursement for a settlement service
369 provided or arranged by a labor broker to a foreign worker or
370 any associated authorized alien, or for any other reason.

371 (2) The secretary may impose a civil fine of not less
372 than one thousand dollars (\$1,000) nor more than five thousand
373 dollars (\$5,000) for each violation in subdivision (1).

374 (3) The secretary may bring a civil action in the
375 Circuit Court of Montgomery County or the county in which the
376 violation under subdivision (1) occurred to permanently enjoin
377 any entity from engaging in the activities of a labor broker.

378 (4) The secretary may refer a violation of this article
379 described in subdivision (1) to the Attorney General for
380 prosecution as a Class C felony in the Circuit Court of
381 Montgomery County.

382 (c) If, during an investigation, audit, or review of a
383 labor broker, the secretary acquires actual knowledge that
384 human trafficking may be occurring in violation of Article 8,
385 Chapter 6, Title 13A, the secretary shall refer the
386 information to the Attorney General for further investigation.

387 (d) The secretary may refer any entity that is subject
388 to the registration and reporting requirements of this article
389 to the Secretary of State for further enforcement pursuant to
390 Section 5 of the act adding this section where any of the
391 following applies:

392 (1) An entity fails to pay an administrative fine



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393 provided under subsection (a) within 180 days of its
394 assessment by the department.

395 (2) An entity is determined by the secretary to have
396 committed a violation under subsection (b).

397 §25-11-40

398 (a) The Foreign Worker Resource Fund is created as a
399 special fund in the State Treasury to the credit of the
400 department.

401 (b) All registration and other fees adopted by rule to
402 administer this article, and all administrative and civil
403 fines collected by the department, shall be deposited into the
404 fund and shall be budgeted and allotted in accordance with
405 Article 4 of Chapter 4, and Chapter 19, Title 41.

406 (c) The department may use monies in the fund for the
407 administration and enforcement of this article.

408 §25-11-41

409 The department shall adopt rules and forms to implement
410 and administer this article.

411 Section 4. (a) For the purposes of this section, the
412 following words have the following meanings:

413 (1) AUTHORIZED ALIEN. The term includes all of the
414 following:

415 a. An alien who is lawfully present in the United
416 States for a limited period of time on the basis of parole
417 granted pursuant to a federal law, regulation, order, or
418 directive.

419 b. An alien who is lawfully present in the United
420 States based on asylum or a pending application for asylum



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421 pursuant to 8 U.S.C. § 1158 or another federal law,
422 regulation, order, or directive.

423 c. An alien who is lawfully present in the United
424 States on humanitarian grounds based on a federal law,
425 regulation, order, or directive, including, but not limited
426 to, visa classifications T and U, and the Special Immigrant
427 Juvenile Classification.

428 (2) SPONSOR. Any individual or entity who has been
429 granted status as a financial supporter of an authorized alien
430 on an Affidavit of Financial Support, or a similar federal
431 document submitted to the United States Department of Homeland
432 Security.

433 (3) SPONSORSHIP. The status of having a sponsor.

434 (4) STATE OR LOCAL PUBLIC BENEFIT. Benefits
435 administered by a department, agency, or political subdivision
436 of the state that may include, but not be limited to, welfare,
437 health, disability, public or assisted housing, postsecondary
438 education, food assistance, or unemployment for which payments
439 or assistance are provided to an individual, household, or
440 family eligibility unit as defined in 8 U.S.C. § 1621. The
441 term includes "any means-tested public benefit" as referred to
442 in 8 U.S.C. § 1183a.

443 (b)(1) A state department, agency, or political
444 subdivision, pursuant to Section 31-13-7, Code of Alabama
445 1975, shall determine through the Systematic Alien
446 Verification for Entitlements (SAVE) program whether an alien
447 who applies for a state or local public benefit is lawfully
448 present in the United States.



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449 (2)a. If the department, agency, or political
450 subdivision verifies under subdivision (1) that the applicant
451 is an authorized alien, the department, agency, or political
452 subdivision shall require the applicant to provide, when
453 applying for a state or local public benefit, all of the
454 following:

455 1. The authorized alien's USCIS (U.S. Citizenship and
456 Immigration Services) number or Alien Registration Number.

457 2. If applicable, the identity of the authorized
458 alien's sponsor, accompanied with a copy of the Declaration of
459 Financial Support, Affidavit of Financial Support, or similar
460 federal document submitted by the sponsor of the alien to the
461 United States Department of Homeland Security.

462 b. In cases in which the applying authorized alien has
463 a sponsor, the department, agency, or political subdivision
464 shall do the following:

465 1. If the copy of the Declaration of Financial Support,
466 Affidavit of Financial Support, or similar federal document
467 indicates that the sponsor has promised to provide financial
468 or other support to the applicant that is identical to the
469 state or local public benefit for which the applicant is
470 applying, the department, agency, or political subdivision may
471 deny the application unless the applicant affirms in writing
472 and under oath that the sponsor is not providing the financial
473 or other support promised, accompanied by the reason for this
474 failure.

475 2. If an applying authorized alien is unable to
476 identify his or her sponsor, or is unable to provide a copy of



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477 the Declaration of Financial Support, Affidavit of Financial
478 Support, or similar federal document, the department, agency,
479 or political subdivision, as a requirement for considering the
480 application, shall require that the applicant sign a consent
481 form for the department, agency, or political subdivision to
482 make a request under the federal Freedom of Information Act
483 for a copy of all sponsor documents contained in the
484 applicant's alien file maintained by the U.S. Citizenship and
485 Immigration Services component of the United States Department
486 of Homeland Security.

487 3. The inability of a department, agency, or political
488 subdivision to identify the sponsor, or the financial or other
489 support promised by the sponsor, through the steps provided in
490 this subdivision, or from information held by another
491 department or agency of the State of Alabama, shall not bar
492 approval of a benefit if the applicant otherwise qualifies.

493 (c) (1) A sponsor shall be liable for reimbursement to a
494 department, agency, or political subdivision when all of the
495 following conditions are met:

496 a. While residing in the state, an authorized alien
497 receives a state or local public benefit based on an
498 application made by or on behalf of an authorized alien that
499 is approved by the department, agency, or political
500 subdivision that administers the benefit.

501 b. During at least part of the period in which an
502 authorized alien receives a state or local public benefit, the
503 authorized alien is under sponsorship.

504 c. The state or local public benefit received by the



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505 authorized alien is identical to support, whether cash or in
506 kind, which the sponsor promises to provide to the authorized
507 alien as indicated or described in a Declaration of Financial
508 Support, Affidavit of Financial Support, or similar federal
509 document that bears the sponsor's electronic or paper
510 signature.

511 (2) A sponsor is not liable under this subsection in
512 any of the following cases:

513 a. The sponsor promises in the Declaration of Financial
514 Support, Affidavit of Financial Support, or similar federal
515 document to assist or arrange for an authorized alien to
516 obtain a particular state or local public benefit that is
517 received by the authorized alien.

518 b. The sponsor is unable to fulfill the promise of
519 support in the Declaration of Financial Support, Affidavit of
520 Financial Support, or other similar federal document because
521 the sponsor loses contact with the authorized alien through no
522 fault of the sponsor.

523 c. The authorized alien obtains a state or local public
524 benefit in a manner unknown to the sponsor while the sponsor
525 is providing identical support.

526 (3) A department, agency, or political subdivision may
527 collect from the sponsor reimbursement for the amount owed for
528 the state or local public benefit, being either the
529 outstanding balance expended or a reasonable value of in-kind
530 benefits, when the conditions in subdivision (1) are met.

531 (4) If collection efforts by a department, agency, or
532 political subdivision under subdivision (3) fail to satisfy



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533 the amount owed by the sponsor, the matter may be referred to
534 the Attorney General for enforcement.

535 a. The Attorney General may bring a civil action
536 against a sponsor in the Circuit Court of Montgomery County or
537 the circuit court of the county in which the sponsor indicated
538 the support would be provided to the authorized alien, in
539 which the Attorney General may pursue any of the following:

540 1. Recovery of the amount owed for the state or local
541 public benefit provided to the authorized alien.

542 2. Recovery of reasonable costs and attorney fees.

543 3. If the sponsor is a labor broker or charitable
544 organization as defined in Section 25-11-32, Code of Alabama
545 1975, an order directing the state, county, or municipal
546 governing body to revoke all existing business licenses and
547 permits held by the labor broker or charitable organization
548 for a period of no less than three years.

549 b. If the sponsor is a labor broker or charitable
550 organization as defined in Section 25-11-32, Code of Alabama
551 1975, the Attorney General may also refer the matter to the
552 Secretary of State for further enforcement pursuant to Section
553 5 of the act adding this section.

554 (5) Collection for reimbursement of a state or local
555 public benefit from a sponsor under subdivisions (3) and (4)
556 shall be undertaken consistent with 8 U.S.C. § 1183a and the
557 underlying regulations in any sponsorship cases that are
558 governed thereby.

559 (6) In any case in which the state or local public
560 benefit to be collected from a sponsor under this subsection



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561 includes federal funds disbursed through a department, agent,
562 or political subdivision of the state, the federal department,
563 agency, program, or fund shall have a lien on the amount
564 recovered for the federal portion of the benefit recovered.

565 (d) (1) Any department, agency, or political subdivision
566 which administers a state or local public benefit shall
567 develop forms to comply with the requirements of this section.

568 (2) Any department, agency, or political subdivision
569 that is authorized by law to adopt rules may do so to
570 implement the requirements of this section.

571 (e) If an authorized alien under sponsorship applies
572 for and receives a state or local public benefit without the
573 knowledge of the sponsor while receiving support from the
574 sponsor which is identical to the state or local public
575 benefit as attested by the sponsor's Declaration of Financial
576 Support, Affidavit of Financial Support, or similar federal
577 document, the sponsor may recover in a civil action from the
578 authorized alien, the amount or value of support expended,
579 including reasonable costs and attorney fees.

580 Section 5. (a) The Secretary of State may commence a
581 proceeding under Section 10A-1-7.13, Code of Alabama 1975, to
582 revoke the registration of a foreign entity that is a labor
583 broker or charitable organization as defined in Section
584 25-11-32, Code of Alabama 1975, to transact business in this
585 state upon the occurrence of any of the following:

586 (1) Referral by the Secretary of Workforce for failure
587 to pay an administrative fine or a violation pursuant to
588 Section 25-11-39, Code of Alabama 1975.



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589 (2) Referral by the Attorney General for failure to
590 provide support as the sponsor of an authorized alien pursuant
591 to Section 4 of the act adding this section.

592 (3) Referral by the Attorney General upon felony
593 conviction of the foreign entity, or an individual employee or
594 contractor thereof, for a violation pursuant to Section
595 25-11-39, Code of Alabama 1975.

596 (b) The Secretary of State may dissolve an entity that
597 is a labor broker or charitable organization as defined in
598 Section 25-11-32, Code of Alabama 1975, and which is organized
599 under Title 10A, Code of Alabama 1975, upon the occurrence of
600 any of the following:

601 (1) Referral by the Secretary of Workforce for failure
602 to pay an administrative fine or a violation pursuant to
603 Section 25-11-39, Code of Alabama 1975.

604 (2) Referral by the Attorney General for failure to
605 provide support as the sponsor of an authorized alien pursuant
606 to Section 4 of the act adding this section.

607 (3) Referral by the Attorney General upon felony
608 conviction of the domestic entity, or an employee or
609 contractor thereof, for a violation pursuant to Section
610 25-11-39, Code of Alabama 1975.

611 Section 6. Section 31-13-9, Code of Alabama 1975, is
612 amended to read as follows:

613 "§31-13-9

614 (a) As a condition for the award of any contract,
615 grant, or incentive by the state, any political subdivision
616 thereof, or any state-funded entity to a business entity or



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617 employer that employs one or more employees, the business
618 entity or employer shall not knowingly employ, hire for
619 employment, or continue to employ an unauthorized alien within
620 the State of Alabama.

621 (b) As a condition for the award of any contract,
622 grant, or incentive by the state, any political subdivision
623 thereof, or any state-funded entity to a business entity or
624 employer that employs one or more employees within the State
625 of Alabama, the business entity or employer shall provide
626 documentation establishing that the business entity or
627 employer is enrolled in the E-Verify program. During the
628 performance of the contract, the business entity or employer
629 shall participate in the E-Verify program and shall verify
630 every employee that is required to be verified according to
631 the applicable federal rules and regulations.

632 (c) Any subcontractor on a project paid for by
633 contract, grant, or incentive by the state, any political
634 subdivision thereof, or any state-funded entity shall not
635 knowingly employ, hire for employment, or continue to employ
636 an unauthorized alien within the State of Alabama and shall
637 also enroll in the E-Verify program prior to performing any
638 work on the project. Furthermore, during the performance of
639 the contract, the subcontractor shall participate in the
640 E-Verify program and shall verify every employee that is
641 required to be verified according to the applicable federal
642 rules and regulations. This subsection shall only apply to
643 subcontractors performing work on a project subject to the
644 provisions of this section and not to collateral persons or



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645 business entities hired by the subcontractor.

646 (d) (1) A contractor of any tier shall not be liable
647 under this section when such contractor contracts with its
648 direct subcontractor who violates subsection (c) unless it is
649 shown that the contractor ~~knew or should have known~~had actual
650 knowledge that the direct subcontractor was in violation of
651 subsection (c).

652 (2) A business entity or employer shall not be liable
653 under this section when the business entity or employer hires,
654 retains, or uses the services of an employee supplied by a
655 labor broker as defined in Section 25-11-32, unless the court
656 finds that the business entity or employer hired, retained, or
657 used the services of an employee with actual knowledge that
658 the labor broker did not verify the employee's employment
659 authorization status or otherwise help the employee to obtain
660 employment authorization pursuant to Section 25-11-36.

661 (e) (1) Upon a finding by a court of competent
662 jurisdiction of a first violation of subsection (a) by any
663 business entity or employer, ~~including a subcontractor:~~

664 a. The business entity or employer shall be deemed in
665 breach of contract and the state, political subdivision
666 thereof, or state-funded entity may terminate the contract
667 after providing notice and an opportunity to be heard.

668 b. The court shall do all of the following:

669 1. Order the business entity or employer to terminate
670 the employment of every unauthorized alien.

671 2. Subject the business entity or employer to a
672 three-year probationary period throughout the state. During



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673 the probationary period, the business entity or employer shall
674 file quarterly reports with the Department of ~~Labor~~Workforce
675 of each new employee who is hired by the business entity or
676 employer in the state.

677 3. Order the business entity or employer to file,
678 subject to the penalty of perjury, a signed, sworn affidavit
679 with the Department of ~~Labor~~Workforce within three days after
680 the order is issued by the court stating that the business
681 entity or employer has terminated the employment of every
682 unauthorized alien and the business entity or employer will
683 not knowingly or intentionally employ an unauthorized alien in
684 this state.

685 c.1. If the court determines that the business entity
686 or employer has a policy or practice that violates this
687 section, the court shall direct the applicable state, county,
688 or municipal governing bodies to suspend the business licenses
689 or permits of the business entity or employer for a period not
690 to exceed 60 days specific to the location or locations where
691 the unauthorized alien performed work.

692 2. Before a business license or permit that has been
693 suspended under this paragraph is reinstated, a legal
694 representative of the business entity or employer shall submit
695 to the court a signed, sworn affidavit stating that the
696 business entity or employer is in compliance with the
697 provisions of this subdivision and a copy of the Memorandum of
698 Understanding issued to the business entity or employer at the
699 time of enrollment in the E-Verify program.

700 (2) Upon a finding by a court of competent jurisdiction



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701 of a second violation of subsection (a) by a business entity
702 or employer, ~~including a subcontractor,~~ awarded a contract by
703 the state, any political subdivision thereof, or any
704 state-funded entity that occurs within ~~ten~~10 years of a
705 finding by a court of competent jurisdiction of a first
706 violation by the business entity or employer:

707 a. The business entity or employer shall be deemed in
708 breach of contract and the state, political subdivision
709 thereof, or state-funded entity shall terminate the contract
710 after providing notice and an opportunity to be heard.

711 b. The court shall do all of the following:

712 1. Order the business entity or employer to terminate
713 the employment of every unauthorized alien.

714 2. Subject the business entity or employer to a
715 five-year probationary period throughout the state. During the
716 probationary period, the business entity or employer shall
717 file quarterly reports with the Department of ~~Labor~~Workforce
718 of each new employee who is hired by the business entity or
719 employer in the state.

720 3. Order the business entity or employer to file,
721 subject to the penalty of perjury, a signed, sworn affidavit
722 with the Department of ~~Labor~~Workforce within three days after
723 the order is issued by the court stating that the business
724 entity or employer has terminated the employment of every
725 unauthorized alien and the business entity or employer will
726 not knowingly or intentionally employ an unauthorized alien in
727 this state.

728 c.1. If the court determines that the business entity



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729 or employer has a policy or practice that violates this
730 section, the court shall direct the applicable state, county,
731 or municipal governing bodies to suspend the business licenses
732 or permits of the business entity or employer for a period not
733 less than 60 days and not to exceed 120 days specific to the
734 location or locations where the unauthorized alien performed
735 work.

736 2. Before a business license or permit that has been
737 suspended under this paragraph is reinstated, a legal
738 representative of the business entity or employer shall submit
739 to the court a signed, sworn affidavit stating that the
740 business entity or employer is in compliance with the
741 provisions of this subdivision and a copy of the Memorandum of
742 Understanding issued to the business entity or employer at the
743 time of enrollment in the E-Verify program.

744 d. A finding by a court of competent jurisdiction of a
745 second violation of subsection (a) that does not occur within
746 ~~ten~~10 years of a first violation shall still be considered a
747 second violation of subsection (a) by the business entity or
748 employer, even though the penalty for the second violation
749 shall be governed by subdivision (1).

750 (3) Upon a finding by a court of competent jurisdiction
751 of a third violation of subsection (a) by a business entity or
752 employer, ~~including a subcontractor,~~ awarded a contract by the
753 state, any political subdivision thereof, or any state-funded
754 entity:

755 a. The business entity or employer shall be deemed in
756 breach of contract and the state, political subdivision



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757 thereof, or state-funded entity shall terminate the contract
758 after providing notice and an opportunity to be heard.

759 b. The court shall direct the applicable state, county,
760 or municipal governing bodies to permanently revoke all
761 business licenses or permits of the business entity or
762 employer.

763 (4)a. For the purposes of this subdivision, an
764 "incentive" is any arrangement whereby the state or a
765 political subdivision authorizes a loss in revenue due to a
766 special exclusion, exemption, or deduction, or a special tax
767 credit or preferential tax rate, that may be claimed by a
768 business entity or employer.

769 b.1. Upon a finding by a court of competent
770 jurisdiction of a second violation of subsection (a), in
771 addition to the requirements and penalties provided under
772 subdivisions (1) and (2), the court shall direct both of the
773 following:

774 (i) That the business entity or employer forfeit any
775 incentive that it otherwise lawfully claims.

776 (ii) That the business entity or employer pay the state
777 or political subdivision the monetary amount for which the
778 business entity or employer would have been liable in the
779 absence of claiming the incentive for the period during which
780 the unauthorized alien was employed.

781 2. A business entity or employer that is penalized
782 under subparagraph 1., may again claim the incentive no
783 earlier than the fourth anniversary of the date of forfeiture
784 if the entity or employer has satisfied any payment directed



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785 by the court under item b.1.(ii).

786 (f) (1) This section shall not be construed to deny any
787 procedural mechanisms or legal defenses included in the
788 E-Verify program or any other federal work authorization
789 program.

790 (2) A business entity or employer that has enrolled in
791 the E-Verify program and has used the program to verify the
792 work authorization of an employee shall not be liable under
793 this section for violations resulting from the hiring of that
794 employee.

795 (g) The Secretary of State may adopt rules to
796 administer this section and shall report any rules adopted to
797 the Legislature.

798 (h) Compliance with this section may be verified by the
799 contracting authority or any state or local law enforcement
800 agency at any time to ensure a contractual agreement as
801 provided for in this section is being met.

802 (i) Anything to the contrary notwithstanding, this
803 section shall not apply to agreements by the state, any
804 political subdivision thereof, or any state-funded entity
805 relating to debt obligations by such entities.

806 (j) Any business entity or employer found in violation
807 of this section that has had their business license or permit
808 suspended ~~shall not~~, for the duration of the suspension, shall
809 not be allowed, directly or indirectly, to procure or execute
810 a license or permit similar to those that have been suspended.

811 (k) All contracts or agreements to which the state, a
812 political subdivision, or state-funded entity are a party



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813 shall include the following clause: "By signing this contract,
814 the contracting parties affirm, for the duration of the
815 agreement, that they will not violate federal immigration law
816 or knowingly employ, hire for employment, or continue to
817 employ an unauthorized alien within the State of Alabama.
818 Furthermore, a contracting party found to be in violation of
819 this provision shall be deemed in breach of the agreement and
820 shall be responsible for all damages resulting therefrom."

821 (l) For the purposes of this section, "contract"~~shall~~
822 ~~mean~~ means a contract awarded by the state, any political
823 subdivision thereof, or any state-funded entity that was
824 competitively bid or ~~would~~, if entered into by the state or an
825 agency thereof, would be required to be submitted to the
826 Contract Review Permanent Legislative Oversight Committee.

827 (m) All actions brought under this section shall be
828 brought in circuit court."

829 Section 7. This act shall become effective on October
830 1, 2025.



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House of Representatives

Read for the first time and referred18-Feb-25
to the House of Representatives
committee on Judiciary

Read for the second time and placed27-Feb-25
on the calendar:
1 amendment

Read for the third time and passed06-Mar-25
as amended
Yeas 81
Nays 0
Abstains 19

John Treadwell
Clerk