

# HB302 INTRODUCED



1 HB302  
2 YLKJ2N2-1  
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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SYNOPSIS:

Under existing federal immigration law, foreign workers may be lawfully present in the U.S. without a visa, either under a parole program or due to asylum status. Workers may be recruited in their home country or elsewhere in the U.S. by a labor broker for placement in a job in the State of Alabama. By law, an alien in a parole program must also have a sponsor who provides help with income and basic needs, including, but not limited to, housing.

This bill requires labor brokers that recruit a certain number of foreign workers for employment in the State of Alabama to register with the Department of Workforce. Labor brokers may be required to use E-Verify to confirm that foreign workers are authorized to work. Labor brokers and nonprofit organizations must also inform the department if they directly sponsor a foreign worker or identify individuals or organizations they may be using to act as sponsors.

The Secretary of Workforce is authorized to impose administrative fines for failure to register and comply with the reporting requirements. The Secretary of Workforce may also investigate labor brokers and



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29 nonprofit organizations for certain violations, which  
30 may carry a civil penalty or a criminal liability.

31 In addition, the Secretary of Workforce or the  
32 Attorney General may refer a company acting as a labor  
33 broker or nonprofit organization to the Secretary of  
34 State to terminate authorization to do business in the  
35 state.

36 This bill further requires a lawful alien who  
37 applies for public benefits to disclose the identity of  
38 a sponsor as part of the application. A sponsor would  
39 be liable to a department or agency for public  
40 assistance that is granted to a lawful alien in place  
41 of support the sponsor promised but did not provide.  
42 The Attorney General is authorized to pursue recovery  
43 of the benefit against the sponsor in a civil action.

44 If the sponsor is also a labor broker or  
45 nonprofit organization, the Attorney General is also  
46 authorized to seek revocation of any permits or  
47 licenses to do business for a period of time.

48 This bill further requires employers to share  
49 the U.S. Citizenship and Immigration Services number of  
50 a foreign worker who they hire with the Department of  
51 Workforce.

52 Under this bill, a business entity would also  
53 forfeit any tax incentives for employing unauthorized  
54 aliens.

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A BILL

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TO BE ENTITLED

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AN ACT

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Relating to immigration; to amend Section 25-11-5, Code

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of Alabama 1975, to further provide for the directory of new

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hires maintained by the Department of Workforce; to add

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Article 2 to Chapter 11, Title 25, Code of Alabama 1975, to be

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known as the Alabama Foreign Worker Transparency Act, to

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require labor brokers that recruit or hire foreign workers for

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eventual job placement in this state to register with the

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Department of Workforce; to impose reporting requirements on

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labor brokers and charitable organizations that provide

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financial support to foreign workers; to authorize the

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Secretary of Workforce to investigate labor brokers and

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charitable organizations for certain violations; to provide

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civil penalties for violations; to provide a criminal penalty

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for violations; to authorize departments and agencies that

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administer public benefits to require disclosure of the

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financial sponsor when a lawful alien applies for benefits; to

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require reimbursement from a sponsor in case the lawful alien

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receives public benefits in place of support promised by the

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sponsor; to authorize a civil action by the Attorney General

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to enforce collection of reimbursement; and to provide

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authority for the Secretary of State to dissolve a domestic

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entity or to revoke the registration of a foreign entity; and

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to amend Section 31-13-9, Code of Alabama 1975, to specify



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85 that employers may lose public incentives for hiring an  
86 unauthorized alien.

87 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

88 Section 1. Sections 25-11-1 through 25-11-17 of Chapter  
89 11 of Title 25, Code of Alabama 1975, are designated as  
90 Article 1.

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

93 "§25-11-5

94 (a) An employer shall report to the department, within  
95 seven days of hiring, each new hire, recall, or rehire. The  
96 information to be reported shall include the name, address,  
97 Social Security number or United States Citizenship and  
98 Immigration Services (USCIS) number, and date of hire of each  
99 newly hired, recalled, or rehired individual and the name,  
100 address, and state and federal identification numbers of the  
101 employer. The information shall be reported on forms supplied  
102 by the department or by such other method as approved by the  
103 secretary. Notwithstanding the foregoing, employers may  
104 transmit reports to the department magnetically or  
105 electronically twice a month, not less than 12 days nor more  
106 than 16 days apart, when required.

107 (b) The department shall enter into the State Directory  
108 of New Hires the information received from an employer within  
109 five days of receipt.

110 (c) The department shall provide this information to  
111 the Department of Human Resources in a timely manner as agreed  
112 upon by the secretary and the commissioner, for purposes of



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113 identifying individuals with outstanding legal child support  
114 obligations.

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

119 (e) Within three days of entry into the State Directory  
120 of New Hires, the department shall forward the new hire,  
121 recall, and rehire information to the Federal Department of  
122 Health and Human Services for inclusion in the National  
123 Directory of New Hires."

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

127 Article 2.

128 §25-11-30

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

131 §25-11-31

132 The Legislature finds the following:

133 (1) Significant numbers of foreign nationals are being  
134 settled in Alabama communities to fill positions in plants,  
135 businesses, or seasonal jobs through worker supply chains that  
136 may include labor brokers and individuals or entities that  
137 have pledged to provide housing and financial support.

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



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

145 (4) Settlement services and other assistance provided  
146 to foreign workers and their dependents by charitable  
147 organizations is also significant to the placement of foreign  
148 workers in the United States, exerting significant influence  
149 on our communities, economy, and workforce.

150 (5) Without burdening lawfully operating businesses,  
151 employers, temporary employment agencies, employment agencies,  
152 or professional employer organizations, it is imperative that  
153 the pathways by which foreign nationals are recruited to work  
154 in Alabama communities, and the collaborative roles of labor  
155 brokers, nongovernmental organizations, and sponsors in these  
156 processes be made transparent, with an orderly means to gather  
157 reliable information and data on the foreign segment of our  
158 workforce.

159 §25-11-32

160 As used in this article, the following words have the  
161 following meanings:

162 (1) ASSOCIATED AUTHORIZED ALIEN. An authorized alien as  
163 defined in Section 4 of the act adding this section who meets  
164 both of the following requirements:

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

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



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

174 a. Files federal and state employment tax returns for  
175 their temporary worker employees.

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

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

180 (3) CHARITABLE ORGANIZATION. An entity which holds  
181 itself out as providing benevolent, philanthropic, or  
182 humanitarian aid or services, and which may perform activities  
183 that include education or advocacy to influence law and  
184 government policy. The term includes those entities known as  
185 nongovernmental organizations and charities affiliated with  
186 churches or other religious groups.

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

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

191 (6) ENTITY. Any individual or group of individuals  
192 employing or contracting with one or more individuals to  
193 perform or engage in any activity, enterprise, profession,  
194 occupation for gain, benefit, advantage, livelihood, or  
195 charitable activity, whether for profit or not for profit, and  
196 including, but not limited to, the following:





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197 a. Self-employed individuals, business entities filing  
198 articles of incorporation, partnerships, limited partnerships,  
199 limited liability companies, either domestic or foreign and  
200 authorized to transact business in this state, business  
201 trusts, and any entity that is required to register with the  
202 Secretary of State.

203 b. Any entity that possesses a business license,  
204 permit, certificate, approval, registration, charter, or  
205 similar form of authorization issued by the state; any entity  
206 that is exempt by law from obtaining a business license; and  
207 any entity that is operating unlawfully without a business  
208 license.

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

212 (8) LABOR BROKER. a. Any entity that recruits or hires,  
213 or expects to recruit or hire, six or more foreign workers  
214 during a calendar year for the purpose of supplying the  
215 foreign workers to a third-party client, in exchange for  
216 consideration, for job placement in the state. A labor broker  
217 may also provide settlement services to foreign workers or  
218 associated authorized aliens.

219 b. The term does not include a bona fide employment  
220 service provider, governmental department, agency, or a  
221 political subdivision of the state, including a public  
222 institution of higher education.

223 (9) SECRETARY. The Secretary of Workforce.

224 (10) SETTLEMENT SERVICES. Those services rendered on



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225 behalf of a foreign worker or an associated authorized alien  
226 including, but not limited to, any of the following:

227 a. Relocation from outside of the United States or from  
228 another location within the United States to a community at or  
229 near a worksite employer.

230 b. Application to DHS for approval of status as an  
231 authorized alien as defined in Section 4 of the act adding  
232 this section, including receipt of an Employment Authorization  
233 Document.

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

235 d. Arrangement or provision of housing at or near the  
236 worksite employer.

237 e. Arrangement or provision of other services or  
238 support, including, but not limited to, translating, access to  
239 state and local public benefits and social services, driver  
240 license, Social Security card, transportation, banking, health  
241 care, school enrollment, visa application, clothing, household  
242 essentials, or any other support.

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

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

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

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

250 (13) STATE. The State of Alabama.

251 (14) THIRD-PARTY CLIENT. Any entity that contracts with  
252 or gives consideration to a labor broker to obtain foreign



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253 employment workers for job placement. The term may include a  
254 bona fide service provider or worksite employer.

255 (15) WORKSITE EMPLOYER. The entity that supervises,  
256 directs, or controls the daily or regular tasks performed by a  
257 foreign worker at a job location, or the entity for which the  
258 foreign worker performs services on a daily or regular basis  
259 at a job location. The term includes, but is not limited to, a  
260 plant, farm, factory, production or processing facility,  
261 building site, office, retail or service outlet, vehicle or  
262 equipment fleet, garage or repair facility, service route, or  
263 other location in the state.

264 §25-11-33

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

269 (b) Each entity subject to the registration requirement  
270 shall file with the department a completed registration form  
271 that shall include the following information:

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

273 (2) The address of the principal place of business of  
274 the entity and the address of each office or location it  
275 maintains in the state.

276 (3) The entity's taxpayer or employer identification  
277 number.

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



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281 (5) The names of all individuals or entities who own,  
282 directly or indirectly, any equity interest in the registering  
283 entity, unless the registering entity distributes shares of  
284 ownership to the public.

285 (6) Disclosure of any conviction in any jurisdiction  
286 for any crime of moral turpitude as defined in Section  
287 34-13-1, or human trafficking, committed by an individual who  
288 is an employee or a contractor who performs work for the  
289 entity.

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

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

296 (d) If the information submitted to the department  
297 discloses that an employee or a contractor who performs  
298 services for the entity has been convicted for a crime as  
299 described in subdivision (b)(6), and the employee or  
300 contractor is located in the state, the entity shall be  
301 ineligible to perform the services of a labor broker in this  
302 state while the entity retains the individual as an employee  
303 or contractor.

304 (e) The department shall adopt rules establishing the  
305 following:

306 (1) The registration fee and any filing fees in amounts  
307 that are sufficient for the department to administer this  
308 article.



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

312 §25-11-34

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

318 (1) The name of the foreign worker and the nation of  
319 origin.

320 (2) The location within or outside the United States at  
321 which the labor broker first established contact with the  
322 foreign worker.

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

326 §25-11-35

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

331 (b) (1) A labor broker or charitable organization shall  
332 submit to the department, for each foreign worker and each  
333 associated authorized alien it sponsors, copies of: (i) the  
334 declaration or affidavit of support submitted to DHS; and (ii)  
335 approval by DHS of sponsor status.

336 (2) The information required in subdivision (1) shall



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337 be submitted to the department no later than 30 days after  
338 receiving approval from DHS of sponsor status.

339 (3) If the place of residence of the foreign worker or  
340 associated authorized alien under sponsorship changes from the  
341 residence as shown in the declaration or affidavit of support,  
342 the labor broker or charitable organization is under a  
343 continuous duty for the duration of the sponsorship to notify  
344 the department of the change in address.

345 (c) Any labor broker or charitable organization that  
346 arranges for, or refers, a foreign worker or any associated  
347 authorized alien to any individual or other entity for  
348 sponsorship shall submit to the department, on an annual  
349 basis, all of the following information:

350 (1) The name of the foreign worker or associated  
351 authorized alien for whom the proposed sponsorship was  
352 arranged or the referral was made.

353 (2) In the case of an individual to provide  
354 sponsorship, the individual's residential address and  
355 available contact information.

356 (3) In the case of an entity to provide sponsorship,  
357 the address of the location of operation and available contact  
358 information.

359 §25-11-36

360 A labor broker that recruits or hires a foreign worker  
361 for supply to a third-party client in this state shall confirm  
362 the identity of the foreign worker and the foreign worker's  
363 employment authorization status with E-Verify pursuant to  
364 Section 31-13-15, unless the labor broker is the entity



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365 assisting the foreign worker to obtain an employment  
366 authorization document from DHS.

367 §25-11-37

368 (a) There is established a foreign worker resource  
369 database, to comprise the information for registration,  
370 reporting, or submission to the department required by this  
371 article and Section 31-13-15, to be cross-matched by an  
372 individual and entity, regardless of status as a foreign  
373 worker, associated authorized alien, labor broker, charitable  
374 organization, third-party client, or sponsor.

375 (b) The department shall implement and maintain the  
376 database.

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

380 §25-11-38

381 (a) The registration and reporting requirements of this  
382 article, and the civil and criminal penalties provided herein,  
383 shall not be construed to govern or apply to any third-party  
384 client, bona fide employment service provider, or worksite  
385 employer.

386 (b) This article shall not be construed to supersede  
387 the Beason-Hammon Alabama Taxpayer and Citizen Protection Act,  
388 Chapter 13, Title 31, and the defenses provided to employers  
389 that terminate employees discovered to be unauthorized aliens  
390 if the employers are in compliance with E-Verify and other  
391 employment laws.

392 §25-11-39



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

395 (1) For failure to register or failure to renew  
396 registration as required pursuant to Section 25-11-33, an  
397 administrative fine of no more than five hundred dollars  
398 (\$500).

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

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

407 a. Submission by a labor broker or charitable  
408 organization of information to the department required under  
409 this article that is materially false, including any  
410 intentional omission in a facially complete report or  
411 submission.

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

416 c. Deduction by a labor broker of an amount greater  
417 than 15 percent from the wage or other compensation paid to a  
418 foreign worker, or withholding any higher percentage of the  
419 same, as payment or reimbursement for a settlement service  
420 provided or arranged by a labor broker to a foreign worker or





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421 any associated authorized alien, or for any other reason.

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

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

429 (4) The secretary may refer a violation of this article  
430 described in subdivision (1) to the Attorney General for  
431 prosecution as a Class C felony in the Circuit Court of  
432 Montgomery County.

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

438 (d) The secretary may refer any entity that is subject  
439 to the registration and reporting requirements of this article  
440 to the Secretary of State for further enforcement pursuant to  
441 Section 5 of the act adding this section where any of the  
442 following applies:

443 (1) An entity fails to pay an administrative fine  
444 provided under subsection (a) within 180 days of its  
445 assessment by the department.

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

448 §25-11-40



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449 (a) The Foreign Worker Resource Fund is created as a  
450 special fund in the State Treasury to the credit of the  
451 department.

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

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

459 §25-11-41

460 The department shall adopt rules and forms to implement  
461 and administer this article.

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

464 (1) AUTHORIZED ALIEN. The term includes all of the  
465 following:

466 a. An alien who is lawfully present in the United  
467 States for a limited period of time on the basis of parole  
468 granted pursuant to a federal law, regulation, order, or  
469 directive.

470 b. An alien who is lawfully present in the United  
471 States based on asylum or a pending application for asylum  
472 pursuant to 8 U.S.C. § 1158 or another federal law,  
473 regulation, order, or directive.

474 c. An alien who is lawfully present in the United  
475 States on humanitarian grounds based on a federal law,  
476 regulation, order, or directive, including, but not limited



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477 to, visa classifications T and U, and the Special Immigrant  
478 Juvenile Classification.

479 (2) SPONSOR. Any individual or entity who has been  
480 granted status as a financial supporter of an authorized alien  
481 on an Affidavit of Financial Support, or a similar federal  
482 document submitted to the United States Department of Homeland  
483 Security.

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

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

494 (b) (1) A state department, agency, or political  
495 subdivision, pursuant to Section 31-13-7, Code of Alabama  
496 1975, shall determine through the Systematic Alien  
497 Verification for Entitlements (SAVE) program whether an alien  
498 who applies for a state or local public benefit is lawfully  
499 present in the United States.

500 (2)a. If the department, agency, or political  
501 subdivision verifies under subdivision (1) that the applicant  
502 is an authorized alien, the department, agency, or political  
503 subdivision shall require the applicant to provide, when  
504 applying for a state or local public benefit, all of the



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505 following:

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

508 2. If applicable, the identity of the authorized  
509 alien's sponsor, accompanied with a copy of the Declaration of  
510 Financial Support, Affidavit of Financial Support, or similar  
511 federal document submitted by the sponsor of the alien to the  
512 United States Department of Homeland Security.

513 b. In cases in which the applying authorized alien has  
514 a sponsor, the department, agency, or political subdivision  
515 shall do the following:

516 1. If the copy of the Declaration of Financial Support,  
517 Affidavit of Financial Support, or similar federal document  
518 indicates that the sponsor has promised to provide financial  
519 or other support to the applicant that is identical to the  
520 state or local public benefit for which the applicant is  
521 applying, the department, agency, or political subdivision may  
522 deny the application unless the applicant affirms in writing  
523 and under oath that the sponsor is not providing the financial  
524 or other support promised, accompanied by the reason for this  
525 failure.

526 2. If an applying authorized alien is unable to  
527 identify his or her sponsor, or is unable to provide a copy of  
528 the Declaration of Financial Support, Affidavit of Financial  
529 Support, or similar federal document, the department, agency,  
530 or political subdivision, as a requirement for considering the  
531 application, shall require that the applicant sign a consent  
532 form for the department, agency, or political subdivision to



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533 make a request under the federal Freedom of Information Act  
534 for a copy of all sponsor documents contained in the  
535 applicant's alien file maintained by the U.S. Citizenship and  
536 Immigration Services component of the United States Department  
537 of Homeland Security.

538           3. The inability of a department, agency, or political  
539 subdivision to identify the sponsor, or the financial or other  
540 support promised by the sponsor, through the steps provided in  
541 this subdivision, or from information held by another  
542 department or agency of the State of Alabama, shall not bar  
543 approval of a benefit if the applicant otherwise qualifies.

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

547           a. While residing in the state, an authorized alien  
548 receives a state or local public benefit based on an  
549 application made by or on behalf of an authorized alien that  
550 is approved by the department, agency, or political  
551 subdivision that administers the benefit.

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

555           c. The state or local public benefit received by the  
556 authorized alien is identical to support, whether cash or in  
557 kind, which the sponsor promises to provide to the authorized  
558 alien as indicated or described in a Declaration of Financial  
559 Support, Affidavit of Financial Support, or similar federal  
560 document that bears the sponsor's electronic or paper



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561 signature.

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

564 a. The sponsor promises in the Declaration of Financial  
565 Support, Affidavit of Financial Support, or similar federal  
566 document to assist or arrange for an authorized alien to  
567 obtain a particular state or local public benefit that is  
568 received by the authorized alien.

569 b. The sponsor is unable to fulfill the promise of  
570 support in the Declaration of Financial Support, Affidavit of  
571 Financial Support, or other similar federal document because  
572 the sponsor loses contact with the authorized alien through no  
573 fault of the sponsor.

574 c. The authorized alien obtains a state or local public  
575 benefit in a manner unknown to the sponsor while the sponsor  
576 is providing identical support.

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

582 (4) If collection efforts by a department, agency, or  
583 political subdivision under subdivision (3) fail to satisfy  
584 the amount owed by the sponsor, the matter may be referred to  
585 the Attorney General for enforcement.

586 a. The Attorney General may bring a civil action  
587 against a sponsor in the Circuit Court of Montgomery County or  
588 the circuit court of the county in which the sponsor indicated



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589 the support would be provided to the authorized alien, in  
590 which the Attorney General may pursue any of the following:

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

593 2. Recovery of reasonable costs and attorney fees.

594 3. If the sponsor is a labor broker or charitable  
595 organization as defined in Section 25-11-32, Code of Alabama  
596 1975, an order directing the state, county, or municipal  
597 governing body to revoke all existing business licenses and  
598 permits held by the labor broker or charitable organization  
599 for a period of no less than three years.

600 b. If the sponsor is a labor broker or charitable  
601 organization as defined in Section 25-11-32, Code of Alabama  
602 1975, the Attorney General may also refer the matter to the  
603 Secretary of State for further enforcement pursuant to Section  
604 5 of the act adding this section.

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

610 (6) In any case in which the state or local public  
611 benefit to be collected from a sponsor under this subsection  
612 includes federal funds disbursed through a department, agent,  
613 or political subdivision of the state, the federal department,  
614 agency, program, or fund shall have a lien on the amount  
615 recovered for the federal portion of the benefit recovered.

616 (d) (1) Any department, agency, or political subdivision



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617 which administers a state or local public benefit shall  
618 develop forms to comply with the requirements of this section.

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

622 (e) If an authorized alien under sponsorship applies  
623 for and receives a state or local public benefit without the  
624 knowledge of the sponsor while receiving support from the  
625 sponsor which is identical to the state or local public  
626 benefit as attested by the sponsor's Declaration of Financial  
627 Support, Affidavit of Financial Support, or similar federal  
628 document, the sponsor may recover in a civil action from the  
629 authorized alien, the amount or value of support expended,  
630 including reasonable costs and attorney fees.

631 Section 5. (a) The Secretary of State may commence a  
632 proceeding under Section 10A-1-7.13, Code of Alabama 1975, to  
633 revoke the registration of a foreign entity that is a labor  
634 broker or charitable organization as defined in Section  
635 25-11-32, Code of Alabama 1975, to transact business in this  
636 state upon the occurrence of any of the following:

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

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

643 (3) Referral by the Attorney General upon felony  
644 conviction of the foreign entity, or an individual employee or





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645 contractor thereof, for a violation pursuant to Section  
646 25-11-39, Code of Alabama 1975.

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

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

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

658 (3) Referral by the Attorney General upon felony  
659 conviction of the domestic entity, or an employee or  
660 contractor thereof, for a violation pursuant to Section  
661 25-11-39, Code of Alabama 1975.

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

664 "§31-13-9

665 (a) As a condition for the award of any contract,  
666 grant, or incentive by the state, any political subdivision  
667 thereof, or any state-funded entity to a business entity or  
668 employer that employs one or more employees, the business  
669 entity or employer shall not knowingly employ, hire for  
670 employment, or continue to employ an unauthorized alien within  
671 the State of Alabama.

672 (b) As a condition for the award of any contract,



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673 grant, or incentive by the state, any political subdivision  
674 thereof, or any state-funded entity to a business entity or  
675 employer that employs one or more employees within the State  
676 of Alabama, the business entity or employer shall provide  
677 documentation establishing that the business entity or  
678 employer is enrolled in the E-Verify program. During the  
679 performance of the contract, the business entity or employer  
680 shall participate in the E-Verify program and shall verify  
681 every employee that is required to be verified according to  
682 the applicable federal rules and regulations.

683 (c) Any subcontractor on a project paid for by  
684 contract, grant, or incentive by the state, any political  
685 subdivision thereof, or any state-funded entity shall not  
686 knowingly employ, hire for employment, or continue to employ  
687 an unauthorized alien within the State of Alabama and shall  
688 also enroll in the E-Verify program prior to performing any  
689 work on the project. Furthermore, during the performance of  
690 the contract, the subcontractor shall participate in the  
691 E-Verify program and shall verify every employee that is  
692 required to be verified according to the applicable federal  
693 rules and regulations. This subsection shall only apply to  
694 subcontractors performing work on a project subject to the  
695 provisions of this section and not to collateral persons or  
696 business entities hired by the subcontractor.

697 (d) (1) A contractor of any tier shall not be liable  
698 under this section when such contractor contracts with its  
699 direct subcontractor who violates subsection (c) unless it is  
700 shown that the contractor ~~knew or should have known~~ had actual



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701 knowledge that the direct subcontractor was in violation of  
702 subsection (c).

703 (2) A business entity or employer shall not be liable  
704 under this section when the business entity or employer hires,  
705 retains, or uses the services of an employee supplied by a  
706 labor broker as defined in Section 25-11-32, unless the court  
707 finds that the business entity or employer hired, retained, or  
708 used the services of an employee with actual knowledge that  
709 the labor broker did not verify the employee's employment  
710 authorization status or otherwise help the employee to obtain  
711 employment authorization pursuant to Section 25-11-36.

712 (e) (1) Upon a finding by a court of competent  
713 jurisdiction of a first violation of subsection (a) by any  
714 business entity or employer, including a subcontractor:

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

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

720 1. Order the business entity or employer to terminate  
721 the employment of every unauthorized alien.

722 2. Subject the business entity or employer to a  
723 three-year probationary period throughout the state. During  
724 the probationary period, the business entity or employer shall  
725 file quarterly reports with the Department of ~~Labor~~Workforce  
726 of each new employee who is hired by the business entity or  
727 employer in the state.

728 3. Order the business entity or employer to file,



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729 subject to the penalty of perjury, a signed, sworn affidavit  
730 with the Department of ~~Labor~~Workforce within three days after  
731 the order is issued by the court stating that the business  
732 entity or employer has terminated the employment of every  
733 unauthorized alien and the business entity or employer will  
734 not knowingly or intentionally employ an unauthorized alien in  
735 this state.

736 c.1. If the court determines that the business entity  
737 or employer has a policy or practice that violates this  
738 section, the court shall direct the applicable state, county,  
739 or municipal governing bodies to suspend the business licenses  
740 or permits of the business entity or employer for a period not  
741 to exceed 60 days specific to the location or locations where  
742 the unauthorized alien performed work.

743 2. Before a business license or permit that has been  
744 suspended under this paragraph is reinstated, a legal  
745 representative of the business entity or employer shall submit  
746 to the court a signed, sworn affidavit stating that the  
747 business entity or employer is in compliance with the  
748 provisions of this subdivision and a copy of the Memorandum of  
749 Understanding issued to the business entity or employer at the  
750 time of enrollment in the E-Verify program.

751 (2) Upon a finding by a court of competent jurisdiction  
752 of a second violation of subsection (a) by a business entity  
753 or employer, including a subcontractor, awarded a contract by  
754 the state, any political subdivision thereof, or any  
755 state-funded entity that occurs within ~~ten~~10 years of a  
756 finding by a court of competent jurisdiction of a first



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757 violation by the business entity or employer:

758           a. The business entity or employer shall be deemed in  
759 breach of contract and the state, political subdivision  
760 thereof, or state-funded entity shall terminate the contract  
761 after providing notice and an opportunity to be heard.

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

763           1. Order the business entity or employer to terminate  
764 the employment of every unauthorized alien.

765           2. Subject the business entity or employer to a  
766 five-year probationary period throughout the state. During the  
767 probationary period, the business entity or employer shall  
768 file quarterly reports with the Department of ~~Labor~~Workforce  
769 of each new employee who is hired by the business entity or  
770 employer in the state.

771           3. Order the business entity or employer to file,  
772 subject to the penalty of perjury, a signed, sworn affidavit  
773 with the Department of ~~Labor~~Workforce within three days after  
774 the order is issued by the court stating that the business  
775 entity or employer has terminated the employment of every  
776 unauthorized alien and the business entity or employer will  
777 not knowingly or intentionally employ an unauthorized alien in  
778 this state.

779           c.1. If the court determines that the business entity  
780 or employer has a policy or practice that violates this  
781 section, the court shall direct the applicable state, county,  
782 or municipal governing bodies to suspend the business licenses  
783 or permits of the business entity or employer for a period not  
784 less than 60 days and not to exceed 120 days specific to the



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785 location or locations where the unauthorized alien performed  
786 work.

787           2. Before a business license or permit that has been  
788 suspended under this paragraph is reinstated, a legal  
789 representative of the business entity or employer shall submit  
790 to the court a signed, sworn affidavit stating that the  
791 business entity or employer is in compliance with the  
792 provisions of this subdivision and a copy of the Memorandum of  
793 Understanding issued to the business entity or employer at the  
794 time of enrollment in the E-Verify program.

795           d. A finding by a court of competent jurisdiction of a  
796 second violation of subsection (a) that does not occur within  
797 ~~ten~~10 years of a first violation shall still be considered a  
798 second violation of subsection (a) by the business entity or  
799 employer, even though the penalty for the second violation  
800 shall be governed by subdivision (1).

801           (3) Upon a finding by a court of competent jurisdiction  
802 of a third violation of subsection (a) by a business entity or  
803 employer, including a subcontractor, awarded a contract by the  
804 state, any political subdivision thereof, or any state-funded  
805 entity:

806           a. The business entity or employer shall be deemed in  
807 breach of contract and the state, political subdivision  
808 thereof, or state-funded entity shall terminate the contract  
809 after providing notice and an opportunity to be heard.

810           b. The court shall direct the applicable state, county,  
811 or municipal governing bodies to permanently revoke all  
812 business licenses or permits of the business entity or



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813 employer.

814 (4)a. For the purposes of this subdivision, an  
815 "incentive" is any arrangement whereby the state or a  
816 political subdivision authorizes a loss in revenue due to a  
817 special exclusion, exemption, or deduction, or a special tax  
818 credit or preferential tax rate, that may be claimed by a  
819 business entity or employer.

820 b.1. Upon a finding by a court of competent  
821 jurisdiction of a second violation of subsection (a), in  
822 addition to the requirements and penalties provided under  
823 subdivisions (1) and (2), the court shall direct both of the  
824 following:

825 (i) That the business entity or employer, including a  
826 subcontractor, forfeit any incentive that it otherwise  
827 lawfully claims.

828 (ii) That the business entity or employer, including a  
829 subcontractor, pay the state or political subdivision the  
830 monetary amount for which the business entity or employer  
831 would have been liable in the absence of claiming the  
832 incentive for the period during which the unauthorized alien  
833 was employed.

834 2. A business entity or employer, including a  
835 subcontractor, that is penalized under subparagraph 1., may  
836 again claim the incentive no earlier than the fourth  
837 anniversary of the date of forfeiture if the entity or  
838 employer has satisfied any payment directed by the court under  
839 item b.1.(ii).

840 (f) (1) This section shall not be construed to deny any



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841 procedural mechanisms or legal defenses included in the  
842 E-Verify program or any other federal work authorization  
843 program.

844 (2) A business entity or employer that has enrolled in  
845 the E-Verify program and has used the program to verify the  
846 work authorization of an employee shall not be liable under  
847 this section for violations resulting from the hiring of that  
848 employee.

849 (g) The Secretary of State may adopt rules to  
850 administer this section and shall report any rules adopted to  
851 the Legislature.

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

856 (i) Anything to the contrary notwithstanding, this  
857 section shall not apply to agreements by the state, any  
858 political subdivision thereof, or any state-funded entity  
859 relating to debt obligations by such entities.

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

865 (k) All contracts or agreements to which the state, a  
866 political subdivision, or state-funded entity are a party  
867 shall include the following clause: "By signing this contract,  
868 the contracting parties affirm, for the duration of the





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869 agreement, that they will not violate federal immigration law  
870 or knowingly employ, hire for employment, or continue to  
871 employ an unauthorized alien within the State of Alabama.  
872 Furthermore, a contracting party found to be in violation of  
873 this provision shall be deemed in breach of the agreement and  
874 shall be responsible for all damages resulting therefrom."

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

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

883 Section 7. This act shall become effective on October  
884 1, 2025.