

House Bill 3513

Sponsored by Representative ROBLAN; Representatives CLEM, C EDWARDS, D EDWARDS, GALIZIO

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits person from knowingly employing or knowingly permitting labor services of illegal alien on project financed by state grant or loan. Creates affirmative defense to violation. Requires payment of penalty interest or repayment of grant or loan for certain violations. Makes person required to pay penalty interest or repay grant or loan ineligible to apply for state grant or loan for period of two years.

A BILL FOR AN ACT

1
2 Relating to prohibition on use of illegal labor on project financed by state grant or loan.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Sections 1 to 5 of this 2007 Act may be cited as the Prohibition of Illegal**
5 **Alien Labor on Assisted Projects Act.**

6 **SECTION 2. As used in sections 1 to 5 of this 2007 Act:**

7 (1) "Executive department" has the meaning given that term in ORS 174.112.

8 (2) "Illegal alien" means a noncitizen of the United States who is violating federal immi-
9 gration laws and is providing compensated labor within this state.

10 (3) "Project" means an activity that uses labor services, financed in whole or in part by
11 a grant or loan issued by the executive department.

12 **SECTION 3. (1) A person may not knowingly employ or knowingly permit the labor ser-**
13 **vices of an illegal alien on a project. A person is deemed to have knowingly employed or**
14 **knowingly permitted the prohibited services if the person knows or has reason to know that**
15 **the prohibited services have been provided on the project.**

16 (2) It is an affirmative defense to a violation of subsection (1) of this section if the person
17 contracts with a contractor to provide labor on a project and establishes that the person:

18 (a) Required the contractor to certify compliance with the requirements of section 274A
19 of the Immigration Reform and Control Act of 1986 with respect to the hiring, recruiting or
20 referral for employment of an alien in the United States; and

21 (b) Notified the appropriate federal authority if the person knew that the contractor used
22 labor by an illegal alien.

23 **SECTION 4. (1) As a condition of a grant, the executive department shall require full**
24 **repayment of the grant if section 5 of this 2007 Act applies.**

25 (2) As a condition of a loan, the executive department shall require payment of penalty
26 interest, calculated as the difference between the stated interest in the loan agreement and
27 the interest specified in ORS 82.010, if section 5 of this 2007 Act applies. The executive de-
28 partment may also direct repayment of the loan.

29 **SECTION 5. (1) Payment or repayment under section 4 of this 2007 Act is required if:**

30 (a) The person that received the grant or loan is sentenced under federal law for an of-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 **fense involving knowing use of labor by an illegal alien on a project; or**

2 **(b)(A) A contractor on the project is sentenced under federal law for an offense involving**
3 **knowing use of labor by an illegal alien on a project; and**

4 **(B) The person that received the grant or loan knew or had reason to know of the con-**
5 **tractor's knowing use of labor by an illegal alien on the project.**

6 **(2) A person that is required to pay penalty interest or repay a grant or loan under sec-**
7 **tion 4 of this 2007 Act is ineligible to apply for any state grant or loan for a period of two**
8 **years.**

9 **SECTION 6. Sections 1 to 5 of this 2007 Act apply to grants and loans issued on or after**
10 **the effective date of this 2007 Act.**

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