



HB 2113-Farm Labor Contractor License Fees

In response to serious abuses affecting migratory farmworkers, including those in the areas of wages, job safety and housing, when the farm labor contractor law was enacted, one of its recommendations was to license farm labor contractors. To obtain a farm labor contractor license, the applicant provides information on the contractor's business identity, as well as those having a financial interest in the business, the motor vehicles used and their vehicular insurance, workers compensation insurance, state and federal tax compliance, and proof of financial ability to pay wages promptly.

- The farm labor contractor law was enacted in 1959, and requires farm & forest labor contractors to be licensed.
- BOLI issues 250-300 licenses per year, and licensing fees have not been increased since 1999.
- One full-time bilingual employee is funded by the licensing fees to process and issue the licenses.
- BOLI has been operating this program at a deficit, relying on previous cash balances, which are now depleted.
- 2013-15 expenditures for the program are expected to be \$180,000. Current fees generate \$140,000.
- HB 2113 will generate sufficient revenue to fully fund the program, including inflation costs, through 2019.
- HB 2113 was approved in the Governor's Balanced Budget and has no opposition.

HB 2113 Proposed Farm Labor Contractor Fee Increases

Based on Current Data (Projected Expenditure of \$180,000/Biennium)	Current Fees	Proposed Fees
72 farm (only) labor contractor licenses	\$100/license	\$150/license
7 farm labor contractor licenses with camp indorsements	\$150/license	\$200/license
208 farm/forest labor contractor licenses	\$250/license	\$350/license
2 farm/forest labor contractor licenses with camp indorsements	\$300/license	\$400/license
14 farm (only) labor contractor employee indorsement licenses	\$100/license	\$150/license
7 "exempt" farm/forest labor contractor licenses	\$250/license	\$350/license
27 forest labor contractor employee indorsement licenses	\$250/license	\$350/license
Total annual revenue =	\$70,750	\$99,800
Total biennial revenue	\$141,500	\$199,600