

**HB302 ENGROSSED**



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



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



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



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



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



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



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.



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.



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.



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



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



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,



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.



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



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



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.



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



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



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



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



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.



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.

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



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



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



673 the probationary period, the business entity or employer shall  
674 file quarterly reports with the Department of LaborWorkforce  
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 LaborWorkforce 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



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



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~~<sup>10</sup> 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



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



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



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 (1) 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.



## HB302 Engrossed

831  
832  
833

House of Representatives

834 Read for the first time and referred ..... 18-Feb-25  
835 to the House of Representatives  
836 committee on Judiciary  
837  
838 Read for the second time and placed ..... 27-Feb-25  
839 on the calendar:  
840 1 amendment  
841  
842 Read for the third time and passed ..... 06-Mar-25  
843 as amended  
844 Yeas 81  
845 Nays 0  
846 Abstains 19  
847  
848  
849 John Treadwell  
850 Clerk  
851