

## Farm Labor 101: Helping Fruit and Vegetable Producers Understand Agricultural Labor Laws

Mid-Atlantic Fruit and Vegetable Conventions

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# Understanding Ag Labor Why its important

- Producers subject to numerous complex federal and state agricultural labor laws
- Failure to comply could result in fines/penalties



## Is a worker an employee? Employee or Independent Contractor

- Employers must provide employees with certain rights and benefits
- Not extended to independent contractors



## Is a Worker an Employee? Right to Control

 Generally considered an employee if right to control worker's behavior regarding work



## Right to Control Do you give the worker instructions?

- When, where, and how to work
- Tools and equipment to be used
- Order the work must be performed



# Right to Control Do you provide the worker training?

- •Employers often train workers to perform services in a particular manner
- Independent contractors ordinarily use own methods



## Right to Control What are the financial aspects of the job?

- Reimburse worker's expenses
- No significant investment in tools
- Payment
  - Employee: hourly, weekly, or monthly period
  - •Independent contractor: generally flat fee or time and material



#### Do you provide benefits?

- Worker provided employee type benefits
  - Insurance
  - vacation pay
  - •sick pay
  - pension plan



#### **Apprenticeships**

- Worker agrees to work for fixed time period (usually at low wages) in exchange for learning a trade
- Considered an employee



#### **Internships**

- Intended to provide work experience
- •Internships in the "for-profit" private sector are considered employees unless exemption applies



# **Internships Exemption**

- •Training similar to that given in educational environment;
- Experience for benefit of intern;
- •Internship does not displace regular employees;



# **Internships Exemption**

- Employer receives no immediate advantage from activities of intern;
- Employer and intern understand intern not entitled to wages; and
- Intern not entitled to a job at conclusion of internship



### Immigration Reform and Control Act Overview

- Employers must verify each employee's identity and eligibility to work in U.S.
  - applies to all employers
  - •both U.S. citizens and non-U.S. citizens



# Form I-9 Requirements

- Employee must complete Section 1
  - Name
  - Address
  - Date of birth
  - **SS** or INS number
    - Providing SS voluntary unless E-Verify used
  - Citizenship or immigration status



## Form I-9 Requirements

- Employer must complete Section 2
  - check documents submitted by employee to establish identity and eligibility
  - Examples: U.S. passport, Resident Alien Card



## Form I-9 Requirements

- Retain Form I-9 for 3 years after date of hire or 1 year after date employment ends
  - whichever is longer
- Present filed Form I-9 if inspected



### Form I-9 Reverification

- When current employee's authorization documentation expires
  - employer must re-check documents and re-verify on Form I-9 that employee still authorized
  - •not required for U.S. citizens



### Form I-9 Rehires

- •Previous Form I-9 may be used to re-verify employment authorization of rehire if:
  - ■Former employee rehired within 3 years; and
  - Form I-9 was previously completed for employee; and
  - Authorization documentation on previous Form I-9 has not expired
- Once re-verified, employer must update previous
   Form I-9 to reflect date of rehire



## Form I-9 Authorization Expiration

- -Authorization on previous Form I-9 expires
  - Employer must re-check the worker's authorization documentation and
  - •Update rehire date on previous Form I-9



### Form I-9 Rehires

- Former employee rehired after 3 years
  - employer must re-check worker's authorization documentation and
  - **complete new Form I-9**



## PA New Hire Reporting Program Overview

- Purpose
  - child support agency
  - unemployment compensation and/or public assistance fraud



# PA New Hire Reporting Program Requirements

- All employers
- All employees
  - New employees
  - Rehired employees
- Within 20 days



### New Hire Reporting Federal Rule

Employers must report newly hired employees to State Directory of New Hires in state where employee works



## New Hire Reporting Employed in more than one State

- Send information to each state where employees work OR
- Select one state where employees work and report all new hires to that state's New Hire reporting office
  - Must register with U.S. Department of Health and Human Services



#### FLSA Fair Labor Standards Act of 1938

- Sets the federal standards for overtime, minimum wage, and child labor
- Requires an employment relationship
- Contains partial agricultural exemption



## Overtime Agriculture is Exempt

#### FLSA

Workers employed solely in agriculture not entitled to overtime pay

#### -PA

Labor on a farm is exempt from overtime requirements



#### Minimum Wage FLSA

- Unless exemption, workers must be paid federal minimum wage rate (\$7.25 per hour)
- Agricultural employees <u>not</u> entitled to minimum wage if an agricultural exemption applies



# Minimum Wage Pennsylvania

- **■PA** minimum wage rate (\$7.25 per hour)
- Farm labor is exempt from PA minimum wage
  - Seasonal farm workers, however, must be paid at least the minimum wage or piece-rate equivalent



#### PA Seasonal Farm Worker

- Person commuting daily from permanent residence to work site <u>not</u> considered PA seasonal farm worker
  - unless the transportation provided by farm labor contractor



### PA Seasonal Farm Worker Farm Labor Contractor

- Recruits, solicits, hires, furnishes or transports 5 or more seasonal farm workers
  - Excludes immediate family members
  - Does not apply to farmer for own use



### FLSA Agriculture

- Farming and branches performed by farmer on a farm incident to or in conjunction with farming operations
- Practices (whether or not farming practices)
   performed either by a farmer or on a farm incident to or in conjunction with farming operation



## **FLSA** Practices?

- Established part of agriculture
- Subordinate to farming operation
- Not an independent business
- Ordinarily performed incidental to farming operations
- ■Test: How many that produce the commodity perform the practice



- Immediate family members
- Principally engaged in livestock production



- Local hand harvest laborers who:
  - Commute daily from their permanent residence;
  - Paid on piece-rate basis; AND
  - Engaged in agriculture fewer than 13 weeks during preceding calendar year



- Non-local minors
  - ■16 years of age or under;
  - •Hand harvesters;
  - paid on a piece-rate basis;
  - employed on same farm as their parent, AND
  - **■**Paid same piece-rate as those over 16



Do not use more than 500 "man days" of agricultural labor in any calendar quarter of the preceding calendar year

- •Man day is any day during which an employee performs agricultural work for at least one hour
- ■10 workers X 6 days X 8 weeks = 480 (exempt)
- ■11 workers X 6 days X 8 weeks = 528 (not exempt)



- At any age, minor may work in any job on farm his or her parents own or operate
- 16 years old may work in any agricultural job, whether hazardous or not, with no work hour restrictions



- ■14 or 15 years old
  - may work outside of school hours
  - ■in any non-hazardous agricultural job



- ■12 or 13 years old may work
  - •outside of school hours
  - •in any non-hazardous agricultural job
  - •where their parent works OR with written parental consent



- •Under 12 years old
  - with written parental consent
  - may work outside of school hours
  - in any non-hazardous agricultural job
  - on small farm exempt from federal minimum wage provisions



### Pennsylvania Child Labor

- •Minors under 14 permitted to work on a farm if employed by the farmer
- At any age, minor may work in any job on a farm that his or her parents own or operate



### Pennsylvania Child Labor

- Work hours for minors differ based on age and whether during school term or vacation
- Minors may not work more than 5 consecutive hours without 30 minute break



#### **MSPA**

### Migrant and Seasonal Agricultural Worker Protection Act

- Wages, housing, transportation, disclosures and recordkeeping
- Applies to:
  - Agricultural employers
  - Agricultural association
  - Farm labor contractors



#### MSPA Farm Labor Contractor

For a fee, recruit, solicit, hire, employ, furnish, house, or transport migrant or seasonal agricultural workers



#### MSPA Farm Labor Contractor

- Must register with U.S. Department of Labor
- Must carry/present registration card
- Employers may not use FLC unless employer verifies FLC registration
  - through checking registration card or calling DOL



### MSPA Workers Covered

- Migrant agricultural workers
  - temporary or seasonal agricultural work and required to be away overnight from their permanent residence.
- Seasonal agricultural workers
  - temporary or seasonal agricultural work and <u>not</u> required to stay overnight from their permanent residence



## MSPA Disclose Employment Information

 Place of employment, wage rate, types of activities, period of employment, transportation, housing, and insurance



## MSPA Disclose Employment Information

- •Migrant workers
  - •in writing (language of the worker)
  - •at the time of the worker's recruitment
- Seasonal workers
  - verbally at the time of hire
  - written disclosure upon request



## MSPA Disclose Employment Information

- Poster
  - at job site
  - prominently displayed
  - In language common to worker
  - explaining worker's rights and protections under MSPA



### MSPA Requirements

- Wages
  - Every 2 weeks or semi-monthly
  - Written, itemized statement of earnings
- Payroll records
  - •Maintain for 3 years



#### MSPA Requirements

- Housing
  - Comply with all federal and state safety and health laws
- Transportation
  - Vehicle liability and property insurance of \$100,000 per seat; with total amount not to exceed \$5,000,000 per vehicle



## MSPA Joint Employment

- Both responsible for MSPA compliance
  - Written disclosures
  - Postings at worksites
  - Proper wage payment
  - Compliance with working arrangements
  - •Maintenance of payroll records



### Joint Employment How determined

- Who controls work
  - Directing work
  - Hiring firing
  - Determine rates of pay
- Who controls economic reality of work
  - Provide tools/equipment
  - Payroll, issues checks, pays taxes



#### OSHA Overview

- Place of employment must be free of recognized hazards
  - Remove, guard, warn, post
- Report if accident results in death,
   hospitalization, amputation or loss of eye
- Does not apply to immediate family members



#### OSHA Field Sanitation

- •11 or more field hand laborers any one day during previous 12 months
  - Drinking water
  - Toilet
  - Hand washing
- Exempt from toilet and hand washing for employees working fewer than 3 hours per day



#### OSHA Field Sanitation

- Inform of importance of good hygiene
- Instruct to use water and sanitary facilities
- Instruct to drink water frequently on hot days
- Instruct to urinate as frequently as necessary
- Instruct to wash hands



### H-2A Program Overview

- Temporary or seasonal need
  - Less than 1 year
  - Event/time of year where labor needs are higher
- Not enough able, willing, and qualified U.S. workers available to fill the proposed position



### H-2A Program Overview

- No strike or lockout
- •Full-time
- ■<sup>3</sup>/<sub>4</sub> guarantee



### H-2A Program Must Provide

- Free housing
- •3 meals a day or facilities
- Free use of tools/equipment



# H-2A Program Must Pay Highest Rate

- Adverse Wage
- Prevailing Wage
- •Minimum Wage
  - Federal
  - State



## H-2A Program Transportation

- To place of employment (from home)
- Between housing and worksite
- From place of employment (to home)



## **Step One**Receive Job Order Approval

- Submit job order to State Workforce Agency (SWA)
   serving area of intended employment
- Must be submitted to SWA 75 calendar days but no fewer than 60 calendar days before date of need



## Step Two Accept SWA Referrals and Begin Recruitment

- SWA begins recruiting and referring U.S. workers
- ■50% Rule
  - Hire all qualified U.S. workers until 50% of contract has expired
  - Starts from date of need on application
- Prepare initial recruitment report detailing recruitment efforts



## Step Three Receive Consideration for Application

- Submit H-2A application documents to ETA Chicago
   NPC no less than 45 calendar days before date of need
- Upon acceptance for consideration, ETA Chicago NPC will contact SWA requesting
  - SWA place job order in intrastate and interstate clearance and
  - SWA schedule an inspection for employer-provided housing



#### Step Four Fulfill Pre-Certification Requirements

- Recruit U.S. workers
  - advertise job opportunity
  - contact former U.S. workers
  - submit recruitment report
- Provide workers' compensation documentation



#### Step Four Fulfill Pre-Certification Requirements

- •Housing: rental or public accommodation
  - Employer submits safety documentation to DOL
- •Housing: employer-provided housing
  - SWA sends housing certification directly to DOL



### Step Five Receive H-2A Certification

- Receive written notice granting, partially granting, or denying application for certification
  - ■No later than 30 calendar days before date of need
  - Employers granted or partially granted certification must pay certification fee of \$100 plus \$10 for every certified worker
  - ■Total fee for each employer not to exceed \$1,000



### Step Six Petition USCIS for Admission of H-2A Workers

Employer files Form I-129 petition with U.S.
 Citizenship and Immigration Services



## Step Seven Workers Apply for Visa and Admission

- Workers apply for H-2A visa from U.S. embassy or consulate.
- Workers seek U.S. admission from U.S. Customs and Border Protection at a U.S. port of entry
  - •May enter U.S. one week prior to start of approved period and may remain in U.S. for 30 days after H-2A petition expires



## Step Eight Comply with Applicable Laws and Regulations

- •Form I-9
- Notifying workers unless subsequent H-2A employment, must leave the U.S. at the completion of the contract or upon separation from employer



## Step Eight Comply with Applicable Laws and Regulations

#### Notifying DHS within 2 work days if worker:

- •does not report to work within 5 workdays of start date
- completes job 30 days or more before end date
- ■is terminated by employer before completing job
- •fails to report to work for 5 consecutive work days without consent of employer



#### The Center for Agricultural and Shale Law

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