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February 15th 2012

Kansas Senate Committee on Federal and State Affairs, Senator Pete Brungardt, Chair

Testimony regarding: SB 399

By: Bill Gordon on Behalf of the Mid America Green Industry Council and Signature Landscape Inc.

Introduction:

My name is Bill Gordon and I am the Past President of the Mid America Green Industry Council (MAGIC). MAGIC is the regional trade organization for the Landscape Contracting Industry, covering the states of Kansas and Missouri with 224 members. I have been active at leading lobby efforts for the H2B seasonal work visa program for MAGIC over the past 8 years, so I agreed to represent our organization here as well. I will use my own organization as a sample of the challenges facing our industry.

Signature Landscape Story:

I started Signature Landscape in 1989, working out of my home garage.

Signature focuses on commercial grounds maintenance serving over 500 clients including commercial office buildings, apartment communities and home owner associations.

In 2011 we had 159 employees at the peak of our season.

47 people were employed year round.

Our average field staff hourly wages for 2011 were \$11.14

Minimum field wages were \$8.66 per hour with the high end at over \$20.00 per hour.

Our season runs from March through November with a peak in Mid April and again in September. The seasonal nature of our business combined with the hard physical requirements of working long hours makes it very difficult to find American workers to meet our labor needs. It would be ideal to have English speaking American citizens to handle our seasonal labor needs. We could avoid the difficulties associated with getting H2B work visas and finding team members with driver's licenses.

In 2011 we ran advertisements in the Kansas City Star in an attempt to hire 70 workers. The ads ran over two weekend days. We spent \$1800 in advertisements, resulting in 7 inquiries with 4 people not showing for the interview, we hired 3 people and one of those people showed up for work.

We have become reliant on the H2B work visa program to supplement our seasonal work force. This allows us to get legal workers who are eligible for driver's licenses. We spent \$19,842 on H2B expenses last year.

While hiring US born seasonal workers is extremely challenging, the opposite is true when it comes to hiring administrative staff members for year round positions. We advertised for a clerical person and had hundreds of responses to find one person.

Mid America Green Industry Council Story:

Now that I have given you a snapshot of my company issues, I would like to give you my version of the "State of the Industry" with regards to the many companies represented by MAGIC.

The H2B program is constantly in a state of uncertainty. Very few of our members are willing to continue participating in the program with many former users frustrated with having spent thousands of dollars and ending up not getting their visas.

The vast majority of members that employ more than 10 people use Hispanic labor to handle the seasonal work. Employers are able to find plenty of workers though a network of current staff members who bring in friends and relatives. Having enough willing and qualified workers has not been a problem. Employers simply follow the government's guidelines for I-9 completion to hire the people they need.

The problem employers are now facing is the fact that they can't find enough people with drivers licenses fill the positions. I have heard people at the local convention talking about how they are hiring "chauffeurs" to shuttle crews and equipment around to the job sites.

Employers are having more success in hiring American workers than they were a few years ago, but they are still a rare find.

SB 399

In the past the real problem facing you as state legislators is that you only have the ability to deal with the enforcement side of the issue. It is fairly obvious to most of us that a need exists for immigrant workers. SB 399 provides an avenue for those of us who must depend on an immigrant work force and want to do things the right way. I happen to think it was a stroke of brilliance to put together this bill that actually utilizes the federal governments existing regulations for dealing with an undocumented person. You now have an option that is pro-business and pro-economic growth when it comes to handling the immigration issue.

This program can help level the playing field for employers who want to do the right thing but are competing with others who don't care. This is especially true at this point in time as the H2B program is on the verge of elimination through policy changes currently underway.

Currently undocumented people are driving without driver's licenses or insurance, creating an unsafe situation on our roads. SB 399 is smart legislation!