

GROWERTALKS

JZ on D.C.

6/1/2020

Does Presidential Proclamation Hurt Horticulture?

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On April 22, President Trump issued a presidential proclamation halting the issuance of new green cards for 60 days. The proclamation applies to foreign nationals seeking permanent resident status who are currently outside the United States. It excludes health care workers and those who are in the country seeking to change their immigration status and doesn't impact H-2A or H-2B workers. Prior to the proclamation's issuance, the H-2B Workforce Coalition wrote to the president urging him to exclude H-2B workers. AmericanHort is a co-chair of the H-2B Workforce Coalition.

While the proclamation doesn't suspend processing of H-2A and H-2B visas, it does call on the Departments of Homeland Security and Labor to review current temporary worker programs. It states:

Within 30 days of the effective date of this proclamation, the Secretary of Labor and the Secretary of Homeland Security, in consultation with the Secretary of State, shall review nonimmigrant programs and shall recommend to me other measures appropriate to stimulate the United States economy and ensure the prioritization, hiring, and employment of United States workers.

The proclamation also illustrates the President's thinking about foreign workers in the current economy. It says:

Furthermore, lawful permanent residents, once admitted, are granted "open-market" employment authorization documents, allowing them immediate eligibility to compete for almost any job, in any sector of the economy. There is no way to protect already disadvantaged and unemployed Americans from the threat of competition for scarce jobs from new lawful permanent residents by directing those new residents to particular economic sectors with a demonstrated need not met by the existing labor supply. Existing immigrant visa processing protections are inadequate for recovery from the COVID-19 outbreak. The vast majority of immigrant visa categories do not require employers to account for displacement of United States workers. While some employment-based visas contain a labor certification requirement, because visa issuance happens substantially after the certification is completed, the labor certification process cannot adequately capture the status of the labor market today. Moreover, introducing additional permanent residents when our healthcare resources are limited puts strain on the finite limits of our healthcare system at a time when we need to prioritize Americans and the existing immigrant population. In light of the above, I have determined that the entry, during the next 60 days, of certain

aliens as immigrants would be detrimental to the interests of the United States.

So while the latest proclamation does not yet affect the H-2 programs, which are vitally important to Horticulture, we may soon see new and additional recruitment obligations or other restrictions proposed. AmericanHort continues to engage with the Administration and stress the important role that these workers play in our industry and the economic recovery.

—Laurie Flanagan, Chair of the H-2B Workforce Coalition, and Craig Regelbrugge, VP of Government Relations & Research, AmericanHort

COVID-19 Headlines for Horticulture

Some key COVID-19 developments as of late April/early May:

- Congress has refreshed funding for the Paycheck Protection Program (PPP), allowing the reopening of a program that many horticulture businesses have turned to for loans that may be at least partially forgiven.
- The latest Treasury/SBA “frequently asked questions” finally provides some clarification on whether H-2A and H-2B workers’ payroll may be included for PPP purposes. The short answer is mostly “yes,” but AmericanHort has specific guidance (available at americanhort.org/page/Coronavirus#).
- Congress has fixed an eligibility glitch that prevented most agricultural businesses from applying for SBA Economic Injury Disaster Loans (EIDL). However, SBA says it has run out of funding, rendering the fix irrelevant unless funding is refreshed.
- New guidance is out on the Federal Reserve’s Main Street Lending program, which is intended to provide a safety net for businesses too large to apply for the SBA programs.
- What about agricultural disaster relief for growers? AmericanHort and the California Farm Bureau on April 30 sent an informational memo to USDA Agricultural Marketing Service administrator Bruce Summer outlining technical approaches. USDA relief is expected to be formalized soon, though strict payment limits may limit its effect.
- U.S. Citizenship and Immigration Services recently published a temporary rule intended to make it easier for H-2A workers who are finishing a work contract in the U.S. to be transferred into a new approved agricultural job opportunity and remain working in the U.S. AmericanHort has new guidance on how the temporary changes work.

—Craig Regelbrugge

USDA Releases COVID-19 Federal Rural Resource Guide

In mid-April, U.S. Secretary of Agriculture Sonny Perdue unveiled a one-stop-shop of federal programs that can be used by rural communities, organizations and individuals impacted by the COVID-19 pandemic. The COVID-19 Federal Rural Resource Guide is a first-of-its-kind resource for rural leaders looking for federal funding and partnership opportunities to help address the pandemic. (It can be found at rd.usda.gov/sites/default/files/USDA_COVID-19_Fed_Rural_Resource_Guide.pdf.)

“This resource guide will help our rural leaders, whether they are in agriculture, education, health care or any other leadership capacity, understand what federal assistance is available for their communities during this unprecedented time,” said Secretary Perdue.

For more information, visit usda.gov/coronavirus.

—JZ

Main Street Lending Program Details Released

The Federal Reserve has released more information on the Main Street Lending program.

In a press release, the Fed announced that it was expanding the scope and eligibility for the program through a series of measures to include a third loan option with increased risk-sharing by lenders for borrowers with greater leverage, lowering the minimum loan size for certain loans to \$500,000 and expanding the pool of businesses eligible to borrow. In addition, a substantive Frequently Asked Questions document was released along with updated term sheets.

Loans will now be eligible for businesses up to 15,000 employees and up to \$5 billion in annual revenue. These loans have a four-year maturation and aren’t eligible for forgiveness, unlike the Paycheck Protection Program (PPP).

The yet-to-be-released program is not without its critics, as the Wall Street Journal has criticized certain aspects of the program through its editorial page. It’s still uncertain when the program will become operational.

AmericanHort will continue to monitor the development of the Main Street Lending Program.

—*Tal Coley, Director of Government Affairs, AmericanHort*