

Chippewa Properties Inc.

Feb 12, 2014

The Honorable Mark Jansen
Chairman, Senate Reforms Restructuring and Reinventing Committee
P.O. Box 30036
Lansing, MI 48909

Dear Senator Jansen:

I am writing to formally request your support to exempt H2B and J-1 seasonal workers from unemployment insurance tax. We go through a lengthy and costly process to get these employees, and to be required to pay unemployment insurance tax on top of that for workers that cannot benefit is very unfair.

Our process required for acquiring H2B workers are as follows:

Through our attorney, we obtain the prevailing wage per job classification through the State of Michigan, as well as establish the number of employees per position we are looking to hire.

Once the prevailing wage is known, we must submit ads to offer these positions to American workers. This is done through the Michigan talent bank, as well as at least two area newspapers, and one of the days must be a Sunday.

Applicants must then be interviewed, and if found qualified and able, be offered the position. Results of the number of ad responses, Hires, Non hires (with reason why) must then be submitted to the Department of Labor, also establishing the seasonal need for such employees to receive approval from the Department of Labor for H2B employees. Paperwork is then submitted to the USCIS to obtain work visa approvals for each worker.

H2B Hiring Costs are as follows:

Employment attorney fee, employee visa charges, as well as the petition fees to the USCIS for each job type. We also then have to pay for the employee's travel costs, which for our hotels include; plane fare, bus fare, possible hotel room fees, and boat fare. We also have those same costs for their return at the end of our season. These costs average **\$1,296 per employee**. We typically employ 40 to 50 H2B workers per season.

There is also approximately \$10,000 annually that is unfairly paid into the Unemployment Insurance system for workers that are not ever eligible for unemployment insurance benefits. This money would be much better spent on hiring another employee, or reinvesting in our business.

This is not an inexpensive, easy, or expeditious process for our business, however, it is very beneficial for us to fill positions within our hotel that most American workers do not want to work in.

Thank you for your time, and your support of a bill that would exempt H2B and J-1 seasonal workers from the unemployment insurance tax.

Sincerely,

Robert G Benser

President

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