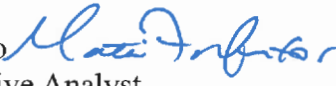


REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: April 15, 2026

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No.: 26-0424
Assignment No.: 26-04-0269

SUBJECT: Federal Rule Changes to the H-2A Visa Program

CLA RECOMMENDATION: Adopt *revised* Resolution to include in the City's 2025-2026 Federal Legislative Program, OPPOSITION of the U.S. Department of Labor's interim final rule to reduce minimum wage rates paid to temporary and seasonal agricultural workers on the H-2A visa program.

SUMMARY

On March 24, 2026, a Resolution (Rodriguez – Padilla) was introduced to oppose federal rule changes to the H-2A visa program, which will reclassify the majority of temporary, foreign agricultural laborers as “unskilled” workers and significantly reduce their wages. The Resolution states that the H-2A visa program permits U.S. agricultural employers to hire temporary foreign workers when there is a shortage of U.S. workers to fill the positions, provided that the employment does not depress wages or working conditions for domestic workers. The Resolution states that federal officials acknowledge that there are insufficient domestic workers to meet agricultural labor demands.

The Resolution further states that the new federal wage rule could put downward pressure on wages for domestic agricultural workers, contradicts federal worker protection policies, weakens labor standards, and undermines economic stability. The Resolution notes that farmworkers, particularly immigrant workers, often face limited bargaining power and are especially vulnerable to wage suppression and exploitation. The Resolution states that the City has consistently supported policies that promote fair wages, worker protections, and economic justice for all workers. The Resolution, therefore, seeks an official position of the City of Los Angeles to oppose the federal wage rule changes to the H-2A visa program.

A revised Resolution has been prepared, which specifies that any official position of the City with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council, as well as indicates that the City include in its 2025-2026 Federal Legislative Program, opposition to the U.S. Department of Labor's interim final rule to reduce minimum wage rates paid to temporary or seasonal agricultural workers on the H-2A visa program.

BACKGROUND

The H-2A visa program was established by the Immigration Reform and Control Act of 1986 and permits U.S. employers to hire foreign workers for temporary or seasonal agricultural labor when

there is a shortage of domestic workers. To request an H-2A visa for a foreign worker, a U.S. employer must demonstrate to the U.S. Department of Labor (DOL) that they attempted, but were unable to find a U.S. worker to fill the position, and confirm that the employment will not adversely affect the wages or working conditions of domestic workers. The H-2A visa program, which does not have an annual cap, has expanded significantly since 2010, with more than 380,000 workers authorized in Fiscal Year (FY) 2024. Most H-2A workers are concentrated in Florida, Georgia, Washington, and California.

The DOL requires U.S. employers to provide H-2A workers with housing, transportation, and the highest of four applicable pay rates: the DOL's Adverse Effect Wage Rate (AEWR), the prevailing wage in a local agricultural labor market, the federal minimum wage, or the state statutory minimum wage. Wages for H-2A workers are most often determined by the AEWR, a minimum hourly agricultural wage rate based on the U.S. Department of Agriculture's (USDA's) Farm Labor Survey (FLS). The AEWR was established to ensure that the employment of foreign workers would not lower or "adversely affect" the wages of similarly employed U.S. workers.

On October 2, 2025, the U.S. Department of Labor announced a new interim final rule that bases AEWRs on data from the Bureau of Labor Statistics' Occupational Employment and Wage Statistics (OEWS) program rather than the FLS, which was discontinued in 2025. The OEWS has only surveyed wage data from non-farm employers, but will start collecting data from farms in FY 2026. The Economic Policy Institute estimates that the 2025 rule will decrease the minimum wage for H-2A farmworkers from \$17.43 to \$13.70 per hour. The State's minimum wage is currently \$16.90.

The interim final rule also provides employers a cost adjustment to the AEWR to account for employer-provided housing, and allows employers to select from the wage rates of multiple occupations in the OEWS, depending on the activity that an H-2A worker is expected to spend the majority of their workday performing.

The federal government previously attempted to use the OEWS to determine the AEWR in 2011 and 2020, but eventually reverted back to using the FLS in both cases. In 2011, the USDA cancelled the FLS due to budget constraints, but ultimately received funding for the survey from the DOL. In 2020, the DOL published a final rule following USDA's announcement of the cancellation of the FLS, but was challenged by a lawsuit brought by the United Farm Workers of America (UFW) and the UFW Foundation. A federal court ruled that the 2020 rule violated federal law by adversely affecting the wages and working conditions of U.S. workers and ordered the USDA to reinstate the FLS.

In November 2025, the UFW, the UFW Foundation, and individual farm workers filed a lawsuit against the DOL for the 2025 interim final rule. The UFW argued in court filings that agricultural employers will expand the wage cuts to all farmworkers, including American workers, which will "adversely [affect] the wages and working conditions of U.S. workers," and violate the statutory mandate of the H-2A visa program. Further, the UFW Foundation argued that the 2025 wage rule was released without providing the public an opportunity to provide feedback, as required by the Administrative Procedure Act. The lawsuit is still pending a final decision.

Implementation of the interim final rule will ultimately reduce costs for U.S. agricultural employers to hire H-2A workers for seasonal and temporary labor. U.S. employers have argued that the FLS has inflated H-2A wage costs and that overall labor costs have been rising for decades,

which may force some farms to shut down. Challenges to hire farmworkers have also intensified due to increased federal immigration enforcement, particularly in states with a high demand for H-2A workers.

In 2025, approximately a dozen, lawful H-2A workers in San Diego County were mistakenly placed in removal proceedings by immigration officials. Some workers said they feared they would be deported and imprisoned overseas, in spite of working legally. A recent survey by the California Farm Bureau found that more than 14 percent of farmers in California said that increased immigration enforcement caused worker shortages, notwithstanding only 0.4 percent of farmers reporting directly losing workers to immigration raids.

In July 2025, Congress passed the One Beautiful Bill Act, which included \$75 billion in supplemental funding for the U.S. Department of Homeland Security (DHS) to increase immigration enforcement within the U.S. Congress failed to approve DHS' annual budget in February 2026, amid disagreements regarding immigration enforcement tactics, and the killing of two American citizens by federal agents in Minnesota, leaving the agency partially funded. Congress is working to pass a funding plan for DHS before a proposed June 1 reconciliation vote that would fund the agency for the next three years.

The City's opposition of the interim final rule to reduce the minimum wage of H-2A workers aligns with previous City actions to support farmworker protections during the COVID-19 pandemic (C.F. 20-0002-S140) and H.R. 1603 to revise the H-2A visa program to address workers' concerns (C.F. 21-0002-S136).



Susan Oh
Analyst

Attachment: Revised Resolution

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council; and

WHEREAS, farmworkers are essential to the nation's food supply and economy and serve as the backbone of California's agricultural industry, performing critical labor that sustains food production and ensures food reaches tables across the country; and

WHEREAS, the federal H-2A visa program permits agricultural employers to hire temporary foreign workers when there are not enough domestic workers available, with the requirement that such employment does not depress wages or working conditions for U.S. workers; and

WHEREAS, the federal government has introduced a policy that would lower wage standards for H-2A workers by categorizing 92 percent of farmworkers as "unskilled," resulting in significantly reduced pay; and

WHEREAS, this policy is projected to reduce wages for farmworkers to levels below current standards, creating the risk of downward pressure on wages for all agricultural workers, including U.S. citizens and lawful residents; and

WHEREAS, federal officials have acknowledged that there are insufficient domestic workers to meet agricultural labor demands, underscoring the continued reliance on immigrant labor in this sector; and

WHEREAS, farmworkers, particularly immigrant workers, often face limited bargaining power and are especially vulnerable to wage suppression and exploitation; and

WHEREAS, reducing wages for essential workers undermines economic stability, weakens labor standards, and contradicts long-standing federal worker protection policies; and

WHEREAS, the City of Los Angeles has consistently supported policies that promote fair wages, worker protections, and economic justice for all workers;

NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2025-2026 Federal Legislative Program, OPPOSITION of the U.S. Department of Labor's interim final rule to reduce minimum wage rates paid to temporary and seasonal agricultural workers on the H-2A visa program.