Congress of the United States

Washington, DC 20515

May 1, 2024

The Honorable Robert Aderholt Chair Subcommittee on Labor, HHS & Education 2358-B - Rayburn House Office Building Washington, DC 20515 The Honorable Rosa DeLauro
Ranking Member
Subcommittee on Labor, HHS & Education
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Aderholt and Ranking Member DeLauro:

We write with shared concerns regarding the annual adjustment to the Adverse Effect Wage Rate (AEWR). Now in 2024, the H-2A labor rates paid by agricultural employers have become more unaffordable, and it will certainly increase in 2025 as well. The new rates put further financial strain on farm operations of all sizes, and we urge you to include an H-2A wage freeze in Fiscal Year 2025 appropriations legislation.

The national average AEWR has already more than doubled over the past two decades, making agricultural guest labor unaffordable for farm employers and resulting in higher consumer costs. According to the American Farm Bureau Federation, the national average AEWR is around \$17.55, which is upwards of a mean 5 percent increase over 2023. While the AEWR varies by region, nearly half of all states have an AEWR between \$17 and \$19 per hour in 2024. Meanwhile, producers in Canada pay closer to \$11 per hour for fieldworkers, or even approximately \$1.50 per hour in Mexico. This uneven playing field greatly disadvantages our domestic producers.

For farmers and ranchers who use H-2A, the skyrocketing AEWR will only compound inflated input costs like energy and fertilizer, other guest worker expenses like transportation and housing, and burdens from several impending federal regulations and fees. USDA data shows that hired farm labor costs account for nearly 15 percent of total cash expenses. More labor-intensive industries will be hardest-hit, including specialty crop growers, who already spend nearly 40 percent of their total cash expenses on labor alone. If we do nothing, many of our constituents will be forced shutter their businesses, despite good-faith efforts to ensure our national food security and feed families across our nation.

While more permanent solutions are needed to address the AEWR's past impact and its future trajectory, we request that the Fiscal Year 2025 appropriations bill prohibit funds from being used to implement a wage larger than the January 2023 wage rate or otherwise freeze the H-2A wage rates at January 2023 levels. Thank you for your attention to this important matter.

Sincerely,

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