

AGRICULTURAL LABOR REFORM

Farmers and ranchers urgently need an agricultural labor policy framework that provides a legal, reliable workforce and treats workers with respect. All segments of American agriculture are hindered by critical labor shortages, artificially high costs associated with the H-2A program, and other regulatory barriers to a full and skilled agricultural workforce. Congress and federal agencies should act urgently to reform agricultural labor policies to strengthen food security for families at home and enhance the competitiveness of American agricultural products abroad.



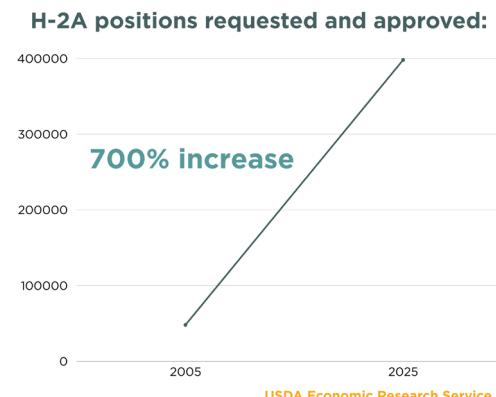
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BACKGROUND

In the latter half of the 20th century mechanization and economic forces led to a 73% reduction in self-employed farm operators and a 51% reduction in hired workers, per USDA's Economic Research Service. The gradual transition from an agrarian society to a highly specialized farm economy means that a skilled, reliable agricultural workforce is essential. Although farmworkers make up less than one percent of all U.S. wage and salary workers, their wages and salaries comprise 12% of all farm costs – a proportion that rises to 40% and 42% for fruit and tree nuts and greenhouses and nurseries, respectively per USDA ERS.

As domestic participation in the agricultural workforce continues to decline, agricultural employers have grown increasingly reliant on foreign-born workers. The H-2A visa program provides a legal avenue for agricultural employers who anticipate a shortage of domestic workers to bring nonimmigrant foreign workers to the U.S. to perform agricultural labor of a temporary or seasonal nature.



However, the H-2A program has numerous structural problems that heighten agricultural labor scarcity and imperil U.S. farming and ranching operations across the country. These include, but are not limited to:

- The program restricts participation to seasonal farm labor, excluding most livestock producers who have year-round labor needs
- The Adverse Effect Wage Rate has increased by over 60% in the past decade. These wages do not include the thousands of dollars of application fees, transportation and housing that agricultural employers are required to pay for each H-2A worker.
- Regulatory compliance with the program is increasingly burdensome, and is compounded by requirements to re-submit applications for H-2A workers each year, no matter their standing.

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Additionally, according to USDA ERS, roughly 40% of hired crop farmworkers are not legally authorized to work in the U.S. The absence of a clear path for this essential, experienced population to legally participate in the agricultural workforce only exacerbates the current limitations of the H-2A program.

In 2026, economic headwinds threaten the vitality of American farmers and ranchers. While 2025 saw the rescission of the Department of Labor's Farmworker Protection Rule and the proposal of an Interim Final Rule that made numerous encouraging changes to the Adverse Effect Wage Rate methodology, Congress and federal agencies still must act urgently this year to achieve overdue reforms to the H-2A program and provide certainty for all segments of the agricultural workforce.

NASDA'S POLICY RECOMMENDATIONS

As Congress considers agricultural labor policy reform, NASDA encourages the following:

- Amending the H-2A and H-2B programs to include year-round workers for all agricultural, livestock and forestry industries
- Respecting and recognizing the importance of our current experienced, but unauthorized, workforce by creating a mechanism for workers in good standing to earn legal status based on agricultural work experience
- A contract visa where employees commit to working for an employer for a fixed period of time when stability is preferred between both parties.

NASDA supports building on the bipartisan, consensus recommendations from the Bipartisan Agricultural Labor Working Group to achieve meaningful policy reforms, as well as the longstanding principles of the Farm Workforce Modernization Act.

NASDA also supports the efforts of the Department of Labor's Office of Immigration Policy, which has endeavored to enhance regulatory efficiency and oversight of the H-2A program. Additionally, NASDA submitted comments on the DOL's Office of Employment and Training Administration Interim Final Rule on H-2A Adverse Effect Wage Rate methodology in December 2025, focusing on:

- Supporting efforts to control unsustainable Adverse Effect Wage Rate growth by creating two distinct skill levels, establishing state-level rates using Bureau of Labor Statistics survey data instead of USDA Farm Labor Survey data, and establishing adverse compensation adjustments to account for non-wage expenses in the program
- Encouraging the U.S. Department of Labor to reconsider the ability of its proposed majority-duties test to effectively mitigate the wage-distorting impacts of disaggregation
- Encouraging continued consultation with state departments of agriculture and other key stakeholders for implementation

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