

NEW WAGE RATES FOR H-2A WORKERS NOW EFFECTIVE FOR 2024



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By: Regulated Products Section Chair [Richard M. Blau](#)

Agricultural employers play a vital role in our nation's economy, and obtaining a reliable workforce is critical to producing the U.S. food supply. The U.S. Department of Labor (DOL) works with state agriculture agencies to fulfill a statutory mandate to protect workers in the U.S. from adverse effects on their wages or working conditions resulting from hiring foreign workers.

To secure a steady workforce for America's ranchers and farmers, the DOL published a new administrative rule in February of 2023, announcing an increase in wage rates for H-2A workers for 2024. Those increases went into effect as of January 1, 2024.

The increased wage rates will improve productivity but also could challenge profitability. The U.S. national average wage rate has increased yearly for the last 20 years and has more than doubled since 2005. However, the rate of that year-over-year change has varied considerably. Between 2005 and 2018, the year-over-year increase averaged 2.9% but has increased significantly since then. The ongoing tightness in the U.S. labor market that accounted for those wage increases has lasted throughout 2023 and likely will continue into 2024. The fiscal year 2023 U.S. average field and livestock workers' combined wage rate rose by 5.6% fiscal year-over-fiscal year, an increase that outpaced the 4.3% end-of-fiscal year-over-end-of-fiscal year growth in seasonally adjusted average hourly earnings of all private employees.

Wage rates in 2024 will likely continue to pressure farmers' bottom lines with significant labor needs. So, farmers and ranchers need to understand fully the rules and rates relating to H-2A workers for this year.

What Are AWEs?

Adverse Effect Wage Rates (AEWRs) are the minimum hourly wage rates that employers must offer and pay to H-2A workers and other workers in corresponding employment. As provided in 20 CFR 655, subpart B, the DOL's Office of Foreign Labor Certification (OFLC) establishes the nationwide monthly AEWR for so-called "range occupations" governed by the procedures in 20 CFR 655.200 through 655.235 and statewide hourly AEWRs for all other occupations.

Under H-2A regulations, "range occupations" consist of "*herding or production of livestock on the range.*" In contrast, "non-range" occupations involve "*agricultural labor or services other than the herding or production of livestock on the range.*" The 2023 AEWR for range occupations is \$1,901.21 per month, while the 2023 non-range AEWR varies by state and is based on the field and livestock workers' combined 2022 wage rate as calculated in the most recent Farm Labor Report published by the U.S. Department of Agriculture (USDA).

AWERS for Range Occupations: For field and livestock worker occupations, which represent most agricultural jobs under the H-2A program, the OFLC adjusts the AEWR for range occupations annually based on the Employment Cost Index (ECI) for wages and salaries published by the Bureau of Labor Statistics (BLS). An employer seeking to employ foreign workers under the H-2A program is required to offer, advertise in its recruitment, and pay a wage that is at least equal to the AEWR when it is the highest applicable wage rate among the wage sources applicable to the employer's job opportunity. For range occupations, the wage offered and paid to H-2A workers and workers in corresponding employment must equal or exceed the monthly AEWR, the agreed-upon collective bargaining wage, or the applicable minimum wage imposed by federal or state law or judicial action, whichever is highest; this payment obligation is mandated by law (20 CFR 655.120(b)(1) (i)).

AWERS for All Other Ag Occupations: For all other non-range agricultural jobs that are not adequately represented or reported by the current Foreign Labor Survey (FLS) data, the OFLC sets the AEWRs using the statewide or national average annual hourly wages for the occupational classification reported by the Occupational Employment and Wage Statistics (OEWS) and administered by the Bureau of Labor Statistics (BLS). The OFLC adjusts the hourly AEWRs for all other occupations at least annually, as required under 20 CFR 655.120(b). An employer seeking to employ foreign workers under the H-2A program is required to offer, advertise in its recruitment, and pay a wage that is at least equal to the AEWR when it is the highest applicable wage rate among the wage sources applicable to the employer's job opportunity. For non-range occupations, the wage offered and paid must equal or exceed the hourly AEWR, the prevailing wage rate (if available), the federal minimum wage, the state minimum wage, or the agreed-upon collective bargaining rate, whichever is highest; this payment obligation also is mandated by law (20 CFR 655.120(b)(1)(ii)).

The Current, Applicable AWE by State

I. Range Occupations

- \$1,986.76/month in all States (Effective January 1, 2024).

II. Non-Range Occupations for Field Workers and Livestock Workers (combined)

The hourly AEWRs below apply when the job opportunity requires workers to perform agricultural labor or services covering one or more of the following Standard Occupational Classifications (SOCs):

- 45-2041 - Agricultural Products Graders and Sorters.
- 45-2091 - Agricultural Equipment Operators.
- 45-2092 - Crop, Nursery, and Greenhouse Farmworkers and Laborers.
- 45-2093 - Farm, Ranch, and Aquacultural Animals Farmworkers.
- 53-7064 - Hand Packers and Packagers.
- 45-2099 - All Other Agricultural Workers.

State	AEWR	Source	Effective Date
Alabama	\$14.68	FLS	January 1, 2024
Alaska	\$18.02	OEWS	July 1, 2023
Arizona	\$16.32	FLS	January 1, 2024
Arkansas	\$14.53	FLS	January 1, 2024
California	\$19.75	FLS	January 1, 2024
Colorado	\$16.63	FLS	January 1, 2024
Connecticut	\$17.80	FLS	January 1, 2024
Delaware	\$17.20	FLS	January 1, 2024
District of Columbia	\$20.72	OEWS	July 1, 2023
Florida	\$14.77	FLS	January 1, 2024
Georgia	\$14.68	FLS	January 1, 2024
Guam	\$10.12	OEWS	July 1, 2023
Hawaii	\$18.74	FLS	January 1, 2024
Idaho	\$16.54	FLS	January 1, 2024
Illinois	\$18.18	FLS	January 1, 2024
Indiana	\$18.18	FLS	January 1, 2024
Iowa	\$17.79	FLS	January 1, 2024
Kansas	\$18.32	FLS	January 1, 2024
Kentucky	\$15.14	FLS	January 1, 2024
Louisiana	\$14.53	FLS	January 1, 2024
Maine	\$17.80	FLS	January 1, 2024
Maryland	\$17.20	FLS	January 1, 2024

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State	AEWR	Source	Effective Date
Massachusetts	\$17.80	FLS	January 1, 2024
Michigan	\$18.50	FLS	January 1, 2024
Minnesota	\$18.50	FLS	January 1, 2024
Mississippi	\$14.53	FLS	January 1, 2024
Missouri	\$17.79	FLS	January 1, 2024
Montana	\$16.54	FLS	January 1, 2024
Nebraska	\$18.32	FLS	January 1, 2024
Nevada	\$16.63	FLS	January 1, 2024
New Hampshire	\$17.80	FLS	January 1, 2024
New Jersey	\$17.20	FLS	January 1, 2024
New Mexico	\$16.32	FLS	January 1, 2024
New York	\$17.80	FLS	January 1, 2024
North Carolina	\$15.81	FLS	January 1, 2024
North Dakota	\$18.32	FLS	January 1, 2024
Ohio	\$18.18	FLS	January 1, 2024
Oklahoma	\$15.55	FLS	January 1, 2024
Oregon	\$19.25	FLS	January 1, 2024
Pennsylvania	\$17.20	FLS	January 1, 2024
Puerto Rico	\$9.70	OEWS	July 1, 2023
Rhode Island	\$17.80	FLS	January 1, 2024
South Carolina	\$14.68	FLS	January 1, 2024
South Dakota	\$18.32	FLS	January 1, 2024
Tennessee	\$15.14	FLS	January 1, 2024
Texas	\$15.55	FLS	January 1, 2024
Utah	\$16.63	FLS	January 1, 2024
Vermont	\$17.80	FLS	January 1, 2024
Virgin Islands	\$13.95	OEWS	July 1, 2023
Virginia	\$15.81	FLS	January 1, 2024
Washington	\$19.25	FLS	January 1, 2024
West Virginia	\$15.14	FLS	January 1, 2024
Wisconsin	\$18.50	FLS	January 1, 2024
Wyoming	\$16.54	FLS	January 1, 2024

III. All Other Non-Range Occupations

- For occupations not represented by the current Farm Labor Survey (FLS) data, the AEWRs are set using the (BLS' Occupational Employment and Wage Statistics (OEWS) program. These hourly AEWRs apply when the job opportunity requires workers to perform agricultural labor or services in any other SOC(s) not encompassed in Section II above (e.g., logging construction, heavy trucking, supervisor of farmworkers).

IV. Average AEWR Applicable to Computation of Surety Bonds

- \$16.98 per hour (Effective January 1, 2024). **Important Note:** This represents the simple average of the AEWRs applicable to the SOC 45-2092 (Farmworkers and Laborers, Crop, Nursery, and Greenhouse workers) and used for the calculation of surety bonds for H-2A Labor Contractors at 20 CFR 655.132. More information on surety bond calculations, including requirements and amounts, can be found in the [H-2A regulations](#).

Careful Planning Is More Important Than Ever

Utilized by farmers and ranchers across the U.S., the H-2A program provides a variety of seasonal or temporary work. Ranch and agricultural workers' combined wage rate for 2023 is now becoming the AEWR utilized in the 2024 H-2A program.

The fiscal year 2023 U.S. average field and livestock workers' combined wage rate rose 5.6% fiscal year-over-fiscal year, an increase that outpaced the 4.3% end-of-fiscal year-over-end-of-fiscal year growth in seasonally adjusted average hourly earnings of all private employees. Given the ongoing overall tightness in the U.S. labor market, ranchers and farmers should plan carefully both to comply with the new wage rates and also to calculate how they will impact the bottom line relative to other elevated input costs such as diesel fuel, electricity, seeds, fertilizer, waste remediation, and cash rent/mortgage interest rates.

For more information regarding the 2024 AWERS, contact the GrayRobinson national [Food Law Team](#) at 866.382.5132 or foodlaw@gray-robinson.com.

Richard M. Blau leads the GrayRobinson national Food Law Team, focusing on the laws that govern the production, importation, processing, marketing, distribution, and sale of foods and beverages throughout the United States. Richard works with all levels of the food industry. He has represented international importers and domestic manufacturers, statewide wholesaler trade groups and regional distributors, and

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