

Potential Wage Bill Implications of the New AEW Methodology for H-2A Workers

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The H-2A program has become an increasingly important source of labor for US agriculture as domestic farm labor availability has declined and reliance on temporary foreign workers has grown (Castillo, Martin, and Rutledge, 2024). As H-2A employment expands, policies governing program costs—particularly wage requirements—play a central role in shaping employer participation and labor market outcomes (Ayoub, 2024, 2025a,b).

A key determinant of H-2A labor costs is the Adverse Effect Wage Rate (AEWR), which establishes a wage floor intended to prevent the employment of H-2A workers from adversely affecting the wages and working conditions of similarly employed US workers. Since 1987, the US Department of Labor (DOL) has required H-2A employers to pay at least the highest of several wages, including the federal or state minimum wage, the prevailing wage rate for specific crop activities as determined by state workforce agency surveys (e.g., \$30 for harvesting a bin of apples in the state of Washington), or the AEW, which has historically been the average hourly earnings of crop and livestock workers as determined by the USDA's Farm Labor Survey (FLS).

In August 2025, the USDA terminated the FLS; on October 2, 2025, DOL issued an interim final rule that replaced wage data from the FLS to a methodology that relies on the Occupational Employment and Wage Statistics (OEWS) survey.

DOL projected that the new OEWS-based methodology would substantially reduce aggregate H-2A labor costs. However, DOL's projections did not fully account for differences across states in minimum wage laws or make alternative assumptions about how employers would classify jobs. (The new rule makes a distinction between skill levels that determine the applicable AEW.) As a result, the magnitude and distribution of wage savings associated with the new rule are uncertain.

This paper provides state-level estimates of H-2A wage bills under the OEWS-based AEW and compares them with wage bills implied by the prior FLS-based system (DOL, 2023). Our analysis does not assume that OEWS wages are inherently more stable than those derived from the FLS. Instead, we focus on the regulatory change in AEW methodology rather than on statistical comparisons of survey stability. Our analysis explicitly accounts for state minimum wage floors and evaluates alternative skill-level scenarios. This article focuses on the mechanical wage effects of the regulatory change and does not assess the normative appropriateness of AEW levels.

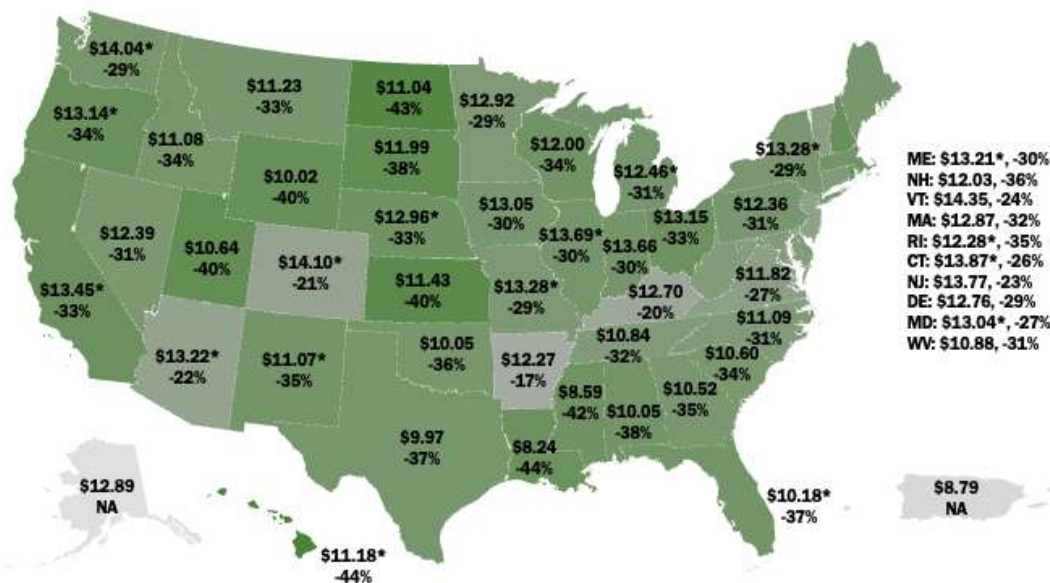
OEWS Wage Savings

DOL issued an interim final rule on October 2, 2025, effective immediately, that changes the AEW system in three important ways:

1. The data to set hourly AEWs for farm occupations changed from the FLS to the OEWS. New AEWs will be issued on or around July 1 each year (in the middle of the season for many farm employers).
2. There are separate AEWs based on job requirements: a Skill Level I AEW for jobs that require entry-level skills and a Skill Level II AEW for jobs that require workers to have experience or technical skills.
3. An adverse compensation adjustment (ACA) is subtracted from the AEW for H-2A workers to account for the value of housing and other nonwage benefits that employers must provide to H-2A workers at no cost. Domestic workers may still have to cover these costs and do not have the ACA subtracted from their wage.

These changes reduce AEWs from \$15 to \$20 an hour in 2025 to \$8 to \$14 in 2026 (see Figure 1). However, employers in many states will have to pay more than these new AEWs because either their states' minimum

Figure 1. Skill Level I ACA Wages by State and Percentage Below 2025 FLS-Based AEWRs



Source: Authors' calculations using data from the USDA-NASS (2025) Farm Labor Survey and DOL (2025a).

wages are higher, or some the jobs they hire will qualify for higher Skill Level II wages. The ACA applies to H-2A workers receiving employer-provided housing. When workers are hired through farm labor contractors, the rule affects the wage paid to workers but does not directly regulate the contractual payments between farmers and contractors, although lower wage requirements may reduce contractors' labor costs. Additionally, the July 1 AEW updates are more closely aligned with midseason labor market conditions and may introduce additional planning uncertainty for employers who estimate labor costs at the beginning of the season. DOL justified the October 2025 methodology changes by citing the need for consistent, occupation-specific, and skill-based wages by state. DOL said that the new AEW methodology generates "precise market-based price [wage] floors and... protect[s] American workers... [while] ensuring that American supermarkets and US consumers will have access to safe, affordable and American-grown produce" (DOL, 2025a).

The OEWS collects employment and earnings data from 190,000 establishments twice a year and combines 3 years of data to generate employment and wage data for 520 areas and 830 occupations (earlier wage data are aged to get current year wages). In addition to mean and median hourly wages, the OEWS generates wages at the 10th, 25th, 50th, 75th, and 90th percentile of the wage distribution.

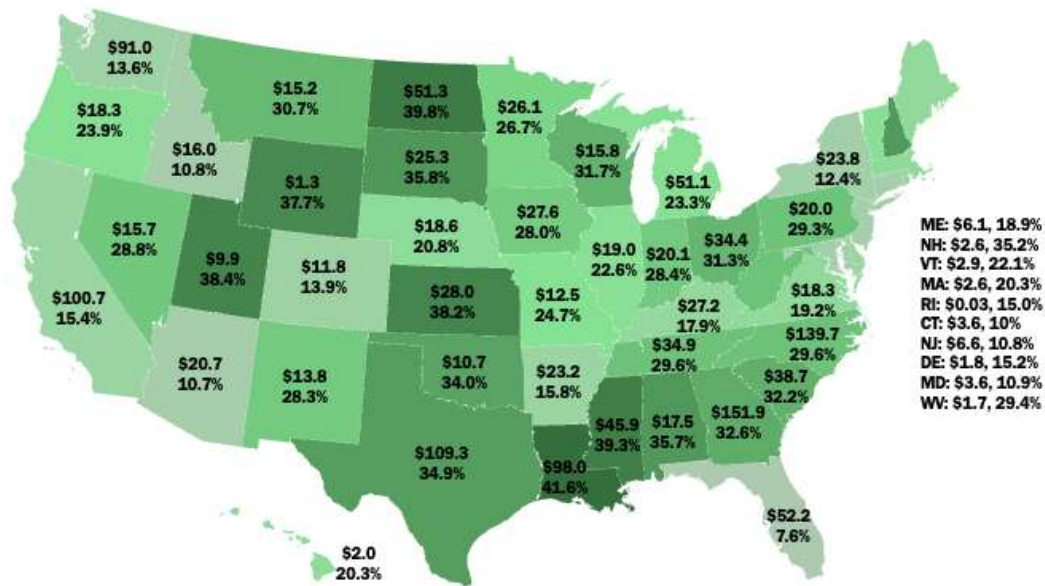
Until 2025, there was one hourly AEW for most farm occupations in each state. Beginning in 2026, there will

be two hourly AEWs that may be adjusted with the ACA. Skill Level I (entry) jobs require less than 3 months of experience and some on-the-job training, while Skill Level II (experienced) jobs require at least 3 months of experience and prior training or certifications to perform the job. DOL will set the Skill Level I AEW at the 17th percentile (the midpoint of the 10th and 25th percentile) hourly wage and the Skill Level II AEW at the 50th percentile (what DOL refers to as the "mean") hourly wage.

DOL used OEWS employment and wage data from five occupations to substitute for the field and livestock (combined) worker wage in the FLS in May 2024 (the most recent data) to set farmworker AEWs for 2026. DOL weighted the hourly wage in each of the five occupations by employment in that occupation in each state. The occupations include

- SOC 45-2041, graders and sorters, agricultural products: 26,870 US employees and a mean wage of \$17.34
- SOC 45-2091, agricultural equipment operators: 30,940 US employees and a mean wage of \$21.12
- SOC 45-2092, farmworkers and laborers, crop, nursery, and greenhouse workers: 261,690 US employees and a mean wage of \$18.20
- SOC 45-2093, farmworkers, farm, ranch, and aquacultural animals: 35,420 US employees and a mean wage of \$18.55
- SOC 53-7064, packers and packagers, hand: 601,440 US employees and a mean wage of \$17.59

Figure 2. H-2A Wage Transfers Under 92%/8% Scenario in Millions and Percentage



Source: Authors' calculations using data from the USDA-NASS (2025) Farm Labor Survey and DOL (2025a,b,c).

Note that two-thirds of the 955,000 US workers in the Big 5 farm occupations are hand packers, most of whom are employed in nonfarm warehouses (e.g., Amazon; DOL, 2025b). This means that the hand packer wage has the most weight in many states.

DOL also introduced an ACA wage for H-2A workers that is \$1–\$3 an hour lower than the Skill Level I and II wage to reflect the value of the housing provided by employers to H-2A workers. DOL obtains cost-of-housing data from HUD’s Fair Market Rent database, which specifies the 50th percentile rent for one-, two-, three-, and four-bedroom units (including utilities).

DOL assumed two workers per bedroom in four-bedroom rental housing, the most common-sized housing provided by H-2A employers, and set the ACA at the state cost of a four-bedroom unit divided by eight workers in each state and converted this cost to an hourly ACA value by assuming 40-hour work weeks over 4.33 weeks, or 172 hours per month. The ACA is only subtracted from the AEW for H-2A workers, not similarly employed US workers, even if the US workers live in employer-provided housing at no cost.

DOL estimated that—given 92% of H-2A jobs will be Skill Level I and 8% would be Skill Level II—the new methodology would transfer \$2.5 billion from employees to employers in 2026. DOL did not consider that state minimum wages will become the highest wage that employers must pay in many states. When state minimum wages are taken into consideration, we estimate that under a 92%/8% scenario, the new DOL

regulations will save H-2A employers about \$1.5 billion in 2026.

Wage Savings

Our wage analysis is conducted within a short-run, partial-equilibrium framework in which labor supply and job composition are held constant. Alternative labor supply responses could affect realized outcomes, so our focus provides a plausible estimate of what may occur under a constant labor supply and demand scenario. We utilized H-2A disclosure data from FY 2024 (the most recent full year of data) to estimate the FLS-based H-2A wage bill for each state in 2025. For the expected wage bill in 2026, we multiplied the number of 2024 H-2A jobs that were certified in each contract by the number of weeks of work in the contract, the average number of anticipated hours of work per week, and the applicable wage. To determine the applicable wage, we subtracted the ACA from Skill Level I and Skill Level II AEWs by state to determine whether the new ACA-adjusted OEWS AEWs were lower than the applicable federal or state minimum wage (DOL, 2025c). We used the minimum wage floor to estimate H-2A wages if it was higher. The result is three 2026 wage bill estimates:

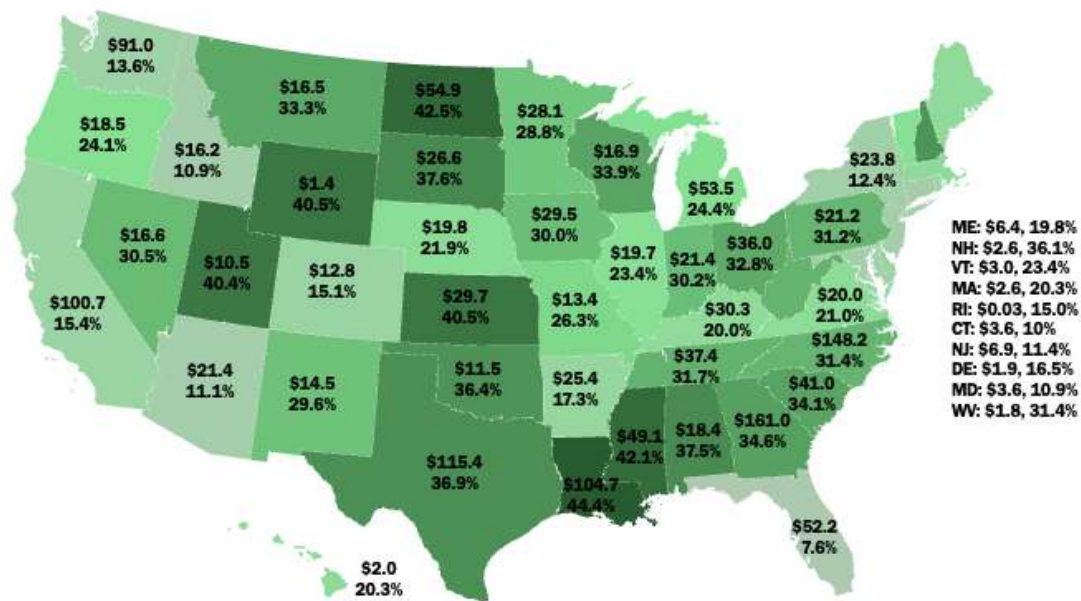
- The H-2A wage bill if 92% of H-2A workers are paid the Skill Level I wage and 8% are paid the Skill Level II wage (as DOL assumed)
- The H-2A wage bill if all H-2A workers are paid the Skill Level I wage
- The H-2A wage bill if all workers are paid the Skill Level II wage

Table 1. Summary of Wages and Wage Savings Under 92%/8% Assumption by State

State	2025 AEWR	New Skill Level I AEWR	New Skill Level II AEWR	ACA Housing Adjustment	ACA- Adjusted Skill Level I AEWR	ACA- Adjusted Skill Level II AEWR	Applicable Minimum Wage	Binding Wage for Skill Level I	Binding Wage for Skill Level II	2025 H- 2A Wage Bill (millions)	2026 H- 2A Wage Bill Under 92%/8% Assumption (millions)	2026 Wage Savings Under 92%/8% Assumption (millions)	2026 Percentage Wage Savings Under 92%/8% Assumption
Alabama	\$16.08	\$11.25	\$14.95	\$1.20	\$10.05	\$13.75	\$7.25	\$10.05	\$13.75	\$48.94	\$31.49	\$17.45	35.7%
Arkansas	\$14.83	\$13.40	\$16.18	\$1.13	\$12.27	\$15.05	\$11.00	\$12.27	\$15.05	\$147.26	\$124.05	\$23.21	15.8%
Arizona	\$17.04	\$15.32	\$18.01	\$2.10	\$13.22	\$15.91	\$15.15	\$15.15	\$15.91	\$192.60	\$171.92	\$20.67	10.7%
California	\$19.97	\$16.45	\$18.71	\$3.00	\$13.45	\$15.71	\$16.90	\$16.90	\$16.90	\$655.33	\$554.59	\$100.74	15.4%
Colorado	\$17.84	\$16.28	\$20.02	\$2.18	\$14.10	\$17.84	\$15.15	\$15.15	\$17.84	\$85.08	\$73.27	\$11.80	13.9%
Connecticut	\$18.83	\$15.93	\$18.20	\$2.06	\$13.87	\$16.14	\$16.94	\$16.94	\$16.94	\$35.43	\$31.88	\$3.56	10.0%
Delaware	\$17.96	\$14.61	\$19.63	\$1.85	\$12.76	\$17.78	\$15.00	\$15.00	\$17.78	\$11.50	\$9.75	\$1.75	15.2%
Florida	\$16.23	\$12.47	\$15.06	\$2.29	\$10.18	\$12.77	\$15.00	\$15.00	\$15.00	\$689.38	\$637.14	\$52.25	7.6%
Georgia	\$16.08	\$12.27	\$16.22	\$1.75	\$10.52	\$14.47	\$7.25	\$10.52	\$14.47	\$465.76	\$313.87	\$151.89	32.6%
Hawaii	\$20.08	\$14.36	\$18.49	\$3.18	\$11.18	\$15.31	\$16.00	\$16.00	\$16.00	\$10.00	\$7.97	\$2.03	20.3%
Iowa	\$18.65	\$14.20	\$18.87	\$1.15	\$13.05	\$17.72	\$7.25	\$13.05	\$17.72	\$98.40	\$70.83	\$27.58	28.0%
Idaho	\$16.83	\$12.92	\$17.07	\$1.84	\$11.08	\$15.23	\$15.00	\$15.00	\$15.23	\$149.00	\$132.96	\$16.04	10.8%
Illinois	\$19.57	\$15.48	\$18.75	\$1.79	\$13.69	\$16.96	\$15.00	\$15.00	\$16.96	\$84.31	\$65.30	\$19.01	22.6%
Indiana	\$19.57	\$14.93	\$19.22	\$1.27	\$13.66	\$17.95	\$7.25	\$13.66	\$17.95	\$70.76	\$50.63	\$20.13	28.4%
Kansas	\$19.21	\$12.69	\$18.14	\$1.26	\$11.43	\$16.88	\$7.25	\$11.43	\$16.88	\$73.30	\$45.28	\$28.02	38.2%
Kentucky	\$15.87	\$13.94	\$17.99	\$1.24	\$12.70	\$16.75	\$7.25	\$12.70	\$16.75	\$151.79	\$124.57	\$27.22	17.9%
Louisiana	\$14.83	\$9.59	\$14.84	\$1.35	\$8.24	\$13.49	\$7.25	\$8.24	\$13.49	\$235.54	\$137.55	\$98.00	41.6%
Massachusetts	\$18.83	\$15.29	\$17.57	\$2.42	\$12.87	\$15.15	\$15.00	\$15.00	\$15.15	\$12.77	\$10.18	\$2.59	20.3%
Maryland	\$17.96	\$15.35	\$18.21	\$2.31	\$13.04	\$15.90	\$16.00	\$16.00	\$16.00	\$32.80	\$29.22	\$3.58	10.9%
Maine	\$18.83	\$14.81	\$18.95	\$1.60	\$13.21	\$17.35	\$15.10	\$15.10	\$17.35	\$32.16	\$26.10	\$6.06	18.9%
Michigan	\$18.15	\$13.78	\$17.47	\$1.32	\$12.46	\$16.15	\$13.73	\$13.73	\$16.15	\$219.51	\$168.40	\$51.12	23.3%
Minnesota	\$18.15	\$14.60	\$19.33	\$1.68	\$12.92	\$17.65	\$11.41	\$12.92	\$17.65	\$97.46	\$71.40	\$26.05	26.7%
Missouri	\$18.65	\$14.56	\$18.74	\$1.28	\$13.28	\$17.46	\$13.75	\$13.75	\$17.46	\$50.82	\$38.28	\$12.54	24.7%
Mississippi	\$14.83	\$9.74	\$14.92	\$1.15	\$8.59	\$13.77	\$7.25	\$8.59	\$13.77	\$116.78	\$70.91	\$45.87	39.3%
Montana	\$16.83	\$13.03	\$18.48	\$1.80	\$11.23	\$16.68	\$10.85	\$11.23	\$16.68	\$49.58	\$34.37	\$15.21	30.7%
North Carolina	\$16.16	\$12.78	\$16.39	\$1.69	\$11.09	\$14.70	\$7.25	\$11.09	\$14.70	\$472.30	\$332.56	\$139.74	29.6%
North Dakota	\$19.21	\$12.31	\$18.98	\$1.27	\$11.04	\$17.71	\$7.25	\$11.04	\$17.71	\$129.16	\$77.82	\$51.34	39.8%
Nebraska	\$19.21	\$14.20	\$19.26	\$1.24	\$12.96	\$18.02	\$15.00	\$15.00	\$18.02	\$90.17	\$71.55	\$18.63	20.7%
New Hampshire	\$18.83	\$13.99	\$16.14	\$1.96	\$12.03	\$14.18	\$7.25	\$12.03	\$14.18	\$7.27	\$4.71	\$2.56	35.2%
New Jersey	\$17.96	\$16.05	\$19.41	\$2.28	\$13.77	\$17.13	\$15.92	\$15.92	\$17.13	\$61.09	\$54.48	\$6.61	10.8%
New Mexico	\$17.04	\$12.51	\$16.20	\$1.44	\$11.07	\$14.76	\$12.00	\$12.00	\$14.76	\$48.96	\$35.11	\$13.85	28.3%
Nevada	\$17.84	\$14.54	\$18.40	\$2.15	\$12.39	\$16.25	\$12.00	\$12.39	\$16.25	\$54.32	\$38.66	\$15.65	28.8%
New York	\$18.83	\$15.68	\$18.75	\$2.40	\$13.28	\$16.35	\$16.50	\$16.50	\$16.50	\$192.60	\$168.77	\$23.83	12.4%
Ohio	\$19.57	\$14.38	\$18.11	\$1.23	\$13.15	\$16.88	\$11.00	\$13.15	\$16.88	\$109.82	\$75.47	\$34.35	31.3%
Oklahoma	\$15.79	\$11.27	\$16.01	\$1.22	\$10.05	\$14.79	\$7.25	\$10.05	\$14.79	\$31.60	\$20.87	\$10.73	34.0%
Oregon	\$19.82	\$15.25	\$17.62	\$2.11	\$13.14	\$15.51	\$15.05	\$15.05	\$15.51	\$76.76	\$58.43	\$18.33	23.9%
Pennsylvania	\$17.96	\$13.88	\$17.99	\$1.52	\$12.36	\$16.47	\$7.25	\$12.36	\$16.47	\$68.14	\$48.14	\$20.00	29.3%
Rhode Island	\$18.83	\$14.15	\$17.17	\$1.87	\$12.28	\$15.30	\$16.00	\$16.00	\$16.00	\$0.24	\$0.20	\$0.04	15.0%
South Carolina	\$16.08	\$12.14	\$15.92	\$1.54	\$10.60	\$14.38	\$8.75	\$10.60	\$14.38	\$120.32	\$81.58	\$38.74	32.2%
South Dakota	\$19.21	\$13.19	\$17.48	\$1.20	\$11.99	\$16.28	\$11.50	\$11.99	\$16.28	\$70.70	\$45.39	\$25.31	35.8%
Tennessee	\$15.87	\$12.44	\$16.64	\$1.60	\$10.84	\$15.04	\$7.25	\$10.84	\$15.04	\$118.13	\$83.19	\$34.94	29.6%
Texas	\$15.79	\$11.81	\$15.67	\$1.84	\$9.97	\$13.83	\$7.25	\$9.97	\$13.83	\$313.18	\$203.87	\$109.31	34.9%
Utah	\$17.84	\$12.48	\$16.86	\$1.84	\$10.64	\$15.02	\$7.25	\$10.64	\$15.02	\$25.91	\$15.96	\$9.95	38.4%
Virginia	\$16.16	\$13.90	\$18.40	\$2.08	\$11.82	\$16.32	\$12.77	\$12.77	\$16.32	\$95.46	\$77.11	\$18.35	19.2%
Vermont	\$18.83	\$15.96	\$19.23	\$1.61	\$14.35	\$17.62	\$14.42	\$14.42	\$17.62	\$12.96	\$10.10	\$2.86	22.1%
Washington	\$19.82	\$16.53	\$19.00	\$2.49	\$14.04	\$16.51	\$17.13	\$17.13	\$17.13	\$670.55	\$579.54	\$91.01	13.6%
Wisconsin	\$18.15	\$13.29	\$18.22	\$1.29	\$12.00	\$16.93	\$7.25	\$12.00	\$16.93	\$49.82	\$34.02	\$15.80	31.7%
West Virginia	\$15.87	\$12.00	\$16.15	\$1.12	\$10.88	\$15.03	\$8.75	\$10.88	\$15.03	\$5.81	\$4.10	\$1.71	29.4%
Wyoming	\$16.83	\$11.34	\$17.23	\$1.32	\$10.02	\$15.91	\$7.25	\$10.02	\$15.91	\$3.49	\$2.17	\$1.31	37.7%

Source: Authors' calculations using data from the USDA-NASS (2025) Farm Labor Survey and DOL (2025a,b,c).

Figure 3. H-2A Wage Transfers Under Skill Level I Scenario in Millions and Percentage



Source: Authors' calculations using data from the USDA-NASS (2025) Farm Labor Survey and DOL (2025a,b,c).

Our estimates show that H-2A wage bills will decline in all states in 2026 under scenario where all H-2A workers are paid the Skill Level I wage or if 92% are paid Skill Level I wages and 8% are paid Skill Level II wages. For example, under the 92%/8% scenario, H-2A wages decline by \$1.5 billion or 22% from the estimated 2025 H-2A wage bill of \$6.6 billion. Georgia H-2A employers would save the most, followed by employers in North Carolina, Texas, California, and Louisiana (see Figure 2). Wage savings estimates for all states can be found in Table 1.

The states with the highest percentage savings from the new OEWS-based AEWs are Louisiana (42% savings on a 2025 base of \$236 million), North Dakota (40% savings on a 2025 base of \$129 million), Mississippi (39% savings on a 2025 base of \$117 million), Utah (38% savings on a 2025 base of \$26 million), and Kansas (38% savings on a 2025 base of \$73 million; see Table 1).

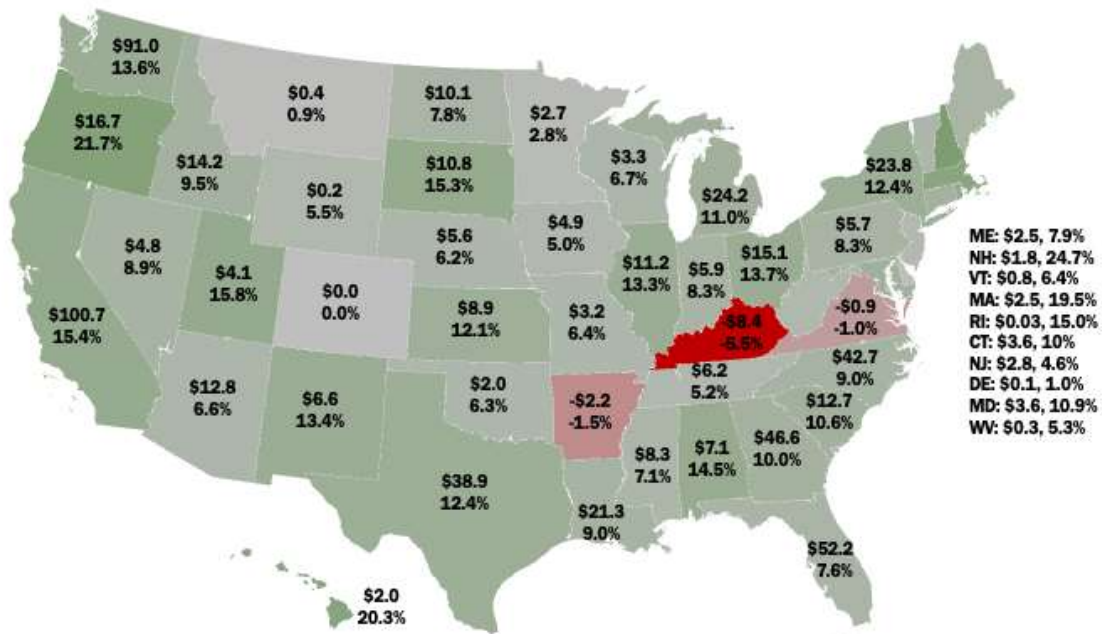
What would happen if all H-2A workers were paid the Skill Level I wage? Figure 3 shows estimated wage savings by state if employers pay the Skill Level I entry wage or the state minimum wage. Under this scenario, H-2A employers would save \$1.6 billion, or 24% less than the estimated \$6.6 billion paid in 2025, with savings varying across states. Georgia H-2A farmers save the most, \$161 million, followed by North Carolina (\$148 million savings on a 2025 base of \$472 million), Texas (\$115 million savings on a 2025 base of \$313 million),

Louisiana (\$105 million savings on a 2025 base of \$236 million), and California (\$101 million savings on a 2025 base of \$655 million).

If all jobs pay the Skill I wage or the applicable minimum wage, Louisiana H-2A employers save the most in percentage terms: Their wage bill drops 44% on a 2025 base of \$236 million. Several other states see their H-2A wage bills fall by 40% or more: North Dakota (43% wage savings on a 2025 base of \$129 million), Mississippi (42% wage savings on a 2025 base of \$117 million), Kansas (40% wage savings on a 2025 base of \$73 million), Wyoming (40% wage savings on a 2025 base of \$3.5 million), and Utah (40% wage savings on a 2025 base of \$26 million). Florida saves 8% because its FLS-based AEW of \$16.23 is only 8% higher than the \$15 an hour state minimum wage.

Some farm employers may be reluctant to reduce wages to Skill Level I levels for returning H-2A workers, some of whom have years of experience working on their farms. If all farmers elect to keep all jobs at the Skill II level or the applicable minimum wage, wage savings are only 10% as the H-2A wage bill drops from \$6.6 billion to \$6 billion. States with the highest 2025 FLS AEWs would save the most under this scenario: California H-2A employers would save \$101 million on a 2025 base of \$655 million as the wage drops from \$19.97 in 2025 to \$16.90 in 2025, and Washington H-2A employers would save \$91 million as the wage drops from \$19.82 in 2025 to \$17.13 in 2025 (see Figure 4).

Figure 4. H-2A Wage Transfers Under Skill Level II Scenario in Millions and Percentage



Source: Authors' calculations using data from the USDA-NASS (2025) Farm Labor Survey and DOL (2025a,b,c).

Savings by Hours Worked

Many farm employers think about wages in terms of the total wages per worker. The average H-2A contract is 5.5 months, and H-2A workers are employed for about 1,000 hours while in the US (DOL, 2025c). If employers make all jobs Skill Level I and pay the higher of the Skill Level I ACA wage or the applicable minimum wage, 1,000-hours of H-2A work that cost about \$20,000 in 2025 in California would cost about \$17,000 in 2026.

Wage savings are highest for employers in states with high 2025 FLS AEWRs but low state minimum wages. Although North Dakota is not a top H-2A employer, employers in that state will save the most per worker, while employers in states such as Arizona and Florida with 2025 AEWRs that are not much higher than state minimum wages will save the least. One question is whether employers in states with large wage reductions—such as North Dakota, which paid \$19.21 an hour in 2025—will be able to attract returning H-2A workers in 2026 if they offer the new Skill Level I ACA wage (\$11.04 for North Dakota). Table 2 reports statistics for all states, including an analysis of wage changes under Skill Level II ACA wages.

Conclusions

The H-2A program is the primary legal channel for hiring foreign agricultural workers in the United States. The number of certified H-2A jobs increased four-fold over the past decade, and H-2A workers now account for

nearly 20% of average employment on US crop farms (US Department of Labor, 2025c; US Bureau of Labor Statistics, 2025), and an even larger share of seasonal labor. H-2A employers must offer the highest applicable wage among the state or federal minimum wage, prevailing wage, collective bargaining wage, or the AEWR. In October 2025, DOL replaced its prior AEWR methodology with one based on the Occupational Employment and Wage Statistics, introduced skill-tiered AEWRs, and allowed an “Adverse Compensation Adjustment” to offset employer costs of providing housing.

These changes are likely to reduce the total H-2A wage bill and accelerate program growth, although DOL likely overstated the magnitude of wage savings. In many states, minimum wages will bind, and many employers may choose to maintain 2025 wage levels for returning, experienced H-2A workers to preserve morale, productivity, and retention rather than immediately lowering pay.

Workers talk to each other and will soon learn about wage differentials on farms. However, farms can still reduce the salience and operational consequences of wage differentials by organizing work so that entry-level workers who are hired at lower wages perform distinct tasks, operate in different areas, have different work schedules, or are employed through farm labor contractors, while more experienced workers remain in higher-paid roles. Such segmentation limits direct wage

comparisons between workers, reduces conflict and turnover, and allows employers to pay lower entry-wage costs without undermining the productivity of

experienced workers. In this sense, organizational separation reflects a practical response to heterogeneous wages under the new AEW structure.

Table 2. Estimated Wage Bill for Average 1,000 Hour H-2A Employee by State

State	2025	2026	2026	2026	2026
	Wage Bill	Skill Level I Wage Bill	Skill Level I Wage Savings	Skill Level II Wage Bill	Skill Level II Wage Savings
Alabama	\$16,080	\$10,050	\$6,030	\$13,750	\$2,330
Arkansas	\$14,830	\$12,270	\$2,560	\$15,050	-\$220
Arizona	\$17,040	\$15,150	\$1,890	\$15,910	\$1,130
California	\$19,970	\$16,900	\$3,070	\$16,900	\$3,070
Colorado	\$17,840	\$15,150	\$2,690	\$17,840	\$0
Connecticut	\$18,830	\$16,940	\$1,890	\$16,940	\$1,890
Delaware	\$17,960	\$15,000	\$2,960	\$17,780	\$180
Florida	\$16,230	\$15,000	\$1,230	\$15,000	\$1,230
Georgia	\$16,080	\$10,520	\$5,560	\$14,470	\$1,610
Hawaii	\$20,080	\$16,000	\$4,080	\$16,000	\$4,080
Iowa	\$18,650	\$13,050	\$5,600	\$17,720	\$930
Idaho	\$16,830	\$15,000	\$1,830	\$15,230	\$1,600
Illinois	\$19,570	\$15,000	\$4,570	\$16,960	\$2,610
Indiana	\$19,570	\$13,660	\$5,910	\$17,950	\$1,620
Kansas	\$19,210	\$11,430	\$7,780	\$16,880	\$2,330
Kentucky	\$15,870	\$12,700	\$3,170	\$16,750	-\$880
Louisiana	\$14,830	\$8,240	\$6,590	\$13,490	\$1,340
Massachusetts	\$18,830	\$15,000	\$3,830	\$15,150	\$3,680
Maryland	\$17,960	\$16,000	\$1,960	\$16,000	\$1,960
Maine	\$18,830	\$15,100	\$3,730	\$17,350	\$1,480
Michigan	\$18,150	\$13,730	\$4,420	\$16,150	\$2,000
Minnesota	\$18,150	\$12,920	\$5,230	\$17,650	\$500
Missouri	\$18,650	\$13,750	\$4,900	\$17,460	\$1,190
Mississippi	\$14,830	\$8,590	\$6,240	\$13,770	\$1,060
Montana	\$16,830	\$11,230	\$5,600	\$16,680	\$150
North Carolina	\$16,160	\$11,090	\$5,070	\$14,700	\$1,460
North Dakota	\$19,210	\$11,040	\$8,170	\$17,710	\$1,500
Nebraska	\$19,210	\$15,000	\$4,210	\$18,020	\$1,190
New Hampshire	\$18,830	\$12,030	\$6,800	\$14,180	\$4,650
New Jersey	\$17,960	\$15,920	\$2,040	\$17,130	\$830
New Mexico	\$17,040	\$12,000	\$5,040	\$14,760	\$2,280
Nevada	\$17,840	\$12,390	\$5,450	\$16,250	\$1,590
New York	\$18,830	\$16,500	\$2,330	\$16,500	\$2,330
Ohio	\$19,570	\$13,150	\$6,420	\$16,880	\$2,690
Oklahoma	\$15,790	\$10,050	\$5,740	\$14,790	\$1,000
Oregon	\$19,820	\$15,050	\$4,770	\$15,510	\$4,310
Pennsylvania	\$17,960	\$12,360	\$5,600	\$16,470	\$1,490
Rhode Island	\$18,830	\$16,000	\$2,830	\$16,000	\$2,830
South Carolina	\$16,080	\$10,600	\$5,480	\$14,380	\$1,700
South Dakota	\$19,210	\$11,990	\$7,220	\$16,280	\$2,930
Tennessee	\$15,870	\$10,840	\$5,030	\$15,040	\$830
Texas	\$15,790	\$9,970	\$5,820	\$13,830	\$1,960
Utah	\$17,840	\$10,640	\$7,200	\$15,020	\$2,820
Virginia	\$16,160	\$12,770	\$3,390	\$16,320	-\$160
Vermont	\$18,830	\$14,420	\$4,410	\$17,620	\$1,210
Washington	\$19,820	\$17,130	\$2,690	\$17,130	\$2,690
Wisconsin	\$18,150	\$12,000	\$6,150	\$16,930	\$1,220
West Virginia	\$15,870	\$10,880	\$4,990	\$15,030	\$840
Wyoming	\$16,830	\$10,020	\$6,810	\$15,910	\$920

Source: Authors' calculations using data from the USDA-NASS (2025) Farm Labor Survey and DOL (2025a,b,c).

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