

"Owned & Managed By Agricultural Employers"

Monthly Newsletter January 2020

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Adverse Effect Wage Rate for 2020

The Department of Labor has announced the 2020 Adverse Effect Wage Rates (AEWR) for H-2A workers. These rates are effective on January 2, 2020.

KY, TN, WV \$12.40 up 77 cents OK, TX \$12.67 up 44 cents AR, LA, MS IL, IN, OH \$11.83 up 50 cents \$14.52 up \$1.26 IA, MO up \$1.24 CO, NV, UT \$14.26 up \$1.13 \$14.58 up 19 cents \$11.71 up 58 cents PA \$13.34

If you still have H-2A workers on your farm, you must start paying them the new rate on January 2, 2020.

H-2A Program Update

First, our efforts to freeze the Adverse Effect Wage Rate (AEWR) at the 2019 levels were not successful.

<u>What's next?</u> The Department of Labor's (DOL) Office of Foreign Labor Certification (OFLC) announced the submission of a Notice of Proposed Rulemaking to reform the H-2A visa program.

The proposed rule would provide employers with the option to stagger the entry of their workforce for up to 120 days after the first day of need.

They also proposed changing the 50% rule. The current rules require employers to hire domestic workers that apply for the job if you have not yet completed 50% of the contract. The proposed rule would only require employers to hire a domestic applicant in the first 30 days of the contract, if you are not staggering your workers. This would also cut the time required for the job to be posted with your state workforce agency (SWA).

Wages. Currently, the AEWR combines all possible farm position pay rates into one wage in a region. The new proposal would disaggregate occupations for farm workers, equipment operators, etc. This would more closely mirror the H-2B program. The USDA survey is still the primary choice for pay rates if there is enough data to make that decision. If there isn't enough data, they would use the OES survey. Until the rule is finalized, we won't know the wage rate.

Next - The House of Representatives passed The Farm Workforce Modernization Act of 2019, or $\underline{\mathsf{H.R.5038}}$. It seeks to reform the process by which temporary foreign workers migrate to the U.S. to work in agriculture. The bill has support from both sides of the aisle and from both farmworker and grower constituencies.

The bill consists of three key platforms: (1) It would create a pathway to legalization for current unauthorized agricultural workers, including an eventual option to become a lawful permanent resident (LPR). (2) It would reform and modernize the existing H-2A temporary agricultural worker visa program. And (3), it would require all agriculture employers to implement a reformed "E-Verify" program to ensure their workers are authorized. It now goes to the Senate. If it passed in the Senate, it then goes to the President for Approval.

«First» «Last» «address» «city», «state» «zip»





Important Dates for H-2A Applications

We need your application 75 days prior to your date of need.

If you need workers by March 15, we need your application no later than January 1. If you need workers by April 1, we need your application no later than January 15. If you need workers by April 15, we need your application no later than February 1. If you need workers by May 1, we need your application no later than February 15.

Changes to H-2A Applications for 2020

The Department of Labor has implemented a new application entry system called FLAG. With the new system, DOL is requiring more detailed information on work & housing locations. Each employer must submit an 2019-2020 application which requires more information. You can't submit a copy of a application that you used in previous years. If you do, the application will be returned asking for additional information and it will delay your start date. If you have questions, please give us a call.

AWMA Annual Meeting & H-2A Program Update

You are cordially invited to attend the Annual Meeting of the Shareholders of Agriculture Workforce Management Association, Inc. (the "Corporation") to be held at 10am Central, 11am Eastern time on **Thursday**, **January 16**, **2019 at the Breckinridge County Extension Office in Hardinsburg, KY.**

South African Workers

We now have a process in place to bring in South African Workers through the H-2A Guest Worker Program. If interested, give us a call to discuss.

Benefits for H-2A Workers

If you offer any benefits to your U.S. workers, (401k, Medical, etc.) your must offer the same benefits to your H-2A workers. If so, please follow the rules on such from the IRS.