AG ISSUES UPDATE

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December 2024 - January 2025

USApple Updates

Judge Rules in Favor of USApple: Issues Nationwide Injunction of Key Parts of April H-2A Rule

In November, a federal district court in Mississippi found the U.S. Department of Labor (DOL) lacked the authority to issue certain parts of regulations of the H-2A visa program it issued in April 2024. The provisions that have been overturned were the most problematic parts of that rule including requiring agricultural employers to allow temporary foreign farmworkers to unionize. The judge issued a stay of the regulations effective date precluding the DOL from enforcing the regulations nationwide. U.S. Apple Association (USApple) is a plaintiff in the case along with several other agricultural organizations.

"Apple growers rely on the H-2A guest worker program to bring America's favorite fruit to market. The new DOL rule would have added administrative costs for growers at a time when they are already struggling. We applaud the court's decision," said Jim Bair, USApple President & CEO.

This ruling follows an August decision in Georgia which enjoined the rule in its entirety in the 17 states that brought that suit. In response the DOL decided to continue to enforce the regulations in the other 33 states not covered by that court's injunction.

"It's a relief that logic and common sense have prevailed," said Brett Baker, United Apple Sales and Chairman of the USApple Board of Directors. "It's now time for the Department of Labor to formally scrap it."

USApple submitted formal comments when the regulations were first proposed by DOL, questioning the lawfulness of the proposed regulations and also raising many practical concerns about the added administrative burdens and expenses. A summary of the April rule can be found here.

USDA Releases Farm Labor Survey with 2025 AEWR

On November 20, USDA released the results of the Farm Labor Survey which will form the basis for the 2025 AEWR. On average, the AEWR increased by a little more than 4 percent with some states increasing more and some less. For Pennsylvania, we are going from \$17.20 in 2024 to \$17.96 in 2025,

which is a 4.42% increase. The new wage won't take effect until after the official announcement is published in the Federal Register in December.

USApple continues to work with our allies on Capitol Hill to advocate for a wage freeze until broader reforms can be achieved. We are also in active discussions with USDA regarding the need to reform the FLS so as to better reflect base wages paid rather than the current methodology which includes overtime and piece rate. The flawed system for collecting wage data has played a significant role in the spiraling increases to the wage rate.

Trade with Mexico and Canada

Jim participated in a debrief from the learnings and calls to action that resulted from the 33rd Tri-National Agricultural Accord, hosted by the National Association of State Departments of Agriculture. The Tri-National Agricultural Accord represents a longstanding commitment among the senior agricultural officials from the states and provinces of the three nations to work together collaboratively on agricultural trade issues.

Topics included the 2026 review of the U.S.-Mexico-Canada Trade Agreement, where the agreement will be evaluated for effectiveness. Mexico and Canada are the U.S.' top two apple export markets, purchasing apples worth a combined total of \$550 million in 2023-24.

PSU Ag and Shale Law

Agricultural Labor: USDA Publishes November 2024 Farm Labor Report

On November 20, 2024, the U.S. Department of Agriculture (USDA) National Agricultural Statistics Service (NASS) published its semiannual Farm Labor Report, based on the Farm Labor Survey. According to the report, the combined field and livestock workers' wage rate for the United States is \$18.12, up from \$17.55 in 2023. The same rate for the "Northeast II" region (Pennsylvania, Delaware, and Maryland)—which the U.S. Department of Labor (DOL) will use to establish the region's 2025 Adverse Effect Wage Rate (AEWR) for most H-2A workers—is \$17.96, up from \$17.20 for 2023. DOL is expected to publish the 2025 AEWRs in December 2024.

MORNING AG CLIPS

Trump Taps Brooke Rollins as Agriculture Chief

WASHINGTON (AP) — President-elect Donald Trump said Saturday that he will nominate former White House aide Brooke Rollins to be his agriculture secretary, the last of his picks to lead executive agencies and another choice from within his established circle of advisers and allies.

The nomination must be confirmed by the Senate, which will be controlled by Republicans when Trump takes office Jan. 20, 2025. Rollins would succeed Tom Vilsack, President Joe Biden's agriculture secretary

who oversees the sprawling agency that controls policies, regulations and aid programs related to farming, forestry, ranching, food quality and nutrition.

Rollins, an attorney who graduated from Texas A&M University with an undergraduate degree in agricultural development, is a longtime Trump associate who served as White House domestic policy chief during his first presidency. The 52-year-old is president and CEO of the America First Policy Institute, a group helping to lay the groundwork for a second Trump administration. Rollins previously served as an aide to former Texas Gov. Rick Perry and ran a think tank, the Texas Public Policy Foundation. She worked as a litigation attorney in Dallas and also clerked for a federal judge in the Northern District of Texas after earning her law degree from the University of Texas.

The pick completes Trump's selection of the heads of executive branch departments, just two and a half weeks after the former president won the White House once again. Several other picks that are traditionally Cabinet-level remain, including U.S. Trade Representative and head of the small business administration.

Trump didn't offer many specifics about his agriculture policies during the campaign, but farmers could be affected if he carries out his pledge to impose widespread tariffs. During the first Trump administration, countries like China responded to Trump's tariffs by imposing retaliatory tariffs on U.S. exports like the corn and soybeans routinely sold overseas. Trump countered by offering massive multibillion-dollar aid to farmers to help them weather the trade war.

President Abraham Lincoln founded the USDA in 1862, when about half of all Americans lived on farms. The USDA oversees multiple support programs for farmers; animal and plant health; and the safety of meat, poultry and eggs that anchor the nation's food supply. Its federal nutrition programs provide food to low-income people, pregnant women and young children. And the agency sets standards for school meals.

Robert F. Kennedy Jr., Trump's nominee to lead the Department of Health and Human Services, has vowed to strip ultraprocessed foods from school lunches and to stop allowing Supplemental Nutrition Assistance Program beneficiaries from using food stamps to buy soda, candy or other so-called junk foods. But it would be the USDA, not HHS, that would be responsible for enacting those changes.

In addition, HHS and USDA will work together to finalize the 2025-2030 edition of the Dietary Guidelines for Americans. They are due late next year, with guidance for healthy diets and standards for federal nutrition programs. *-November 25, 2024*