



New California Bill Calls for Major Wage Hike in Agriculture Industry: Everything Ag Employers Must Know

Insights

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A new California bill pending before state lawmakers could raise the hourly minimum wage to \$19.75 for certain agricultural employees starting in 2027. While it's too early to say whether the proposal introduced on Friday will ultimately pass and be signed into law, industry-specific minimum wage rates are a growing trend in California, and its potential to significantly impact ag employers that hire certain temporary or seasonal workers from outside of the state would warrants your attention now. We'll cover everything you need to know about the proposed legislation.

What Happened?

California Assemblywoman Maggy Krell (D-Sacramento) introduced a bill ([AB 2646](#)) on February 20 that would raise the state's minimum hourly wage for certain ag workers to **\$19.75** beginning January 1, 2027, subject to annual cost-of-living adjustments. The proposed wage hike would be a significant change for the ag industry compared to the current statewide minimum, which is \$16.90 per hour for 2026.

Who's Covered?

If enacted, agricultural employers in California would be required to pay the increased minimum wage to "approved agricultural employees" and "corresponding employees." Here's how those terms are currently defined in the bill:

- An **"approved agricultural employee"** means an employee who is engaged in agriculture, is a resident outside of California, and has a permit to work in the state on a temporary or seasonal basis (a position lasting no longer than one year, except in extraordinary circumstances) as a result of an application or job order to hire ag workers on such basis that has been approved, in part or in whole, by the Labor and Workforce Development Agency or the Employment Development Department.

Does this essentially mean H-2A employees? Realistically, individuals hired through the H-2A visa program will be the only employees who qualify as "approved agricultural employees." AB

2646 is likely California's response to the US DOL's interim final rule that dramatically reshaped the H-2A program's minimum wage policy and reduced H-2A wage rates in the Golden State.

- A “**corresponding employee**” means an employee who is engaged in agriculture, is a resident of a California or is not an approved agricultural employee, and performs the same, or substantially similar work, as an approved agricultural employee.

An employee is engaged in “agriculture” if they perform work covered by the state's Agricultural Labor Relations Act.

Any Exceptions?

Since AB 2646 would be added to the state's minimum wage laws, it appears that employees who are exempt under the existing rules (such as individuals who are the parent, spouse, or child of the employer) would continue to be exempt under any new agriculture-specific minimum rate.

Will This Bill Pass?

It's too early to say, as the bill was just introduced on Friday. However, this latest proposal is part of a larger trend in California, which has already enacted industry-specific minimum wages for the fast-food industry and certain healthcare employees. Given this recent history, it's quite possible that the ag industry could be next. (Also note that local ordinances may impose higher minimum wages than the statewide minimum.)

In order for this bill to become law, it would need to pass both chambers of the state's legislature by August 31 and be signed by Gov. Gavin Newsom by September 30.

Conclusion

We will continue to monitor AB 2646 and provide updates as warranted, so make sure you are subscribed to Fisher Phillips' Insight System to gather the most up-to-date information. If you have questions, please contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in our California offices or on our Agriculture Industry Team.

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