August 28, 2026

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

SUBJECT: AB 2646 (Krell): REQUEST FOR VETO

Dear Governor Newsom:

We respectfully **REQUEST** your **VETO** of **AB 2646 (Krell)**. The bill would increase the hourly wage for H-2A and associated corresponding employees in California to $19.75 per hour beginning January 1, 2027. This represents a **14 percent wage increase**. In addition, the hourly wage would continue to be increased each January based on the cost-of-living adjustment for Social Security benefits, which are volatile as seen by the 8.7% increase in 2022. This is a massive cost increase to a program that also requires H-2A employers provide housing and transportation. This wage increase would impose **hundreds of millions of dollars** in additional annual costs on the agricultural industry and will lead to increased costs of healthy foods. We are also deeply concerned by the disconnect between the arguments that have been made in the Legislature in support of AB 2646 and what the bill says. That is particularly troubling given the magnitude of the negative impact that this bill will have on California agricultural production and affordable fresh produce.

Every additional mandated cost on agriculture further limits investment, constrains production, and contributes to difficult decisions about reducing acreage, scaling back operations, or shifting production elsewhere. AB 2646 would add to these existing pressures without addressing the underlying workforce challenges facing agriculture or recognizing the economic realities under which California's food production system operates.

California is the nation's leading producer of fresh fruits, vegetables, and tree nuts—the very foods that nutrition experts encourage Americans to consume to improve public health and reduce chronic disease. The state's agricultural diversity, productivity, and commitment to high production standards have made California indispensable not only to its own residents, but to consumers across the country. However, net farm income (the key indicator of farm viability) is decreasing in California as operating costs continue to spiral far beyond what farmers in other states and countries experience. Policies that make the production of these foods increasingly difficult deserve particularly careful consideration because their impacts extend well beyond individual farming operations.

It is for all these reasons that AB 2646 should be vetoed. Thank you for your consideration.

Sincerely,

Matthew Allen

Matthew Allen
Vice President, State Government Affairs
Western Growers Association

Agricultural Council of California
Almond Alliance
American Pistachio Growers
Association of California Egg Farmers
CalChamber
California Apple Commission
California Association of Nurseries
California Association of Winegrape Growers
California Blueberry Association
California Blueberry Commission
California Cattlemen's Association
California Citrus Mutual
California Cotton Ginners and Growers Association

California Date Commission
California Farm Bureau
California Farm Labor Contractor Association
California Food Producers
California Fresh Fruit Association
California Grain and Feed Association
California Pear Growers Association
California Seed Association
California State Beekeepers Association
California Strawberry Commission
California Walnut Commission
Grower-Shipper Association of Central California
Grower-Shipper Association of Santa Barbara and San Luis Obispo Counties
Olive Growers Council of California
Olive Oil Commission of California
Pacific Egg & Poultry Association
United Ag
Ventura County Agricultural Association
Western Growers Association
Western Tree Nut Association