Agriculture is an important part of the Midwestern economy, providing billions of dollars in business revenues and supplying thousands of jobs to the 12-state region. The success of the agriculture sector—including dairy farmers in Wisconsin, seed corn producers in Iowa, food processors in Minnesota, apple and cherry growers in Michigan, and equipment manufacturers in Illinois—rests on the shoulders of immigrants. Although many lobbyists and policymakers from across the nation are working to develop new immigration legislation to address the needs of the agricultural industries, Midwest immigration issues are in some cases different from other parts of the country. And even as President Obama’s November 20 announcement of Immigration Accountability Executive Action provides limited benefit to the agriculture sector, it fails to fully address Midwest agriculture’s unique needs for legislative immigration reform:

► The Midwest has been under-represented in US immigration policy discussions related to agriculture.

► Definitions of STEM degrees eligible for special provisions under the House SKILLS Visa Act do not appear to include agricultural disciplines.1

► Labor needs for year-round animal care in the region differ from seasonal crop labor demand in other states.

► Many Midwestern agricultural jobs are in hard-to-access rural areas, making it harder to attract workers.

► Although there is broad support for E-Verify, support hinges on the creation of guest worker visas to protect farmers who cannot function without this important labor force.

A continued congressional stalemate on immigration reform means lower food production, higher food costs, economic and job losses in the Midwestern agriculture sector, and compromised global competitiveness on a national level. Recommendations developed with input from key regional stakeholders—including the development of a year-round temporary worker visa, the elimination of arbitrary caps and quotas, protections for employers using E-Verify, and limits on state-level immigration restrictions, among others—would remedy these issues not only in the Midwest, but would also address labor shortages, visa issues, and other immigration-related challenges on farms across the country.

I. Introduction

The Midwestern economy depends on the success of its agriculture sector. As of 2003, half of the 440 “farm-dependent” counties throughout the United States—those relying on agricultural activities for
at least 15 percent of their earnings—are within the Midwest region.\footnote{2} Agriculture accounted for 6.6 percent of the Midwest economy in 2012, about twice the national share.\footnote{3} This share ranges within the region from a high of 31.3 percent for South Dakota to 2.6 percent for Ohio. These shares are two to five times higher than farm operators’ share of the state populations, meaning that farmers are punching above their weight in terms of economic output (see figure 1).

The Midwest dominates many parts of American agriculture, boasting the nation’s top state in production of corn, soybeans, hogs, and eggs (all in Iowa); wheat and grain sorghum (Kansas); and oats and turkeys (Minnesota). Combined, Midwest states account for about 16 percent of the country’s specialty crop production by value, less than half of California’s specialty crop market value. Three Midwest states (Michigan, Minnesota, and North Dakota) rank among the top 10 in the value of specialty crops produced. What’s more, Midwest livestock farmers account for 55 percent of the nation’s hogs and pigs, 39 percent of the nation’s beef cattle, and 35 percent of the dairy cows. It is no accident that 10 of the 12 Midwest states have at least one US senator on either the Senate Agriculture Committee or Senate Agricultural Appropriations Subcommittee—their constituents expect to have a voice in US farm policymaking.\footnote{4}

On average, the percentage of Midwest farms that use hired labor is quite close to the national share, about one in five farms.\footnote{5} Statistics illustrate a reality that local farmers have known for decades: our nation’s immigration policies are failing to serve the needs of our agriculture sector, and those shortcomings are especially acute in the Midwest, a region with distinct needs for year-round versus seasonal immigrant labor. The Midwest overwhelmingly relies on immigrant labor for year-round animal care, which has different characteristics from labor demand for seasonal specialty crop operations in other parts of the country.

While the US Senate passed a bipartisan bill in June 2013 that would address many of the current challenges with the US immigration system, including the needs of the agricultural industries, as of December 2014 the House of Representatives had not yet advanced any legislation past the committee level. President Obama’s Immigration Accountability Executive Action, announced November 20, 2014, provides only limited benefit to the agriculture sector. The executive order will provide temporary relief from the

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure1.png}
\caption{Agriculture’s Share of Midwest Population & Economy, 2012}
\end{figure}

\begin{table}[h]
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\begin{tabular}{|l|c|c|}
\hline
State & Farmers’ share of state population & Agriculture’s share of state economy \\
\hline
Illinois & 0.8 & 3.3 \\
Indiana & 1.4 & 5.1 \\
Iowa & 4.2 & 25.7 \\
Kansas & 3.2 & 15.7 \\
Michigan & 0.8 & 2.7 \\
Minnesota & 2.0 & 9.4 \\
Missouri & 2.5 & 5.2 \\
Nebraska & 4.0 & 11.8 \\
North Dakota & 6.2 & 16.5 \\
Ohio & 1.0 & 2.6 \\
South Dakota & 5.8 & 31.3 \\
Wisconsin & 1.9 & 6.0 \\
Regional Average & 1.7 & 6.6 \\
\hline
\end{tabular}
\caption{Agriculture’s Share of Midwest Population & Economy, 2012}
\end{table}

\textbf{Definitions of Visa Categories}

There are over 180 different visa types issued by the US government to individuals seeking to temporarily work, visit, or study in the United States or to those seeking permanent residency. The following visas are mentioned in this report:

\textbf{H-1B Visa:} A visa for high-skilled workers in specialty occupations in the United States. H-1B workers may only work for their sponsoring employer and are frequently utilized in the STEM fields. The duration of stay for H-1B holders is three years, extendable to six years.

\textbf{H-2A Visa:} A temporary visa for seasonal agriculture workers. The H-2A visa is only valid for jobs that last 10 months or less. The employer may choose to use the worker for subsequent seasons, but only up to a total of three years.

\textbf{H-2B Visa:} A visa for temporary, nonagricultural workers coming to the United States for a recurring seasonal need, intermittent need, peak-load need, or for a one-time occurrence. The H-2B visa is only valid for jobs that last 10 months or less.
The United States has long hired foreign labor to support agriculture. In 1942 the United States and Mexican governments signed an agreement providing for Mexican workers to be brought to the United States as temporary agricultural workers. This arrangement became known as the Bracero program and was prompted by the labor shortfall throughout the US economy caused by the absence of several million American men who were serving in the military during World War II. An estimated 4.5 million Mexican citizens were involved in this program at some point during its 22-year life. The program was terminated in 1964, and no explicit provisions for legally allowing temporary farmworkers to enter the country were included in subsequent legislation for several years.

**The growing demand for hired foreign labor in the Midwest**

Over the last century, roughly three million migrant and seasonal farmworkers, on average, were in the United States at any one time. But as of 2012 that number had dropped to 1.06 million, including part-time and full-time workers, according to the Farm Labor Survey conducted by the US Department of Agriculture’s (USDA) National Agricultural Statistics Service. Of the roughly 800,000 farmworkers in that total, about 56 percent work in crop production, and the remainder work in livestock production.

Even with an imported labor force of more than one million, farms still face up to a 30 percent shortage in labor. US farmers find it difficult to fill available farm labor jobs with native-born workers, even with the 9.7 million unemployed US citizens over the age of 16 (3.2 million of whom are long-term unemployed), as estimated by the US Bureau of Labor Statistics July 2014.

Several factors—both real and perceived—contribute to the reluctance of native-born workers to seek jobs in agriculture, either on farms or in processing facilities. These include low wages compared to those paid for other occupations involving hard physical labor, difficult working conditions, often transitory employment opportunities, and the prospect of extensive travel for undertaking seasonal work. While farmworker jobs are located in metropolitan areas in the West and Southwest regions of the United States (including 99 percent in California and 95 percent in Washington State), in the Midwest nearly half the jobs are in rural areas, ostensibly making them less accessible for would-be workers. Furthermore, the tradition of younger family members working on multiple-generation, family-run farms seems to be weakening in some parts of the country, especially given the declining number of these farms.

Some workers are being pulled away from agriculture into other sectors. The inflation-adjusted hourly wage for construction workers has consistently been two to three times higher than for crop farmworkers over the last few decades, according to data collected by USDA and the US Department of Labor. But there are less concrete factors as well. Princeton University Sociologist Doug Massey has found that the public identification of farm labor in the United States as an “immigrant job category” over the last few decades has created a stigmatization of that type of work among native-born Americans, making it unattractive to many even as an employment opportunity of the last resort.

Local anecdotes illustrate the reluctance of native-born workers to pursue jobs in agriculture. According to a *Milwaukee Journal Sentinel* story from January 2013, even “after a printing plant in Waterloo closed and left hundreds of people out of work, only a couple of them applied for jobs at a nearby Crave Brothers Dairy Farm, which requires staffing 24 hours a day, 365 days year.” In another example, a nursery owner
in Minnesota sought to hire as many as 350 seasonal workers in 2013. The owner worked with the local job service and unemployment offices and actively advertised and recruited in the area. Offering pay above the minimum wage for three to eight months of work, he was able to fill only one-fourth of the jobs with local workers. The rest were filled by foreign workers through the H-2A visa program described on page 7.13 Steve Hirsh, president of the Ohio Farm Bureau, sums up the challenge: “Domestic workers are unwilling” to do the work that immigrants will do, according to a July 2014 blog entry on the Farm and Dairy website. As a result, immigrant workers are the backbone of the hired farm labor force in the United States, filling a labor shortage estimated at 80,000 people or more nationwide in the fresh produce sector alone.14 There are about 57,000 immigrant farmworkers in the Midwest region, according to the US Census Bureau’s American Community Survey (ACS) data. These workers fill labor slots in animal care in dairy and livestock operations, harvest and postharvest work in crop production (especially for specialty crops), and assembly line work in many types of food processing facilities. Many Midwest companies also rely on high-skilled immigrant labor to serve as engineers, scientists, and technicians (see figure 2).

**Immigrant workers are the backbone of the hired farm labor force in the United States, filling a labor shortage estimated at 80,000 people or more nationwide.**

About two-thirds of all hired crop workers in the United States are from Mexico, about 6 percent are from Central America and other countries, and the remainder are from the United States or Puerto Rico (see figure 3). Most such workers are “settled” in the area they work, as the “follow-the-crop” model of migrant worker is relatively rare today. Hired crop workers (native and foreign-born) are overwhelming male—more than 80 percent in 2012—and only a quarter have some college education.15

**Crop production**

Annual data from the National Agricultural Worker Survey show that between 1989 and 2009 the share of US citizens in the farm labor force working in crop production fell from about 45 percent to about 30 percent. During the same period, the share of unauthorized foreign workers rose from less than 10 percent to about 50 percent (see figure 4). The remaining share consists of foreign workers who are authorized to work in US agriculture. Hired labor costs account for more than one-third of variable expenses for US fruit, vegetable, and nursery operations, but less than 10 percent for field crops such as wheat, feed grains, and oilseeds.

Outside of Michigan, most fruit and vegetable crop production in the Midwest is focused on serving local and regional markets such as farmers markets and pick-your-own outlets during the summer growing season. In August 2014 farmers markets in the Midwest...
accounted for 29 percent of the national total.\textsuperscript{16} Michigan ranks second behind California as having the most diverse production of specialty crops, ranking in the top five nationally for a dozen different fruits and vegetables.\textsuperscript{17} Farms raising annual specialty crops in most Midwest states have average acreage (or land in orchards) well below the national average. The exceptions are North Dakota and Minnesota with significant potato acreage, Michigan and Wisconsin with significant berry acreage, and Michigan with large apple and cherry orchard operations. In the special 2007 USDA survey for specialty crops, about one-fifth of all Midwest specialty crop farms employed hired labor, primarily for picking and packaging fresh produce on a seasonal basis, a figure consistent with the national average. Yet the average number of workers per farm was well below the national average in every Midwest state but Michigan.\textsuperscript{18} In August 2013 a large Ohio tomato grower (Charles Jones Produce LLC) closed its operations because the owner could not find enough workers to harvest his crop.\textsuperscript{19}

Midwestern row crop production has unique labor needs. The region produces mostly grains and oilseed crops, and most such farms are highly mechanized in their operations. However, major companies such as DuPont-Pioneer and Monsanto, which provide about 60 percent of seed for US corn producers, raise much of their seed in the Midwest. Production of seed corn is somewhat different from field corn. Because of the need to control fertilization, fields with seed corn require manual detassling of the corn stalk during the growing season. These crews, once primarily filled by local high school students, are increasingly made up of migrant workers.

**Livestock production**

Livestock production includes cattle, poultry, and hogs, among other animals. Increasingly, both family-owned farms and larger farms (those with annual receipts of $1 million or more) rely on hired labor, much of it from immigrant workers. In 2012, hired labor expenses accounted for 12.3 percent of total cash expenses for the largest dairy farms. On farms with receipts between $250,000 and $500,000, hired labor accounted for 7.1 percent of expenses,\textsuperscript{20} a number that will continue to grow as younger generations of would-be family farmworkers opt for employment in other industries.

Animal care is very labor intensive. While many in the Midwest dairy industry point to a standard of at least one worker to care for 40 cows, that ratio results in long hours for workers, more than a 40-hour week.

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**Michigan Crops “Rotting in the Field”**

“Virtually every grower I have talked to in Michigan has left crops rotting in the field,” said Frank Gasperini, executive vice president of the National Council of Agricultural Employers in a September 2013 interview with *The Packer*, a produce industry news publication. As the conflict in Syria and looming debt ceiling legislation distracted Congress from progress on the farm bill, Gasperini said that labor shortages were particularly severe in 2013, especially in the Midwest.

One western Michigan grower reported labor shortages of 40 to 50 percent of needs, with growers being forced to make tough choices between picking some of their crops and leaving others in the field based on factors such as ease of harvest and market conditions. The state’s asparagus growers lost between 1 and 2 million pounds of product—the market value of which is 75 cents to $1.50 per pound—due of a lack of workers to harvest it, according to the report. In the fruit sector, blueberry growers reported switching to mechanical harvest methods, even as hand-harvesting yields a higher value.

“We need a bipartisan fix, or it is not going to pass the House and the Senate,” Gasperini said, commenting on the prospects for an immigration reform bill.

Other reports suggest a higher ratio of workers to animals. A 2009 survey of the US dairy sector found that dairy farms with at least 50 milking cows employed on average six hired workers on their operations, with just under half of farms reporting that they employed immigrant labor.\(^{21}\) While large-scale farms may be able to replace labor with machines and automation—an Indiana-based dairy farm with 36,000 cows operates at a ratio of approximately 150 to 170 cows per worker—such infrastructure is often cost-prohibitive for small- and medium-sized farms. Between 2006 and 2010 hired labor costs account for up to one-sixth of the total variable expenses for livestock operations, ranging from 16 percent for poultry farms to 8 percent for cattle farms.\(^{22}\)

**Agricultural processing and handling**

Migrant workers, many of them undocumented, also make up a substantial share of the workforce in the agricultural processing and handling sector, especially livestock and poultry slaughter facilities. Data from the 2010 Census indicate that at least one-third of US meatpacking jobs are held by immigrants.\(^{23}\) Research indicates that most of those immigrant workers are from Latin America, primarily Mexico.\(^{24}\) Annual labor turnover rates in the meatpacking industry have been estimated to be as high as 80 percent.\(^{25}\)

The sector is strong in the Midwest, with US companies such as Cargill and ConAgra headquartered in Minnesota and Nebraska, respectively. Meatpacking facilities are increasingly located in rural areas with small local labor pools, thus needing external recruitment to fill the shifts. Line workers at these facilities handle intake of live animals, slaughter the animals with a captive bolt stun gun, move the carcass onto the facility floor, and man “disassembly lines” to butcher and box the meat and poultry cuts prized by American consumers. Other workers are hired on a contract basis to clean the facility.\(^{26}\)

**Agricultural manufacturing**

While the worker profile for agricultural manufacturing firms producing equipment or agrochemical inputs is quite different from farms and ranches or agricultural processing, these companies also have an interest in hiring foreign workers for their firms. As is the case with other segments of the agricultural sector, the industry is strong in the Midwest. Manufacturing giants Monsanto, Dow, Deere and Co., and Caterpillar are based in St. Louis, Missouri; Midland, Michigan; Moline, Illinois; and Peoria, Illinois; respectively. In 2012 these companies had more than 600 Labor Condition Applications certified with the US Department of Labor, allowing them to hire highly skilled technicians or scientists from abroad under the H-1B temporary visa program.

**II. US immigration policy falls short for Midwest agriculture**

While many business groups are actively pushing for immigration reform, the US agriculture sector is perhaps more vocal and unified on the need for reform than any other part of the US economy. With its strong stake in the debate, the Midwest agriculture sector is vocal about the need for reform.

As part of the push to advance federal legislation in this area, the Agriculture Workforce Coalition (AWC)—which includes the Illinois and Michigan Farm Bureaus as supporters—was heavily involved in the negotiation of the agriculture portion of the Senate immigration reform bill, along with advocates of farmworkers such as the United Farm Workers and a bipartisan group of US senators from top farm states. The basic position of AWC is that the current system has created a critical shortage of workers for the farm labor force, and they need a reliable and competent workforce to allow the sector to remain internationally competitive.

Of the organizations listed on the AWC website as supporters of the coalition, only two (the Illinois and Michigan Farm Bureaus) were explicitly from the Midwest. The AWC nevertheless included 13 separate California associations or entities as well as several from Florida, Georgia, and Texas, in addition to numerous regional associations from the West and Southeast. It appears that organizations representing Midwest agriculture have been under-represented in the immigration reform debate to date.

The National Milk Producers Federation, with a task force headed by a Midwestern dairy farmer and membership from multiple Midwestern states, has
also been deeply involved in this debate. Members have indicated that reform is the number one issue that concerns them and have paid a special assessment to the federation to enable it to pursue immigration-related work.

**The H-2A visa program fails to meet Midwestern labor needs**

The H-2A visa program is the only legal avenue for migrants to work in the US agricultural sector on a temporary basis. Such visas can be granted for up to one year and come with caveats. The employer must demonstrate they have tried to hire US citizens for the position, and the immigrant worker must come from an H-2A eligible country. The program was established in the Immigration Reform and Control Act of 1986 (IRCA). Unlike most other categories of work visas available under the US immigration system, there are no annual caps on the number of H-2A visas that can be issued. Operated by the US Department of Labor, the number of H-2A visas issued has grown in the last few decades, up 335 percent between fiscal years 1998 and 2013. However, even at recently increased levels (99,000 H-2A visas were issued in 2013), H-2A visa holders account for no more than 10 percent of the agricultural workforce in the United States.

The H-2A program falls short on meeting the labor demands of farmers across the country. For Midwest farmers, however, one of the main issues is that the program does not accommodate workers engaged in year-round work on livestock and dairy operations, important sources of hired labor demand in the region. Indeed, dairy farmers are actually ineligible to bring in foreign workers under the H-2A program for that very reason, even as farms that use immigrant labor supply more than three-fifths of the milk in the country, according to a 2009 Texas A&M University study. Across the Midwest, the share of hired farmworkers working 150 days or more per year is about a third of all hired workers and is comparable to the national average. But the share was higher than the national average in Kansas, Nebraska, North Dakota, and Wisconsin, all states where dairy and other livestock operations dominate the state’s agricultural economy, according to data collected in the 2007 Census of Agriculture (see figure 5). In 2012 farmers in Midwestern states sought about 7,000 H-2A visas but received only about 6,100, or about 8 percent of the national total, a far smaller share than the 25 percent of total hired labor they demanded in 2012 as compiled in the Census of Agriculture. With few other options to legally hire year-round immigrant farmworkers, farms often rely on undocumented labor.

Restrictions on year-round workers aside, other H-2A visa challenges include the cost—an estimated $1,000 per worker—and the bureaucratic complexities and delays associated with filing the proper paperwork. Because H-2A visas are awarded based on

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**Figure 5**

**Midwest States Where Farm Labor Needs are Higher than National Average**

Source: 2007 Census of Agriculture.

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**Employing through Other Visas**

No other visa category besides the H-2A is available for temporary farm workers, although some companies in the hospitality, animal care, and food processing sectors such as major hotel chains, horse farms in Kentucky, and seafood processors in Washington State and Alaska, have been able to successfully make the case that their potential employees qualify as nonagricultural workers and thus can obtain seasonal H2-B visas for them. H2-B visas are similar to H-2A visas, except they are supposed to be for nonagricultural seasonal workers, and the total number available is capped annually, at 66,000. Many employees who might want to hire such workers are unable to do so because the cap fills quickly once visas open on a semi-annual basis.
the calendar year and not agricultural seasons, some farmers struggle to get seasonal employees when they are needed and often miss critical planting or harvesting windows.

Farmworker advocates also have concerns associated with the H-2A program, including the lack of legal protections for workers and lax oversight of working and housing conditions. There are reports of recruitment-related abuse of the workers, with numerous documented cases of debt peonage and forced labor as workers go into debt to recruiters in their home countries before they do a single day of work in the United States. Once in the United States, workers are often reluctant to file claims if their employers engage in illegal conduct such as wage theft or expose them to unsafe doses of chemicals.32

Employing unauthorized workers burdens food producers

Since many companies in rural Midwest areas struggle to find authorized, qualified workers willing to do these labor-intensive, demanding jobs, many companies have had to rely on unauthorized migrants to keep their businesses productive. At a hearing of the Senate Agriculture Committee in 2011, a Michigan specialty crop farmer testified that “We’re sweatin’ bullets every day that they’ll knock on the door and take our help away. We rely on migrants. If they go away, we’ll go back to growing [less labor-intensive] soybeans.”33

In recent decades, US government agencies have conducted numerous raids on workplaces to apprehend undocumented workers on site. None have captured public attention in quite the same way as the May 2008 raid on the Agri-Processors kosher meatpacking plant in Postville, Iowa. At the time, the raid was described as the largest single-site raid of its kind in history. Agents of Immigration and Customs Enforcement (ICE) detained 390 plant employees who were working without legal authorization, mostly from Guatemala and Mexico. That total included 56 women with small children, who were released shortly after the raid to provide care for those children. The plant was shut down six months later, and the plant owner was charged and convicted of document and financial fraud. The plant reopened in April 2010 with new management and a new name.

The new owners are now more careful when hiring workers, including use of the E-Verify system, the Internet-based system that confirms the eligibility of employees to work in the United States, but few Postville locals work at the plant.

The Obama administration relies less on overt public raids for immigration enforcement than did its predecessors, but instead uses I-9 employment authorization form audits aimed at identifying undocumented workers in plants or farms. Three thousand such audits were conducted in 2012 alone, 11 times more than in 2007.34 Nationwide, under the Obama administration, 2.3 million people have been deported at an average rate of 1,050 people per day.35 In fiscal year 2013 alone, ICE reported more than 368,000 removals of unauthorized immigrants from the United States, two-thirds from border states, and one-third from interior states.36

The uptick in deportations aside, current policies also affect employers. Under previous enforcement approaches, the migrant workers primarily bore the risks of working without documentation in the US agricultural sector. If caught, the worker would be subject to deportation, while employers suffered primarily from disruption of their business. Under the current policy, while the workers still risk deportation, employers now risk civil penalties in addition to business disruption if businesses are deemed to have discriminated against prospective employees.37

Even some firms that have employed E-Verify have been found in violation of immigration laws. Some employers have been subjected to fines and even arrest. This has implications for any new legislation mandating the use of E-Verify. The 2014 Chicago Council Midwest Business Leader Survey found that 88 percent of Midwest business leaders would support a law mandating that employers use E-Verify, but only 38 percent of the business leaders have ever used it.38 Many employers do not use E-Verify today because they fear they will be held liable if they unknowingly hire unauthorized migrants who had false identities in the system. As such, they are requesting protections from such instances.

A recent study evaluated the impact of local immigration enforcement efforts on farm labor supply. A provision—Section 287(g)—of the Immigration Reform
and Control Act, the 1986 law that made it illegal to knowingly hire undocumented immigrants, allows county officials to obtain delegated authority from the federal government to assist in enforcing immigration laws. The study found that for those counties where this authority was invoked, the labor supply fell at farms that had previously used hired labor.39 One such use of 287(g) authority took place in Michigan in May 2013, where ICE agents and the county sheriff raided two dairy farms, taking at least three people into custody.40

III. A stalemate on immigration reform can hurt Midwest agriculture

Midwest farm group representatives are concerned about the long-term impacts of stalled comprehensive immigration reform. They expect four things will happen: (1) there will be less US specialty crop and dairy production; (2) the costs of everything will go up, including such ancillary services as landscaping; 3) overall economic activity will decline because of the uncertainty of farm labor supply; and 4) the backlash will cause production to move offshore.

Over the past few years, the combination of vigorous US immigration enforcement, slow economic growth in the United States, and relative gains in the economies of Latin America has slowed the movement of undocumented workers into this country. The Pew Research Center’s Hispanic Trends Project has found that net immigration of such workers stalled during the 2007-09 economic recession, with the biggest decline among immigrants of Mexican origin.41 The 2013 report suggests that growth of undocumented immigration to the United States appears to have resumed, but the statistical trend is not clear.

Any decrease in migration is felt more acutely in the interior of the country. Because of the distance from international borders, the pool of potential migrant workers for Midwest agriculture starts out smaller than for border states. In 2012 the US Census’ American Community Survey estimated that only 3.4 percent of Midwest residents were non-naturalized and foreign born, as compared to 10 percent or more in border states such as California, Texas, and Florida.

A few recent studies commissioned by advocates of immigration reform have looked at the impact on US agriculture of maintaining the current immigration system. One study by Stephen Bronars for the Partnership for a New American Economy and the Agricultural Coalition for Immigration Reform focused on the recent inability of US fruit and vegetable production to keep pace with increased demand among American consumers due in large part to farmers’ inability to source sufficient labor. Between 2000 and 2012, the study noted, US consumption of fresh produce rose by 10.5 percent, while US production rose only 1.4 percent. As a result, imports of fresh fruits and vegetables have increased by 38 percent over that period, with imports in several categories (such as lettuce, avocados, berries, and cherries) spiking well over 100 percent. The study cites labor supply challenges and H-2A visa shortcomings as key factors in a 27 percent decline in market share for US growers, accounting for $3.3 billion in missed GDP growth and $1.3 billion in unrealized farm income for 2012.42

A similar piece commissioned by the American Farm Bureau Federation assumes that in an enforcement-only scenario—produced by a continued stalemate on comprehensive reform solutions—US agriculture would eventually lose all of its estimated 525,000 undocumented workers. Under this scenario, farm wages would increase between 70 and 146 percent, increasing costs and reducing production, including:

► reducing meat production by 13 to 27 percent,
► reducing vegetable production by 15 to 31 percent, and
► reducing fruit production by 30 to 61 percent.

Overall, net farm income in the United States would drop by 15 to 29 percent. This would also spur an increase in imported produce.43

For the dairy industry, which accounts for 39 percent of Wisconsin’s agricultural economy, enforcement-only approaches can be extremely detrimental to the industry, given farmers’ dependence on immigrant labor. As the American Farm Bureau Federation points out, “without immigrant labor, the number of dairy farms would drop by 4,532, reducing milk pro-
duction by 29.5 billion pounds and raising retail milk prices by an estimated 61 percent.”44

Furthermore, these groups add that current immigration laws are putting other American jobs at risk. Two million people are hired each year to work on American farms; each of these workers supports two or three other employees downstream in jobs like sales, marketing, and transportation. Without immigration reform, many of these jobs will move overseas and the United States will begin importing a larger share of its food. John Feinblatt, chair of the Partnership for a New American Economy, is quoted by the #FarmImmigration campaign as saying: “We either bring in our workers or we bring in our food. The American agriculture industry depends on getting this right.”45

IV. Current legislative proposals do not fully meet Midwest agriculture needs

The need to overhaul the agricultural segment of US immigration policy has been a legislative focus of US farm groups for many years, with the first incarnation of the “AgJobs” bill being introduced in 2001 after exhaustive five-year negotiations between farm groups, farm labor advocates, and key members of Congress. The AgJobs bill would have allowed many current undocumented farmworkers to earn legal status and would have fixed many of the issues in the H-2A temporary agricultural worker program, thus resolving the biggest concerns of the agriculture sector for all regions of the nation, including the Midwest. The package was introduced in both the House and Senate in August 2001, but the terrorist attacks on September 11, 2001, created public concern about the security of US borders and thus sidelined any significant action on the legislation.

Similarly titled legislation has been introduced in every session of Congress since 2001, enjoying strong bipartisan support but never moving forward. In 2006 the AgJobs bill was included in a broad immigration reform package that passed the Senate. An immigration reform bill also passed the House that year that did not include the AgJobs compromise. No conference committee was convened during the 109th Congress (2005-06) to reconcile the differences between the two versions, so the legislation failed to become law.

Senate Bill (S.744)

The most recent version of legislation designed to meet the needs of the agriculture sector was included in the immigration reform bill (S.744), which passed the Senate with bipartisan support on June 27, 2013.46 Its main provisions include the following:

- Abolishing the current H-2A temporary agricultural worker program and replacing it with a new “blue card” system for temporary residence for workers who performed at least 100 work days in agriculture in the 24-month period prior to December 31, 2012, and allowing permanent “green card” status for blue card holders who worked at least 100 days in agriculture for five of the following eight years after attaining that status.
- Initiating a new nonimmigrant worker visa program for farmworkers, either as contract workers (W2) or as portable “at-will” workers (W3), valid for three years and subject to renewal. This visa class could cover year-round work in agriculture such as sheep herding or working on dairy farms. These types of visas would be capped at about 337,000 workers for the first five years, after which USDA and the Department of Labor would set cap levels. Workers with such visas would be covered by workman’s compensation.
- Establishing new rules for determining wages to be paid to farmworkers and requiring farmers to cover workers’ housing costs and daily transportation costs under most circumstances.

The House of Representatives

As of December 2014, the House of Representatives has not brought the Senate bill to the House floor for consideration, instead having started a piecemeal approach. The Judiciary Committee is working on an “Agricultural Guestworker Act,”47 which would establish a new H-2C visa category for guest agricultural workers coming temporarily to the United States for a period generally up to 18 months, terminating access to H-2A visas within two years of enactment. The
The number of H-2C visas issued could not exceed 500,000 annually unless waived by the secretary of agriculture. It contains no provision for permanent legal status for migrant farmworkers already in the United States. The full House has not considered this bill nor any other piece of immigration legislation during the 113th Congress to date, although some pieces, such as the Agricultural Guestworker Act, have been reported out of the House Judiciary Committee and could be put on the House calendar for floor consideration at any time by the majority leader.

**Immigration Accountability Executive Action**

On November 20, 2014, President Obama announced a series of executive actions that expand the categories of undocumented immigrants eligible for deferred action, providing relief against deportation for up to three years. Limited numbers of farmworkers—only 250,000 of a reported total of five million people, according to estimates from the United Farmworkers Union—would be eligible. The remainder ostensibly do not meet requirements for deferred action, which include having a child who is a US citizen or legal permanent resident and having lived in the United States since before January 1, 2010. Expanded eligibility for Deferred Action for Childhood Arrivals (DACA), which applies to undocumented immigrants who came to the US before the age of 16, also does not apply to the majority of farmworkers. As such, executive actions do not directly address the larger issues raised by the US agricultural sector about rules affecting the farm labor supply.

The agricultural community’s immediate reaction to the president’s action is that it provides, at best, only minimal solutions to their concerns. At worst, it may lead to additional reduction of the farm labor supply, as current farmworkers who receive deferred action status might seek more remunerative employment in other sectors. Other farmers have expressed concern that they may be forced to fire newly protected workers if they admit to previously lying about their immigration status. The widespread objection to the president’s decision among elected members of the Republican Party may also diminish the likelihood that the new Republican-controlled House of Representatives and Senate will eventually take up and pass immigration reform legislation in the next session of Congress, although they have failed to do so in the more than 17 months since the Senate passed S.744.

**Visa caps and labor rights**

Representatives of farm and commodity groups in the Midwest strongly support the farm labor provisions of S.744, citing a need for both regularizing the status of the existing pool of farmworkers—some of whom have developed unique sets of skills after having worked a number of years on a given operation—and for an improved farm guest worker program. Eliminating the H-2A requirements that favor seasonal workers over year-round workers, which is a crucial issue for Midwest farmers, would be achieved under the current language of both the Senate-passed comprehensive bill and the House agricultural guest worker bill.

Others are concerned about how the annual caps for the W2 and W3 visa program might work. Most would prefer to see no caps on the program, although they recognize the political reality of the potential need for legislative compromise on such issues. However, the preference would be for cap levels to be driven by current market factors, not established at an arbitrary level in statute, as would be the case for the first five years after enactment under the Senate bill. Other concerns include the workability of an agricultural guest worker system that

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**A NAFTA Model for Labor Markets**

While many farm labor organizers support S.744, advocates such as Baldemar Velasquez believe it falls short in many key aspects, most notably the question of labor rights. Rather than the complex formula defining eligibility for “blue” or “green” cards based on an immigrant’s time in the United States, he advocates for a “Freedom Visa” that would allow workers to move freely across borders, following the principle for physical commodities under the North American Free Trade Agreement (NAFTA). His support of a “Freedom Visa” is contingent on the provision of full labor rights for guest workers and exemption from a state’s “right-to-work” laws. He notes that guest worker proposals would generally gather more support among farm union groups if they adhered to National Labor Relations Act guarantees, which currently do not apply to agricultural workers.

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“We either bring in our workers or we bring in our food.”
—John Feinblatt, Partnership for a New American Economy
would require the cooperation of three different federal departments to administer—the Department of Homeland Security, the Department of Labor, and the Department of Agriculture—and whether a reformed immigration system should still require that guest workers return to their home country for a defined period as a condition of the visa. This latter component remains a problem for livestock and dairy farms, which need year-round and experienced workers, especially in the Midwest.

In regards to potential reforms for high-skilled immigration, S.744 would increase the cap on H-1B workers from the current 65,000 workers immediately to 115,000, increasing gradually to 180,000. Another 25,000 H-1B visas would be allocated for foreign graduates with STEM degrees from US universities. The House SKILLS Visa Act, reported by the House Judiciary Committee, would have similar provisions. Companies like Deere and Co. and Monsanto report wanting to sponsor foreign students to earn STEM degrees and then hire them to work in the United States and remain hopeful that immigration reform will make it easier for them to do so.

However, many are concerned that the current definition of degrees eligible for the STEM designation in both bills does not appear to include agricultural disciplines such as agronomy and plant science. Between 2007 and 2013, 40 percent of all PhDs in agricultural sciences awarded by US universities went to noncitizens. While President Obama’s Immigration Accountability Executive Action includes provisions for streamlined processes for high-skilled immigrants, expanded possibilities for STEM students, and overall “visa modernization” processes, details on how or if these elements will benefit the agriculture sector remain to be seen.

The Ohio-based Farm Labor Organizing Committee (part of the AFL-CIO), generally supports the Senate legislation, while flagging labor rights concerns. The nonprofit group Farmworker Justice supports S.744, describing its passage in the Senate as “bringing us one step closer to fixing our broken immigration policy and modernizing agricultural labor relations.” Both groups have urged the House leadership to bring S.744 to the floor.

More Midwest leaders need to be engaged

While some of the Midwestern perspective was represented in the Senate bill through US Senator Richard J. Durbin, one member of the Senate’s “Gang of Eight,” and through national organizations such as the aforementioned Agriculture Workforce Coalition, not enough Midwest farm or commodity groups or Midwest senators were directly engaged in the agriculture-specific negotiations of S.744. Therefore, not all of the nuanced agricultural needs and distinctions between the Midwest and other regions of the country were necessarily reflected in the final bill.

Leaders across the nation agree that farm labor immigration reform needs to be addressed, yet no recent alternative proposals have been offered for consideration. When Congress chooses to reform migrant labor policies, more elected officials from across the 12-state Midwest should be engaged to represent the unique needs of this region.

V. Meeting the needs of Midwest agriculture with immigration reform

Immigration reform is urgently needed for a robust agricultural sector in the Midwest. The following recommendations are based on feedback from regional farmers, farm labor organizers, leaders in the agricultural manufacturing sector, and other stakeholders. While some of the Midwest agriculture sector’s stake in the current immigration debate is unique, the recommendations outlined below would not only meet the needs of the regional sector, but also address labor shortages, visa issues, and other immigration-related challenges on farms across the country, helping keep the region and nation more globally competitive.

- A year-round temporary worker visa. This visa would allow both contract and “at-will” employment, would be renewable with no limits, and should not include a home country stay requirement. Employers should be allowed to keep current low-skilled workers who lack authorization in the country who receive this new visa. Workers in this category should not be prevented from applying for
permanent legal status or citizenship through other existing channels.

▶ **Elimination of arbitrary caps or quotas.** Midwest farmers would prefer to let the market drive the demand rather than determine in advance an annual cap or quota restrictions of workers from various countries. Related to this, both employers and farmworker advocates agree that allowing guest workers to rotate or move from one employer to another is desirable, though not currently permitted under H-2A visas.

▶ **New worker visas before enforcement measures.** Farms that rely heavily on the migrant labor force cannot afford to have stricter enforcements, mandated E-Verify, and increased deportations without a new worker visa that allows them to legally hire the immigrant labor they need to keep their businesses competitive. They risk going out of business if their current workers are forced to leave the country.51

▶ **Protections for employers if mandating E-Verify.** If the government makes E-Verify mandatory, it needs to include additional protections for employers who judiciously use the system but unknowingly hire unauthorized labor who were falsely in the system. The employers should be provided with some sort of safe harbor if they utilize the system in good faith. E-Verify (under current conditions) would decimate the dairy industry in the Midwest within months since there is no other legal mechanism for foreign workers to work in nonseasonal jobs.

▶ **Limits on state-level restrictions on immigrant workers.** Some states might seek to limit access to drivers’ licenses or impose similar restrictions on farmworkers with newly obtained legal status after immigration reform, which would create problems for farms hiring such workers, as they are often required to drive trucks or farm equipment off the farm as part of their work responsibilities.

▶ **Recognition that Midwest agriculture needs high-skilled immigrants too.** In addition to a desire to access a reliable low-skill labor pool, the Midwest agricultural sector—particularly manufacturers—is concerned about the H-1B and STEM (Science, Technology, Engineering, and Mathematics) provisions of immigration reform. Agricultural employers would like to increase the annual caps, eliminate quotas, and see graduates in areas of agricultural disciplines such as agronomy and plant sciences be allowed to stay and find work in the United States after graduation.52

▶ **Respect for labor and human rights.** As the new immigration system is needed to bring current undocumented workers out of the shadows, they should be entitled to the same legal protections as US-born workers and foreign workers holding valid green cards or visas. Reform legislation must hold employers accountable to labor laws such as overtime pay, safety compliance, and working conditions.

### Conclusion

The Midwest relies heavily on the agricultural industry, of which important segments rely on migrant labor. Although Midwest farmers represent only about 1.7 percent of the region’s population, their efforts account for 6.6 percent of the region’s economy, about twice the national share. In some cases such as in Iowa and South Dakota, agriculture is a dominant source of economic activity.

As the demand for food rises along with increased populations, production needs to rise as well to meet the needs and keep prices affordable. The agriculture sector is already hurting from the lack of immigration reforms and will continue to be affected by increased enforcement—already at record levels under the Obama administration—without Congress passing new legislation to address the inconsistencies and flaws of the system.

The Midwest region’s farm labor needs differ from those of other regions, most notably access to a supply of year-round migrant farmworkers to support labor-intensive dairy and livestock farming. With geographic, bureaucratic, and visa restrictions hindering access to this workforce, reform is critical for the continued health of agriculture in the Midwest and across the country. A continued stalemate on immigration reform could hurt US specialty crop, livestock, and dairy production; increase consumer costs; result in greater offshore production of food; and, in turn, impact related American jobs in transportation, sales, and marketing—and the country’s global competitiveness.

As President Obama’s executive action provides only limited benefit to the agriculture sector, Midwest
farm and commodity groups strongly support the farm labor provisions of S.744, the immigration reform bill that passed the Senate in 2013, even though not all of their concerns were fully addressed in the legislation. If the federal government finally seeks to move forward on this urgent issue, members of Congress from the Midwest will need to weigh in on behalf of their farm constituents to ensure that the unique aspects of their farm labor requirements are met.

About the author

Dr. Stephanie Mercier retired in 2011 from the position of chief economist for the Democratic staff of the Senate Agriculture Committee, a position she held since March of 1997. Previously, she served as team leader for the Trade Policy and Programs area of the Economic Research Service (ERS) of the US Department of Agriculture. In her nine years at ERS she worked on both domestic commodity programs and trade policy issues. On the Hill she covered a wide variety of issues for the committee, among them domestic farm programs, risk management policy, and international agricultural trade and food aid policy. Between March 2011 and June 2014 she worked as an independent agricultural policy consultant. She started as senior policy and advocacy adviser with the Farm Journal Foundation in June 2014. An Iowa native, Dr. Mercier has a bachelor’s degree in economics from Washington University in St. Louis and a PhD in agricultural economics from Iowa State University.

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Endnotes

1. Following President Obama’s Immigration Accountability Executive Action, US Citizenship and Immigration Services and US Immigration and Customs Enforcement may expand the fields of study eligible for Optional Practical Training (OPT) after graduation from US institutions, along with the time that F-1 STEM graduates can stay in the United States.


3. Calculated as the ratio of the state’s final agricultural sector output to the state’s gross product.

4. Only Illinois and Wisconsin have no senator on either committee. Nine Midwest states are represented on the Senate Agriculture Committee, and five Midwest states are represented on the Senate Agricultural Appropriations Subcommittee.


8. Agricultural service workers are those brought to farms by specialized contractors rather than hired by farm operators.


23. Georganne Artz, “Immigration and Meatpacking in the Midwest,” Choices 27 (2), 2012. The actual figure is probably higher, as Census data typically under-report undocumented workers.


27. The predecessor to the H-2A visa, the H2 visa did not differentiate between agricultural and nonagricultural workers. The H2 visa was a replacement for the so-called Bracero program, which resulted from a bilateral agreement between the United States and Mexico to bring in farmworkers from Mexico to the United States. It ran from 1942 to 1964.

31. President Obama's Immigration Accountability Executive Action includes a “visa modernization” mandate that calls for various governmental agencies to provide recommendations around streamlining visa processing within 120 days. It will remain to be seen how or if recommendations will apply to H-2A visas.
35. This figure reflects removals for fiscal years 2009 through 2013. George W. Bush was president for the first four months of fiscal year 2009, and data for fiscal year 2014 to date was not available.
37. President Obama's Immigration Accountability Executive Action includes potential employer protections related to hiring those eligible for deferred action. As of November 2014, discussions are ongoing with the administration on this issue.
42. Bronars, _No Longer Home Grown_.
45. Ibid.
46. This package was negotiated with the assistance of Senators Diane Feinstein (D-CA), Michael Bennet (D-CO), Marco Rubio (R-FL), and Orrin Hatch (R-UT).
49. Ibid.
51. President Obama’s Immigration Accountability Executive Action includes several border security measures, including the creation of a Southern Border and Approaches Campaign Strategy. The strategy further coordinates enforcement efforts between various Department of Homeland Security agencies and maintains border staffing at its current elevated level, following the response to the migrant child “surge” in the summer of 2014.
52. Following President Obama’s Immigration Accountability Executive Action, USCIS and ICE may expand the fields of study eligible for Optional Practical Training (OPT) after graduation from US institutions.
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