News Release

FEDERAL COURT ORDERS MAJOR AGRICULTURAL EMPLOYER TO PAY \$427K IN WAGES, PENALTIES FOR H-2A VIOLATIONS UNCOVERED BY LABOR DEPARTMENT INVESTIGATION

Grimmway Enterprises Inc. underpaid workers, subjected them to unsafe conditions

PASCO, WA – A federal court has ordered California-based Grimmway Enterprises Inc. to pay \$427,456 in back wages and penalties after a U.S. Department of Labor investigation in south Washington found some workers were underpaid and others were subjected to unsafe housing conditions and transportation, in violation of federal law.

The court action follows an investigation by the department's <u>Wage and Hour Division</u> that determined Grimmway Enterprises Inc. violated <u>H-2A agricultural program</u> requirements when the employer failed to pay the correct adverse effect wage rate to H-2A temporary workers and corresponding U.S. workers.

Investigators also found safety and health violations involving the housing and transportation of workers. Additionally, Grimmway did not tell employees the hours they were required to work, their job duties, or their eligibility for overtime pay.

The consent judgment, entered on June 30, 2025, in the U.S. District Court for the Eastern District of Washington, ordered Grimmway to pay \$207,456 in back wages to workers as well as \$220,000 in civil money penalties, and enjoins the employer from further H-2A program violations. Additionally, the employer was ordered to:

- Pay the correct adverse effect wage rate to all workers hired under the H-2A program.
- Provide employees with transportation and housing that meets all safety and health requirements and only allow authorized drivers to operate vehicles transporting workers.
- Provide a copy of the H-2A contract to all workers that includes detailed job descriptions and duties.
- Train managers, human resources personnel, payroll personnel, and supervisors who are directly responsible for administration and management of the H-2A program.

"Agricultural workers are a vital part of maintaining the U.S.'s food supply and often work under physically grueling conditions. As one of the largest producers of carrots in the country, Grimmway Enterprises has a responsibility to ensure that all of their employees have a safe, sanitary working environment and are paid their rightfully earned wages," said Wage and Hour Division District Director Thomas Silva in Seattle. "We urge employers in this industry to review their employment practices and ensure they are in full compliance with the laws. The Wage and Hour Division is committed to protecting farm workers, holding employers who violate wage laws accountable, and maintaining a level playing field for employers who follow the law."

Headquartered in Bakersfield, California, Grimmway Enterprises Inc. grows, packs, and ships various fruits and vegetables in California, Washington, and several southeastern states.

The Wage and Hour Division offers multiple <u>compliance assistance resources</u>, including an <u>agriculture compliance assistance</u> <u>toolkit</u>, to provide employers the information they need to comply with the law.

Employers and workers can contact the division at its toll-free number, 1-866-4-US-WAGE (487-9243).

<u>Learn more about the Wage and Hour Division online</u>, including a <u>search tool</u> to use if you think you may be owed back wages collected by the division. Download the agency's free <u>Timesheet App</u> for Android and iOS devices to ensure hours and pay are accurate.

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