SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2227 (Connolly) - Farm labor contractors: surety bonds

Version: June 15, 2026
Urgency: No
Hearing Date: August 13, 2026
Policy Vote: L., P.E. & R. 4 - 1
Mandate: No
Consultant: Robert Ingenito

Bill Summary: AB 2227 would (1) require a farm labor contractor (FLC) to deposit a surety bond based on the size of annual gross receipts, instead of the annual payroll, for all employees in order to obtain a license from the Labor Commissioner, and (2) increase the bond amount, as specified. This bill also would require the Labor Commissioner to include the bond information on the public FLC license database, as specified, and disclose information about the availability of the bond and the process to access the bond to any worker that has filed a claim against an FLC.

*********** ANALYSIS ADDENDUM – SUSPENSE FILE ***********
The following information is revised to reflect amendments adopted by the committee on August 13, 2026

Fiscal Impact:

- This bill could potentially result in costs to the Department of Industrial Relations in the hundreds of thousands of dollars annually.
- The bill could result in increased penalty revenue to the State. The magnitude is unknown.

Author Amendments: Base the bond size requirements on a firm’s payroll instead of gross receipts, impose a specified penalty, and require bond amounts to be deposited when FLCs first register or file the application for their first annual renewal.

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