

Providing United States Winegrape Growers a Voice

Newsletter

Winegrape Growers of America Federal Legislative Updates

WGA has been tracking actions in Congress that impact the industry—the federal debt ceiling, a new Farm Bill, fiscal year 2024 appropriations and an additional piece of legislation: the Block Grant Assistance Act of 2023.

Federal Debt Ceiling

On June 3, 2023, with just two days remaining before the country faced a historic national default, the president signed the Fiscal Responsibility Act of 2023 (Public Law 118-5). This law temporarily suspends the federal debt ceiling through January 1, 2025 (after the 2024 elections). The new law imposes caps on non-defense discretionary funding (which includes agricultural programs) for fiscal years 2024 and 2025, setting 2024 spending at 2023 levels and creating a 1% cap for spending increases in 2025, and setting discretionary spending limits for fiscal years 2026-2029. It establishes an administrative "pay-as-you-go" program requiring federal agencies proposing discretionary administrative actions to identify cost savings in other agency programs to fully offset any cost increases. A provision in this law will impose an automatic 1% reduction in federal non-security spending if the 12 fiscal year 2024 appropriations bills are not passed by December 31, 2023 (the current appropriations bills expire on September 30, 2023). The law also reinstates payments for student loans, expands work requirements for SNAP assistance, and rescinds unobligated COVID relief funds and funding from the IRS. Read the rest of the article here.

Crafting the 2023 Farm Bill

The Farm Bill is an enormous piece of legislation that encompasses policy for agricultural commodities, trade, conservation, research, rural development, domestic and foreign food programs, crop insurance, disaster assistance, and nutrition assistance. The 2018 Farm Bill contained 12 titles and totaled 530 pages in length.

Many parts of the legislation that become the Farm Bill are introduced in a smaller piece of legislation, known as a "marker bill". A marker bill is not intended to be stand-alone legislation. Instead, it is used to build support for proposed policy. If sufficient support is provided, the language in the marker bill will then be incorporated into the final version of the Farm Bill.

Marker bills often have their origin in policy ideas proposed to members of Congress by interest groups, such as the Specialty Crop Farm Bill Alliance. If a Congressional member is interested in taking a leadership role for a policy idea, the member's staff, working with the interest group, will prepare draft language. The draft bill will be

introduced into the House or Senate by the member as the bill's sponsor; other members can show support for the bill by signing on as cosponsors. A large number of cosponsors, especially in if they encompass both parties, makes it more likely that the proposed language will be included in the final Farm Bill.

WGA is currently tracking marker bills. They include:

- H.R. 679, sponsored by Representatives Kim Schrier (WA-8) and Dan Newhouse (WA-4), would authorize the Department of Agriculture to waive the matching funds requirement for specialty crop research initiative grants. There are currently 24 cosponsors for this bill, including members of both parties from California, Oregon, Washington, Michigan, New York and Florida.
- The Expanding Agricultural Exports Act of 2023 (H.R. 648/S. 176), sponsored by Representative Dan Newhouse (WA-4) and Senator Angus S. King, Jr. (ME) would expand funding for the Market Access Program (MAP) from \$200,000,000 to \$400,000,000 per year from 2024 through 2029. The House bill has 28 cosponsors, including members of both parties from California, Oregon, Washington, Kansas, Iowa, Minnesota, Maine, Virginia, New York, Illinois, North Carolina and Nebraska.

Winegrape Growers of America will continue to keep its members updated on additional marker bills and the progress of the 2023 Farm Bill.

Annual Smoke Summit

The Annual West Coast Smoke Summit was held on earlier this month with speakers from Washington, California, Oregon, USDA ARS, and researchers from Washington State University, Oregon State University, and UC Davis. To combat the increased risks of wildfire smoke to grape value and wine quality, researchers are focusing on developing and providing new risk assessment tools, mitigation measures, and management strategies for use in vineyards and wineries.

Over the past year, research on wildfire smoke exposure on wine grapes and wine has made significant progress. Collaboration between USDA-ARS researchers and scientists from Washington State, Oregon State, and UC Davis. Various research projects being conducted to address the challenges posed by smoke exposure include:

- Barrier spray trials to protect vineyards
- Studying grape smoke exposure and smoke taint in wine
- Developing economic studies on the long-term impacts of climate change
- Investigating the impact of smoke on vine physiology and berry chemistry
- Develop forecasting and tracking models for smoke exposure in vineyards
- Genetically modify grapes to reduce the accumulation of smoke taint compounds
- Explore the use of microbiomes to mitigate smoke in wine grapes
- Conduct transcriptomic research to understand gene expression and metabolic changes in berries due to smoke exposure
- Effects of smoke on grapevine leaves' photosynthesis capacity

Funding for smoke exposure research has been a crucial focus for the task force. U.S. Congress allocated \$5 million per year to the U.S. Department of Agriculture's agriculture research service (ARS) specifically for wildfire smoke research programs. Additionally, over \$6 million in USDA specialty crop research initiative grants have been awarded to Oregon State University, Washington State University, and UC Davis.

The U.S. Department of Agriculture's Agricultural Research Service (ARS) is also partnering with federal and state research institutions on a collaborative \$2 million research starting this summer to address important wildfire issues affecting grape production areas. ARS researchers, in collaboration with colleagues at the three land grant institutions, will address:

- Components of the yearly life cycle of wildfire
- Impacts on winegrape production

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- Smoke exposure in the vineyard,
- Chemical changes in grapes and wines,
- Consumer perception of smoke taint.

To further support research endeavors, the West Coast Smoke Exposure Task Force Steering Committee has also been working on improving crop insurance, disaster programs, and outreach efforts. The task force remains committed to securing ongoing funding for research and anticipates continued growth and development of these research efforts over time.

Climate change models predict increased wildfire risks in the Western United States, which threatens the long-term sustainability of important winegrowing regions. Since 2011, frequent and severe wildfires in California, Oregon and Washington have caused significant disruption and economic losses for grape growers. The negative impacts of smoke exposure on wine quality are an industry-wide concern.

The West Coast Smoke Task Force was formed by industry leaders and the West Coast grape and wine organizations.

NASS Vineyard and Orchard Acreage Study

The NASS Vineyard and Orchard Acreage Study is a survey conducted by the National Agricultural Statistics Service (NASS) of the United States Department of Agriculture (USDA). The purpose of the study is to gather data on vineyards and orchards throughout the United States.

The study aims to provide a comprehensive understanding of the extent and composition of vineyard and orchard operations across the country. By collecting data on acreage, crop types, and economic impact, the study enables producers and industry stakeholders to make informed decisions, respond to industry challenges, and remain competitive. It also helps policymakers, researchers, and organizations in assessing the overall health and economic significance of the vineyard and orchard sectors within the broader agricultural industry.

The last NASS Vineyard and Orchard Acreage Study was conducted in 2007. Budget cuts resulted in the discontinuation of the study, leading to a lack of updated and comprehensive data on vineyards and orchards in subsequent years. Efforts have been made to reinstate the study and resume data collection to address the need for current and accurate information on these sectors of the agricultural industry.

To address this issue, policy recommendations have been proposed:

• Include economic assessments of the specialty crop industry in the United States when evaluating the health of the agricultural economy.

- Congress should ensure that agencies such as the National Agricultural Statistics Service (NASS), Agricultural Marketing Service (AMS), and related agencies have sufficient resources to collect and report robust data across the specialty crop industry.
- USDA should review its current data collection processes, protocols, and sources and find ways to enhance outreach and collaboration with the industry. This includes identifying barriers that hinder industry participation and identifying opportunities to increase industry involvement.

The Omnibus spending bill passed by Congress and signed into law by President Biden includes provisions encouraging the NASS to reinstate the 5-year Vineyard and Orchard Acreage Study, ensuring data collection and reporting for grape, wine, and juice producers. Efforts are underway to seek a specific commitment from NASS to conduct a comprehensive survey of the wine industry, which would further enhance the understanding of its economic contributions. Previous studies have highlighted the wine industry's substantial economic impact, including job creation, wages, tax revenue, and tourism.

To address the lack of reliable data on vineyards and the undervaluation of the grape industry's contributions, it is important to support the inclusion of report language in the 2024 Agriculture Appropriations Act. This language would direct NASS to reinstate the 5-year Vineyard and Orchard Acreage Study. WGA has continued advocacy efforts including:

- Met with Congressional staffers in Washington DC to personally convey importance of Study.
- Presented Representative Newhouse Issue Brief outlining the value and need.
- Worked with Senator Murray's office to change language from <u>encourages</u> to <u>directs</u> in Senate Ag Appropriations bill.
- Submitted NASS Vineyard and Orchard Acreage Study appropriations and language recommendations to Representative Newhouse plus House and Senate Ag Committees for consideration for bill marking.

Reminder to Renew Your Membership for 2023-2024

From a relentless pandemic to wildfire disaster to federal funding and regulatory issues, what a year we endured and continue to endure. The silver lining? Our renewed enthusiasm coupled with your support allowed us to disseminate information, virtually network, lobby, and amplify our unified voice of U.S. winegrape growers to be heard loudly on the issues that matter to you!

We must continue to represent the interests of growers impacted by public policies that affect YOUR bottom line. Please join us and renew your WGA annual membership.

The growth in membership the past year has been encouraging and <u>our goal is to get every state with a grower</u> related organization as a member!

Learn more about membership benefits at: www.winegrapegrowersofamerica.org. Invoices will be arriving in your "in" box soon! If you are interested in renewing your membership, please contact us and we can send you an invoice.

If you have questions, contact us at 509.782.8234 or email vicky@wawinegrowers.org.

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