



April 22, 2020

The Honorable Gavin Newsom
Governor of California
State Capitol
Sacramento, CA 95814

Dear Governor Newsom:

California winegrape growers appreciate the steady leadership you have provided our state during this most difficult time. You have provided a pragmatic voice amidst the many challenges confronting our communities, workers, and businesses.

As you consider ways to best protect the well-being of workers and communities from the pandemic, we urge you to consider the mounting burdens threatening the viability of the many farms and vineyards that make California a global food and agricultural leader. The increasing burden of existing and proposed unfunded mandates related to hazard pay, paid sick leave, workers compensation and much more are becoming untenable during a profound economic crisis. We know the choices before you are not easy, but we urge you to consider the tenuous position of the many winegrowers who are struggling and barely hanging on.

Respected wine industry analyst Jon Moramarco, BW166, estimates that under current economic conditions and established shelter-in-place policies, U.S. wine industry revenues from on-premise (restaurants, bars, events, etc.) sales may decline by \$2.32 billion and winery direct-to-consumer losses may amount to \$810 million. Overall, losses to California's winegrape growers may exceed \$900 million.

Our growers were facing significant market stress prior to the COVID-19 pandemic. But the accumulated burdens of new government policies combined with dire economic circumstances jeopardizes the 5,900 California winegrape growers, 325,000 jobs and \$7.6 billion in federal, state and local taxes produced by California's wine economy.

We look forward to working with you during these unprecedented times to protect our workforce and safeguard the future of our communities.

Sincerely,

A handwritten signature in blue ink that reads "Michael Miiller".

Michael Miiller
Director of Government Relations
California Association of Winegrape Growers