

California Association of  
**Winegrape  
Growers**

**FEDERAL AND STATE UPDATE  
NATALIE COLLINS · MICHAEL MILLER**

## ABOUT CAWG

- Founded in 1974
- Sacramento Based
- Advocacy: State, Federal, Regulatory
- Education + Research
- Board of Directors: 27 Growers, 2 Directors at Large
- Voluntary Dues / Grower + Associate





# Today

- Federal
  - Dietary Guidelines
  - Bridge / ASCF
  - Farm Bill
  - 2026 Priorities
- Industry
  - Vineyard Mapping





# - **Think Unlimited** u **Think Unlimited**

\$12B Farmer Bridge Program

\$1B in Assistance for Specialty Crop Farmers (ASCF) Program

## **What This Means for Winegrape Growers**

Report acreage to FSA by March 13, 2026,  
5:00pm (Eastern)



# Farm Bill





## **Research & Crop Insurance**

### **Smoke Damage Research (HR 4308 – Thompson)**

Prioritizes crop insurance research on winegrape losses due to smoke damage.

### **Specialty Crop Insurance Advisory Structure**

Establishes a Specialty Crop Insurance Advisory Committee

Creates a dedicated seat on the Federal Crop Insurance Corporation (FCIC) Board to advise on specialty crop insurance policies

This language mirrors what was included in the 2024 House package and strengthens specialty crop representation in federal crop insurance policy development, an area historically dominated by program crops.



# Farm Bill

## **Title I – Commodities**

### **Section 1003 – Specialty Crop Emergency Assistance**

#### **Framework**

Directs USDA to create an emergency assistance framework specifically for specialty crops during economic crises or market disruptions.

Payments would be based on:

Annual sales × a payment factor (determined by the Secretary, subject to available funding).

Requires USDA to consider:

Crop value – Input costs – Legal entity structure

Subject to payment limits (with flexibility for producers deriving 75% or more of income from farming).

This provision is especially relevant given current oversupply, demand contraction, and market volatility in the winegrape sector.



# Farm Bill

## **Title IV – Nutrition**

### **Section 4308 – Dietary Guidelines for Americans (DGA)**

Shifts Dietary Guidelines from a 5-year to a 10-year update cycle.

Requires guidelines to:

- Be grounded in significant scientific agreement
- Focus on high-priority public health concerns
- Include recommendations that are affordable and accessible
- Creates an independent advisory board.

For winegrape growers, this is relevant to broader discussions about alcohol and health policy, regulatory direction, and long-term messaging impacts.



# Farm Bill

## Title VII – Research

### **Specialty Crop Committee (Sec. 7102)**

Reauthorizes the committee and reinforces the Secretary's continued engagement.

### **Specialty Crop Research Initiative (Sec. 7305)**

- Waives matching fund requirements (important for access to grants)
- Creates a new specialty crop mechanization and automation research and extension program
- Uses previously unobligated mandatory funding

This mechanization provision is particularly important given labor challenges in the winegrape sector.



# Farm Bill

## Overall Takeaways for Winegrape Growers

The draft includes meaningful specialty crop wins:

- ✓ Stronger voice in crop insurance policy
- ✓ Prioritization of smoke damage research
- ✓ Emergency assistance framework for specialty crops
- ✓ Expanded research funding and mechanization support
- ✓ Continued horticulture grant and market transparency programs

Taken together, the draft reflects a more intentional effort to integrate specialty crops, including winegrapes, into core farm policy infrastructure.



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# Trade Policy

Level playing field

Must address imbalances

- Subsidies
- Non-trade barriers
- Access to markets
- Cost of business



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- First 10 months of 2025, bulk imports were up 24% to over 37 million gallons which is the equivalent of 250,000 tons of winegrapes.



# Excise Tax Refunds:

## Who Benefits in Today's Market?

Federal subsidy that refunds up to 99% of the duties, taxes, and fees paid on imports when exporting a “like” wine.

- Same Color & Tax Class
- 50% of the value
- \$1.06/gallon subsidy/refund
- Up to 5 years to match



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## Imported Bulk Wine Benefits

- Low value of the wine makes the tax subsidy significant
- Can be over 50% of the value of the wine
- Imported wines ending up in US market virtually tax free

Encourages import of low-cost foreign wine at the expense of domestic grape growers.



# How Duty Drawback Works in Bulk Wine

**Step 1:**

**Import Foreign Wine**



**Step 2:**

**Export U.S. Wine**



**Step 3:**

**Claim Refund**



**PAY Excise Tax  
& Import Duties**

**EXPORT  
Similar Domestic Product**

**GET BACK  
Up to 99% Excise Tax & Fees**

**Receive REFUND of  
Excise Tax, Duties & Fees**

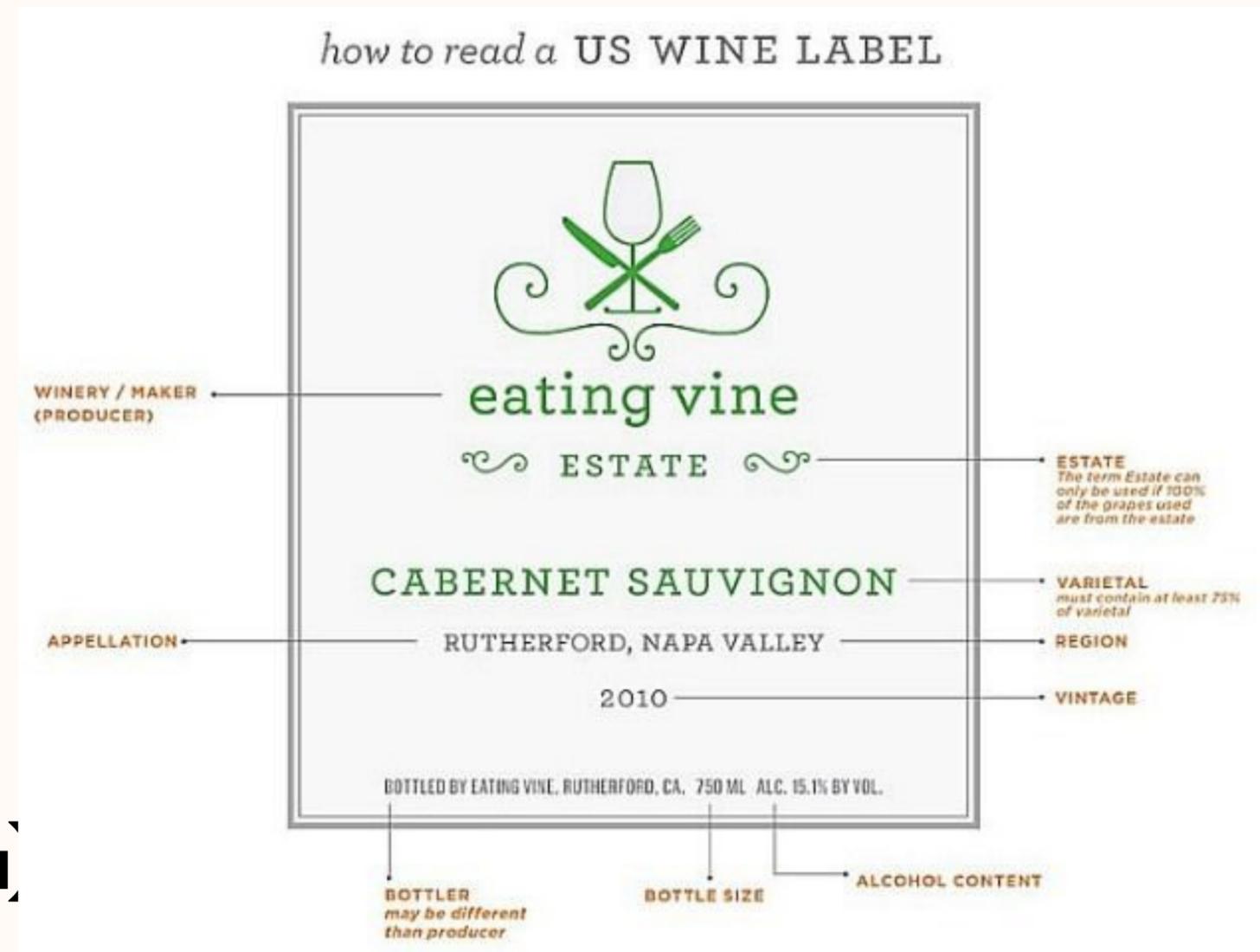


*If exports already leave the country untaxed (duties and excise), what problem is drawback solving, and why does it require imports to do it?*



# TTB: American Appellation

- ◆ **American Appellation:**
  - 75% Domestic Grapes
  - Up to 25% Foreign Grapes
- ◆ **California Appellation:**
  - 100% California Grapes
- ◆ **County Appellation:**
  - Minimum 75% Grapes from the Named County
- ◆ **AVA (American Viticultural Area)**
  - Minimum 85% Grapes from the Named AVA



# Other Than Standard Wine (OTS)



Canada Ships 50 million Gallons of Fake  
Wine to the U.S. Annually

Legal Loophole/Tax-Avoidance Scheme Hurts California Growers



# OTS Loophole

## The Problem

Products entering the U.S. as “wine” from Canada are not made from fruit

These products:

- Are taxed as wine (Qualify for §5010 tax credit)
- Displace U.S. grape-based production
- Exploit a regulatory mismatch under USMCA

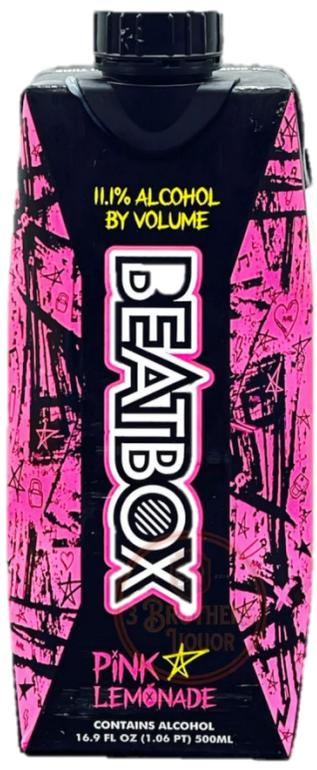
## Bottom Line

Non-fruit alcohol is being imported, taxed, and sold as wine in the U.S





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- Smoke Language
- Quality Adjusted Factor
- Unharvested Price Adjustment (UPA)
- Walk Away Clause – x% of physical damage
- Quarantine Coverage
- Improvements to Grapevine Policy to account for pest and disease



# Mapping Project



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- California Association of Winegrape Growers (CAWG)
- Allied Grape Growers
- Clarksburg Winegrape Growers Association
- Lake County Winegrape Commission
- Livermore Valley Winegrowers Association
- Lodi District Grape Growers Association
- Lodi Winegrape Commission
- Napa Valley Grapegrowers
- Paso Robles Wine Country Alliance
- Santa Barbara Vintners
- Sonoma County Winegrape Commission
- Suisun Valley Vintners & Growers Association
- Temecula Valley Winegrowers Association

# Project deliverables?

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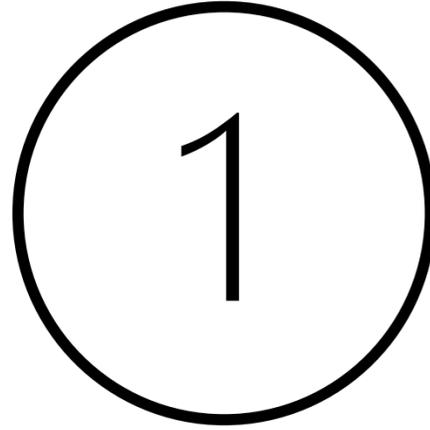
Mapping Tool

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FAQ

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# 2025 STANDING WINEGRAPE ACREAGE



## Acreage Summaries

In cooperation with the California Association of Winegrape Growers

Released: November 3, 2025

### RESULTS

The California Association of Winegrape Growers (CAWG), in partnership with regional grower and vintner associations, commissioned Land IQ to develop an in-season, statewide winegrape acreage assessment. Acreage was assessed as of August 1, 2025.

The acreage estimate takes into account standing vineyards between (October 1, 2024 - August 1, 2025). Standing acreage reflects all vines physically in the ground, including bearing and non-bearing vineyards, as well as vineyards that have been mothballed or abandoned but not yet removed. Removed vineyards have also been determined through spatial analysis for the same period.

As a result, the 2025 statewide acreage is:

- 477,475 acres of standing winegrapes
- 38,134 acres of removed winegrapes

The table below shows standing acreage and removals by county as of August 1, 2025. Additional tables for AVA and Crush District are included on the following pages and are available to CAWG members and members of our partner regional associations.

County	Standing Acreage	Removed Acreage	County	Standing Acreage	Removed Acreage	County	Standing Acreage	Removed Acreage
Alameda	2,414	291	Mariposa	29	-	Santa Barbara	18,354	1,668
Amador	3,428	152	Mendocino	16,557	832	Santa Clara	1,423	33
Butte	156	7	Merced	11,966	716	Santa Cruz	589	3
Calaveras	726	45	Mono	14	-	Shasta	108	-
Colusa	1,470	-	Monterey	43,251	3,781	Siskiyou	18	-
Contra Costa	1,648	28	Napa	42,422	3,117	Solano	5,506	138
El Dorado	2,383	38	Nevada	435	-	Sonoma	58,301	2,711
Fresno	35,430	6,250	Placer	292	7	Stanislaus	5,606	176
Glenn	3	-	Riverside	2,406	11	Sutter	35	-
Humboldt	127	-	Sacramento	32,045	1,693	Tehama	177	-
Kern	9,536	872	San Benito	3,766	26	Trinity	113	-
Kings	2,701	407	San Bernardino	417	-	Tulare	3,709	783
Lake	11,415	777	San Diego	1,059	3	Tuolumne	57	-



### INTRODUCTION

Land IQ has mapped winegrapes as a part of the "Vineyard" crop class for the Department of Water Resources since 2014. This mapping effort differentiates winegrapes from the other Vineyard crops which also includes table grapes and raisins.

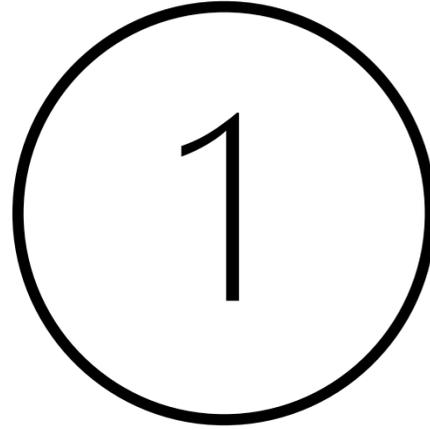
### APPROACH

Land IQ draws upon on multiple lines of evidence including agronomic and remote sensing knowledge, unique field boundaries, robust on-the-ground verification, customized image analysis, artificial intelligence and machine learning algorithms to classify vineyards.

For each mapped year, Land IQ performs the following steps:

1. Imagery Acquisition
2. Irrigated Field Boundary Delineation
3. Ground Truthing
4. Remote Sensing Analysis
5. Change Analysis and Update



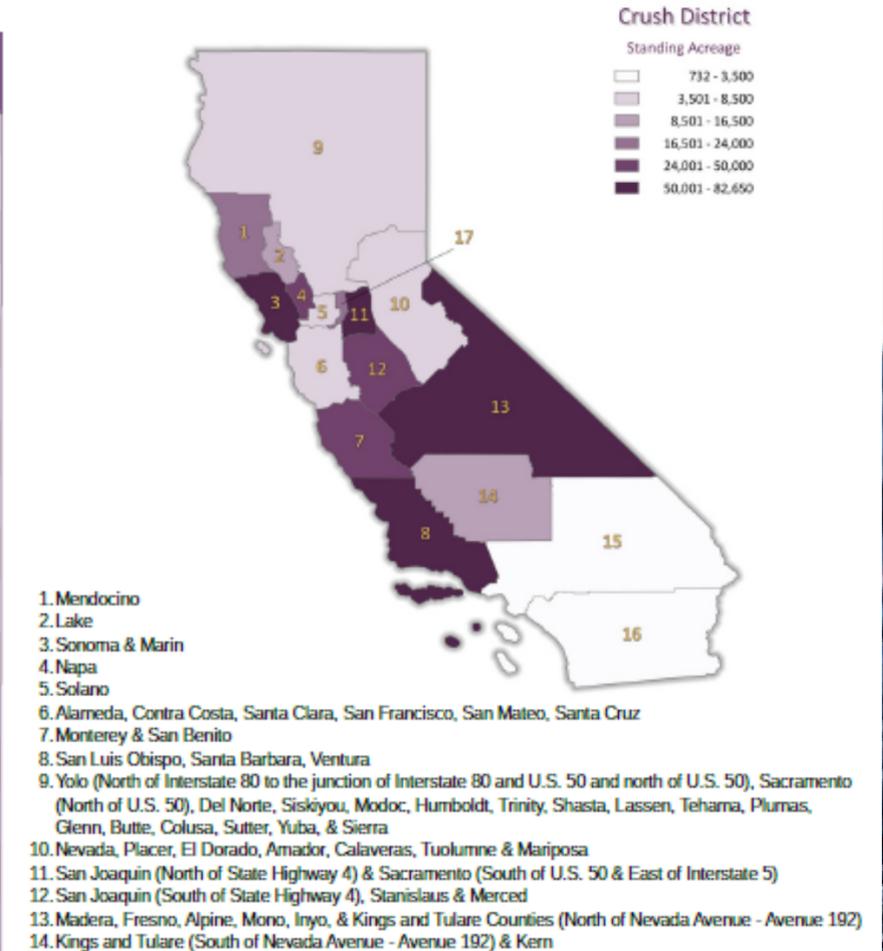


# Acreeage Summaries

AVA	Standing Acreage	Removed Acreage	AVA	Standing Acreage	Removed Acreage
Paulsell Valley	543	-	Malibu Coast	98	-
River Junction	492	-	Malibu - Newton Canyon	7	-
Salado Creek	1	-	Palos Verdes Peninsula	4	-
Sloughhouse	4,843	150	Ramona Valley	193	-
Tehachapi Mountains	48	-	Saddle Rock - Malibu	59	-
Tracy Hills	1,029	123	San Luis Rey	281	1
Winters Highland	131	-	San Pasqual Valley	45	-
<b>SOUTHERN CALIFORNIA</b>			Sierra Pelona Valley	91	-
Antelope Valley of the California High Desert	49	-	South Coast	3,152	15
Cucamonga Valley	470	-	Temecula Valley	2,071	11
Leona Valley	5	-	No AVA	83,365	10,617

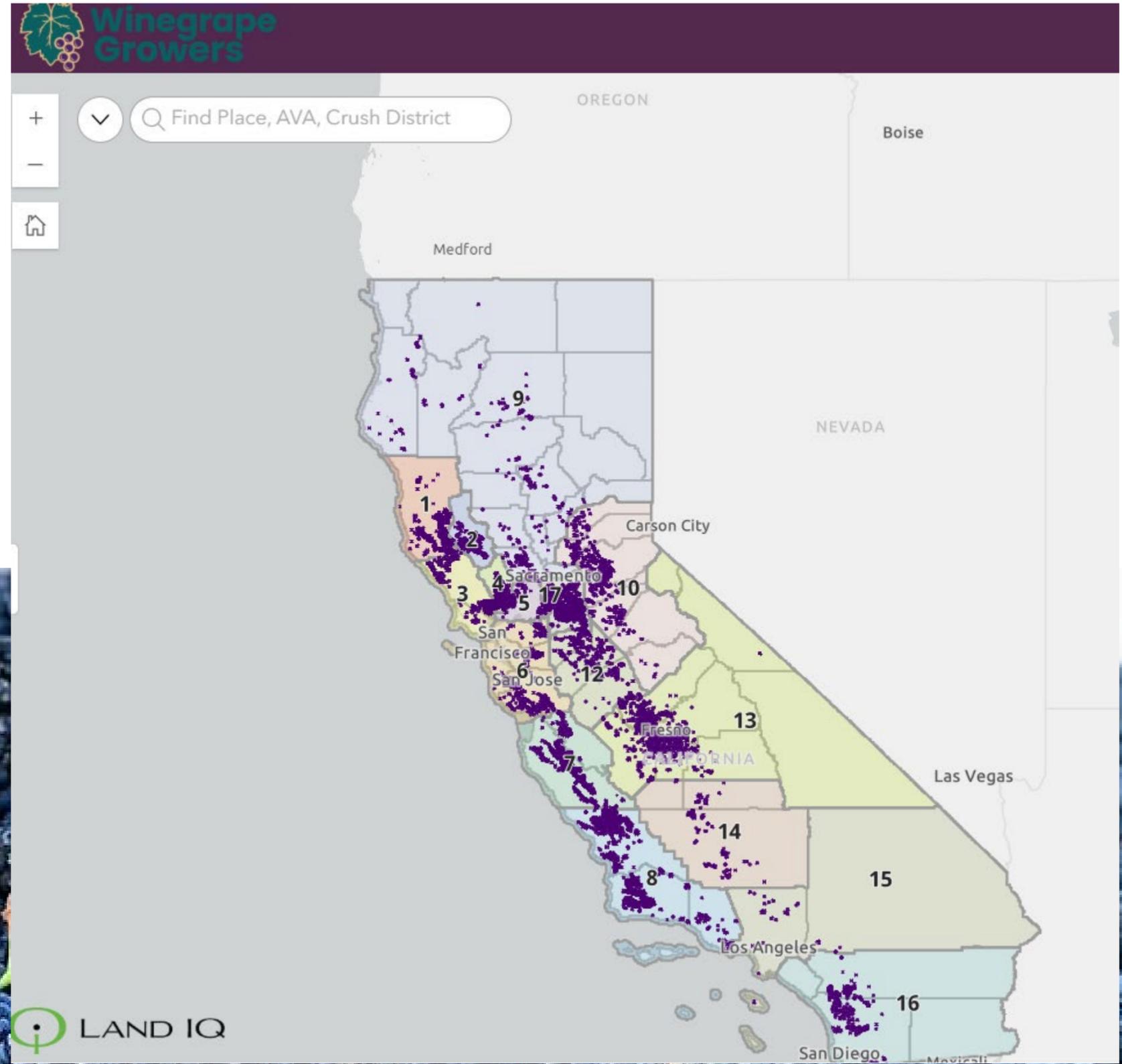
\*Some vineyards lie in more than one AVA, so AVA totals may exceed county or statewide totals.

Crush District	Standing Acreage	Removed Acreage
1	16,557	832
2	11,415	777
3	58,538	2,711
4	42,373	3,117
5	5,485	138
6	6,195	365
7	47,034	3,807
8	63,310	4,011
9	8,398	1,022
10	7,351	241
11	82,646	8,083
12	24,154	2,044
13	66,878	9,209
14	11,591	1,073
15	732	0
16	3,465	15



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## Mapping Tool



# CALIFORNIA VINEYARD MAPPING



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## ABOUT THE VINEYARD MAPPING PROJECT

The California Vineyard Mapping Project is a statewide effort led by CAWG to create the most current, accurate picture of commercial vineyard acreage in California.

[DOWNLOAD THE FAQs](#)

**Note:** Access to project reports, maps, and updates is available to CAWG members only.

## WHY IT MATTERS

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# The Findings

**Standing Acreage: 477,475**

**Removed Acreage: 38,134**



# NASS vs Land IQ

- **NASS:** Voluntary survey + estimates
- **Land IQ:** Remote sensing, field verification, data analytics

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NATALIE COLLINS, PRESIDENT  
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# State Legislative Update

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# State Update

- Where are we?
- Sponsored Bills
- The Year Ahead



# Where are we?

- It's Early
- Budget Deficit
- Newsom's Out



# CAWG's Sponsored Legislation

- American Wine
- Ag Overtime
- Farmers' Markets



# The Year Ahead

- Groundwater
- AI Workplace
- PAGA
- Workers Comp



# The Good News

- Autonomous Tractors
- Gates
- Affordability
- Election Year



# Your Voice

- Use It
- Advocacy Day, March 25
- Contact your  
Lawmaker
- Make a Difference



Get Involved  
It's Easy



# Thank You

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