

November 18, 2020

Dear Honorable Members of the Washington State Legislature,

We are writing you today on behalf of the over 1,000 wineries, more than 350 grape growers, extensive industry suppliers, and the more than 26,000 employees in the Washington State wine industry that will be impacted by Governor Inslee's announcement of another set of full indoor service shutdowns for winery tasting rooms. As of 2020, Washington wine is the #1 value added agricultural product to our state, so any harm done to our industry will absolutely be felt throughout our state's economy.

Your Washington wine industry just finished a historically challenging 2020 harvest. We have experienced many monumental challenges including a continued shortage of adequate labor, a light crop due to 2019 freeze damage and wildfire smoke exposure, along with the impacts of COVID; both the macroeconomic impacts and the direct business impacts of previous shutdowns and phased re-openings. It is not an understatement to say that any person operating or working at a winery or grape growing business in 2020 has spent each day, week and month since March trying to remain hopeful but ultimately fearful of what tomorrow may bring.

The Washington Wine Institute recently collaborated with partners in our industry on an economic impact study for our industry based on the COVID-impacts of 2020. The results capture March-August 2020, so these newest restrictions placed upon us are not included but even knowing that the economic harm to the state and our industry is daunting. The impacts include:

- Reduced wine grape sales creating a \$225 million negative impact
- Reduced wine sales creating a \$298 million negative impact
- Overall economic impact from the reduced wine and grape sales is \$854 million

Washington wineries understand and support the need to curb the spread of Covid-19. Since the March "Stay Home, Stay Healthy" order, your Washington wineries worked hard to follow all guidelines and keep our communities safe, while making plans to reopen as safely as possible often at huge financial cost and risk. Over the past ten years, our industry has more than doubled in size. For most wineries to stay in business, they rely on customers coming into the tasting room to discover their wine and make a purchase. To this point, we have understood the stay home orders then slow reopening by county, but with new restrictions in place many of these wineries who opened with a hope and a dream are asking themselves if they will survive 2020.

We need your help NOW. As an elected member of the Washington State legislature with a high likelihood that your district includes wineries, grape growers, owners, employees of our industry, and/or companies who rely on the success of the Washington wine industry to stay open, we ask for your help and support in these incredibly trying times. Please support your Washington wine industry by considering supporting the following:

- **The immediate allocation of \$50 million fund Governor Inslee committed with a prioritization of winery and hospitality impacted industries.**
- **Support financial relief proposals in the upcoming legislative session that helps all Washington wineries as well as any grants and other proposals created to support your Washington wine industry and the overall hospitality industry.**
- **Make sure the Unemployment Insurance is secure and available and prioritize these funds for winery and hospitality industry workers.**

- **Oppose any proposals that would harm your Washington wine industry, including increases to the wine excise tax and other taxes that would do harm in this incredibly challenging business environment.**
- **Support efforts to allow continued to-go sales from restaurants, wineries, and other hospitality industries utilized safely and responsibly to survive during COVID shutdowns and slow re-openings.**

We recognize and appreciate the Legislature has supported our industry in monumental ways over the past 35+ years of the Washington Wine Institute's existence. Up to March 2020, we would not have grown to be second only to California in size of wine region for American wine without you. We now need your help simply to survive 2020 and have an opportunity to rebuild and regain our footing as a wine industry in 2021 and beyond. Please work with us and the entire hospitality industry now and during the 2021 session. Thank you for your consideration and support.

Kind Regards,



Josh McDonald
Executive Director
Washington Wine Institute