

AmericanHort Policy Update









Regulatory Activity to Increase

- Congressional gridlock over the next two years will promote increasing pace of new rules, as the Biden Administration seeks policy wins through regulation that cannot be obtained through legislation.
- What we know about the Biden Administration's regulatory agenda:
 - **EPA:** Continued pesticide registration reviews.
 - **DOL:** Heat illness prevention for indoor and outdoor workers, changes to overtime exemptions, and new H-2B program rules.
 - **USDA:** Updating fee structure for the Agriculture Quarantine and Inspection program
- The forthcoming 2023 Regulatory Agenda will provide greater insight into the Administration's plans, but these are among a handful of regulatory actions where AmericanHort expects to engage



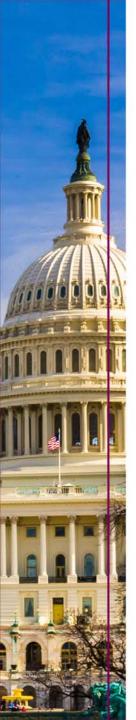
Farm Bill 2023



- The 2023 Farm Bill is one exception to the expected congressional gridlock.
- One big challenge however is congressional office turnover in '18, 20, 22, meaning a significant number of staff and members have never voted for the Farm Bill.

AmericanHort Priorities Include:

- Increasing funding for "core" research programs, including the Specialty Crop Research Initiative, Specialty Crop Block Grant Program, IR-4 Project, and Plant Protection Act Sec. 7721.
- Change program eligibility rules (AGI threshold) to broaden access to all USDA resources
- Additional R&D funding for mechanization and cost-share support for adaption of labor-saving technology.
- A new program to promote domestic consumption of fruit/veg/horticulture products.
- Amend Tree Assistance Program to cover shallow losses.
- Amend the Noninsured Disaster Assistance Program (NAP) for Christmas Trees, allowing more generous buy-up coverage for shallow losses and election of optional units.
- Address coverage gaps in insurance-based revenue protection programs (e.g. Whole Farm Revenue Protection Policy).
- Cost-share for adopting climate-mitigation practices, such as advanced irrigation systems.



Seasonal / H-2B



Pain Points:

 Severe seasonal worker shortages are hampering success of our landscape market channel, and the growers and other product and service vendors serving the sector. H-2B is a critical "surge" labor safety net. The non-market cap is a severe limitation that needs to be fixed

Legislative Update:

 Appropriation process will provide an opportunity for Returning Worker Exemption (RWE)

Regulatory Update:

- 35,000 supplemental visas were released in May; an additional 64,716 for 2023
- Program rule expected in the coming months







Ag & Hort Workforce / H-2A

Pain Points:

 Severe labor shortages, high and escalating costs and regulatory uncertainties are a major ongoing constraints for growers

Legislative Update:

- Farm Workforce Modernization Act passed House in 2021
- Senate version, Affordable and Secure Food Act, was introduced in December. Unfortunately, the Senate did not act on the bill before adjourning





Hort Workforce / H-2A Continued

Regulatory Update:

- Final H-2A program rule top challenges:
 - Surety bonds for labor contractors
 - Prevailing wage surveys
 - No more appeals for notices of deficiency (NOD)
- Wage rule coming (likely challenging)
- 2023 AEWR: New AEWR rates went into effect on Jan. 1. Wages are headed up about 7 percent (national average)



Top Phytosanitary Issues



Box Tree Moth

Vascular Streak Dieback

Phytosanitary Inspection Issues



Other Pest Issues

Advocacy **Update**

- Spotted Lanternfly
- Emerald Ash Borer
- Jumping Worms
- HRI Research Grants