

THE WASHINGTON WORLD OF TAXES, LABOR AND SO MUCH MORE! THAT IMPACT YOUR BUSINESS



January 2021

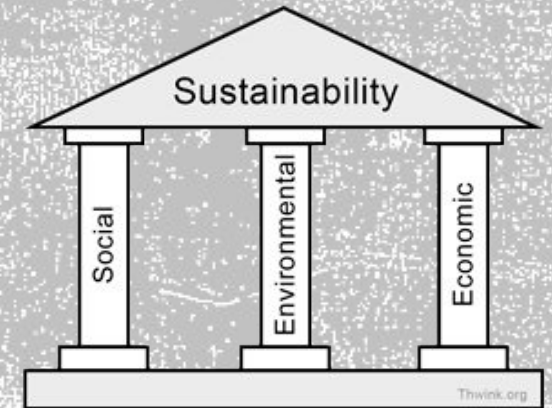
- **Sustainability**

- avoidance of the depletion of natural resources in order to maintain an ecological balance
 - "the pursuit of global environmental sustainability"

- **Equity**

- The quality of being fair and impartial -
 - equity of treatment
- Current Administration
 - “whole-of-government equity agenda”... each federal agency must assess whether its programs and policies perpetuate systemic barriers that affect people of color and other underserved groups.

BUZZ WORDS



- Always tight for fresh producers
 - Compounded with supply chain issues and worker shortages in every sector
- Increase in adverse wage rates for 2022
- Monitoring activities on proposed regulations/law in Washington
- Participate in on-going education of the peach industry needs for steady, reliable access to knowledgeable ag labor sources.



LABOR



- Producer inflation
 - Increased input food production costs
 - **Fertilizer** up **122%** from 2021
 - **Herbicide** up **186%** from 2021
 - Input costs up across the board
- Consumer inflation running at **6%** at the end of 2021, there is a strong possibility that inflation could be a big story in 2022.

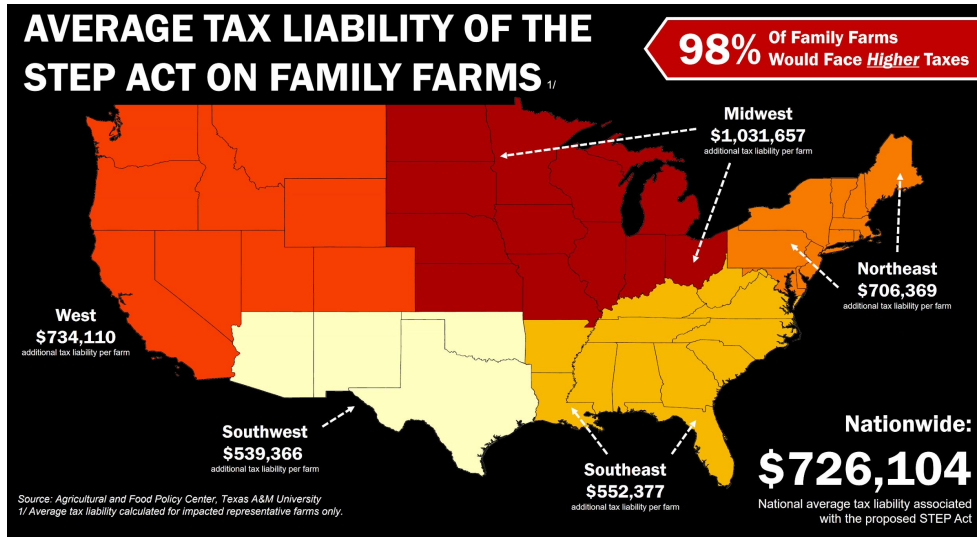


INFLATION

Direct Impact to your
production costs

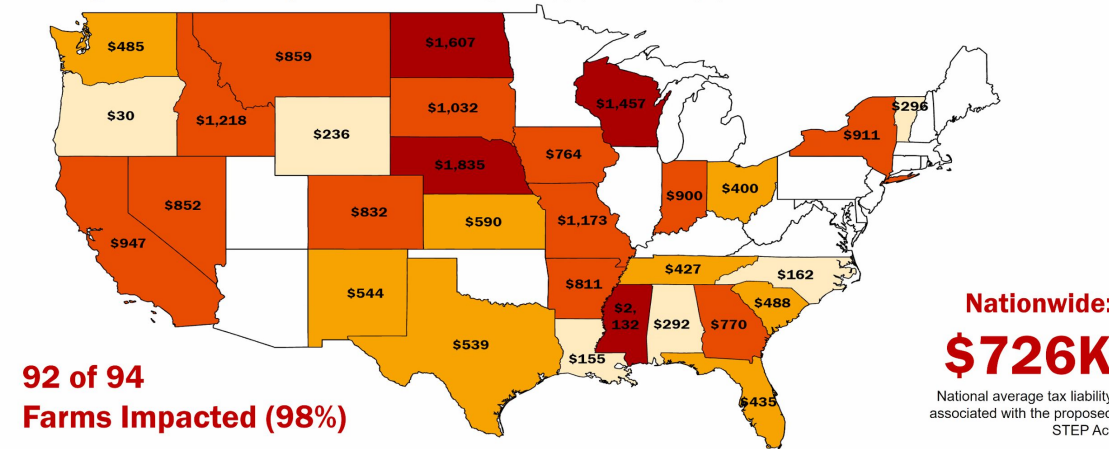


■ Tax Liability



TAX LIABILITY OF THE STEP ACT

Average Tax Liability for Representative Farms by State, (1,000 Dollars) ^{1/}



TAXES

Participated in coalition discussion and letter campaign to members of the Congress and the Administration.

Ag Advocate – Senator John Boozman, Arkansas



SUPPLY CHAIN CHALLENGES

- Participate in Supply Line Coalition
 - Providing industry impact
 - Signing on to congressional and administration letters to urgently assist in the resolution
 - Trucking issues
 - Production and packing supplies



Cancelled Bookings

Cancelled Contracts

Unreasonable Detention and
Demurrage Fees

Excessive Delays

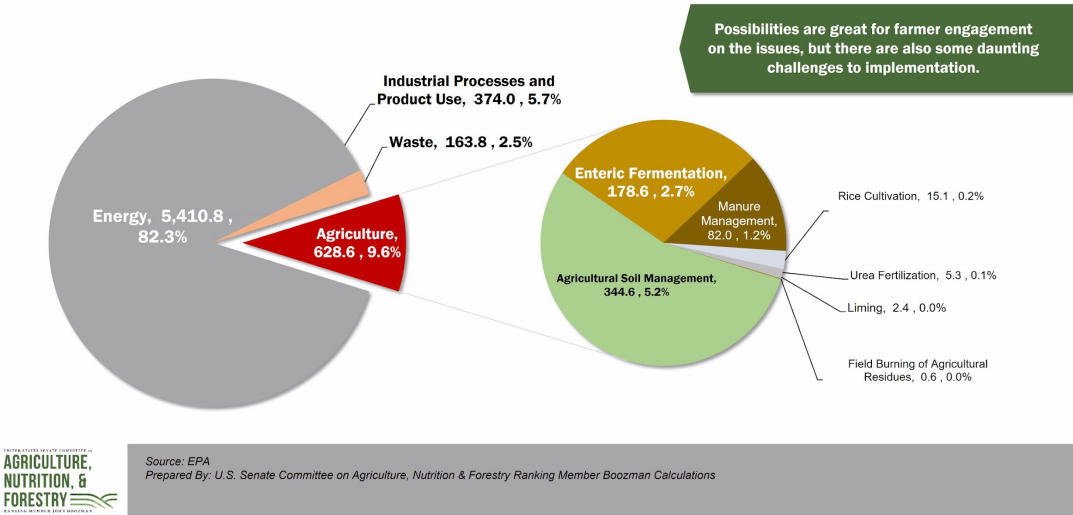
Late Notice of Rate Changes

Effect of COVID



CLIMATE CHANGE IS CENTER THIS ADMINISTRATION

U.S. GHG Emissions By Source (MMTC02e), 2019



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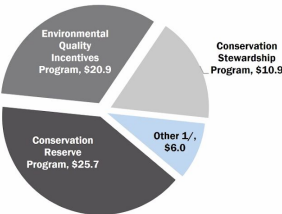
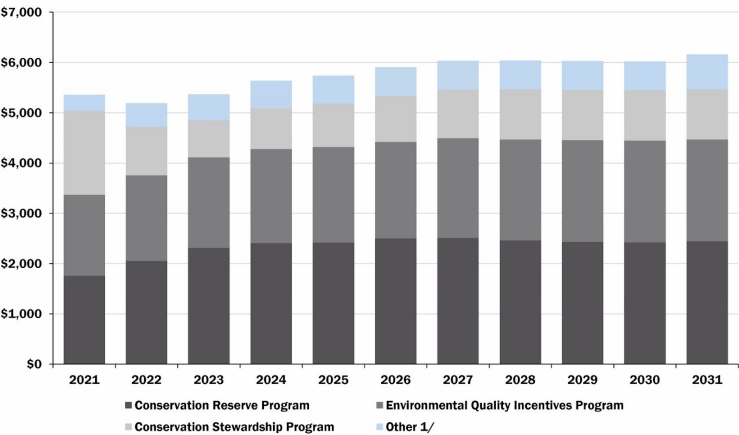
Ag Water – Rule Changes Public Hearings to address the proposed rule to revise requirements for agricultural water use in the orchard.

February 14 and 25, 2022

Work with USDA RMA Team to discuss and provide insights on the impact to the peach industry.

CURRENT FUNDING FOR CONSERVATION PROGRAMS

February 2021 Baseline for Conservation Programs, Million Dollars



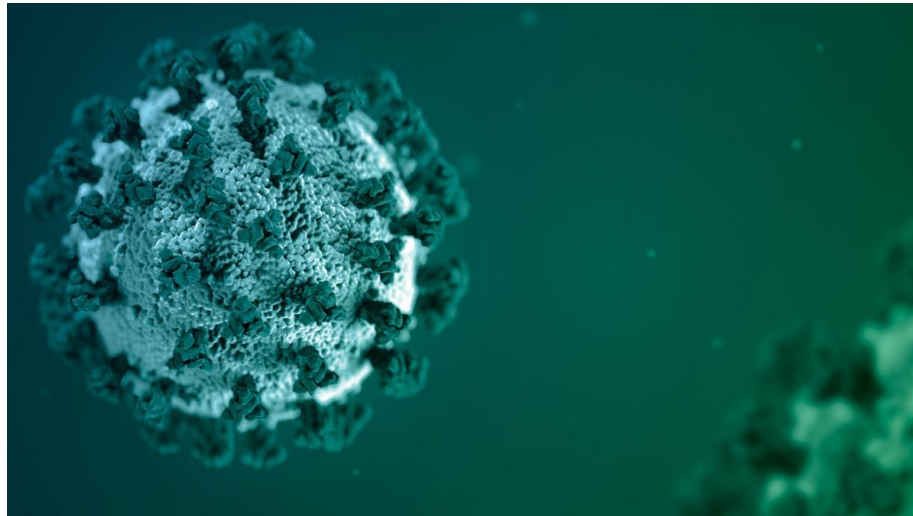
\$63.5 Billion
Total Conservation Program Payments,
2021 to 2031



Source: Congressional Budget Office
Prepared By: U.S. Senate Committee on Agriculture, Nutrition & Forestry (RM Boozman)
1/ Other includes Agricultural Conservation Easement Program, Regional Conservation Partnership Program and other conservation programs.



- **Farm to Families Food Box Program**
 - Industry impact estimated a minimum of 32 MILLION Pounds of Peaches sold
- Monitoring business-impacting regulatory matters, such as vaccines and testing mandates
 - Flexibility is key due to the on-going changes.
- Participating in bi-weekly check-in calls to raise issues with coalition members and policy makers.



COVID

**32,000,000 pounds of
peaches SOLD through
Farm to Families Food Box
Program**



FARM BILL

- **2023 Farm Bill Funding**

- Market access programs such as the Market Access Program and the Technical Assistance for Specialty Crops program
- Specialty Crop Research Initiative and Specialty Crop Block Grant Program
- Plant pest and disease management and disaster prevention
- National Clean Plant Network
- Nutrition
- Organics



NATIONAL PEACH COUNCIL

SERVING THE NATION'S PEACH INDUSTRY



Kay Rentzel

NATIONAL PEACH COUNCIL

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