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The Future of U.S. Wine Hinges on Trump's Next Agriculture Secretary

Labor Shortages and Immigration Policies Complicate Industry Outlook

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The future of the U.S. wine industry could be shaped by the profile and policies of the next Secretary of Agriculture, who will take office following the appointment of President-elect Donald Trump's cabinet in January 2025. The industry faces pressing needs, including funding for research, international market promotion, solutions to labor shortages, and measures to address potential trade tensions. These issues are expected to play a critical role in determining the direction of the sector at a pivotal moment.

The current state of the U.S. wine market highlights the challenges ahead. A recent report by the Wine and Spirits Wholesalers of America (WSWA) revealed an 8% drop in wine inventories in 2023, with spirits inventories falling by 3.9%. These figures emphasize the urgency for government action to strengthen the industry against international competition and declining domestic sales.

A key concern is the future of the Farm Bill, a comprehensive piece of legislation that establishes agricultural support programs and requires renewal every five years. The most recent version expired on September 30, 2023, leaving critical funding for the sector in limbo. Although current Agriculture Secretary Tom Vilsack announced two new programs on November 19 to address market barriers and natural disaster recovery, essential initiatives could remain unfunded if Congress fails to act before the year ends.

Michael Kaiser, Executive Vice President and Director of Government Affairs at WineAmerica, underscored the significance of the Farm Bill for the wine industry. Kaiser noted that many vineyards rely on Farm Bill grants to finance research on pests and diseases and to develop marketing strategies. One notable program, the Market Access Program (MAP), helps U.S. agricultural producers promote their goods in international markets. Without this support, Kaiser warned, U.S. wine could lose competitiveness against countries like France, which heavily invest in product promotion.

Kristina Kelley, Executive Director of the Washington State Wine Commission, echoed these concerns, highlighting that many wineries in her region use Farm Bill grants for viticulture research, sustainability projects, and marketing efforts. Additionally, the industry is bracing for potential trade tensions. Tariff disputes could escalate if the U.S. imposes duties on European wines, prompting retaliatory measures that would hinder

American wine exports to key markets.

Labor shortages remain another pressing issue, exacerbated by Trump's proposed immigration policies, which include mass deportations. Kaiser described the situation as a structural problem threatening both undocumented and legally employed workers. Increased raids and enforcement measures could indiscriminately impact the agricultural workforce.

Amid this uncertain landscape, potential candidates for the Secretary of Agriculture position are emerging. Among them is Glenn "GT" Thompson, the current chair of the House Agriculture Committee, known for his expertise in conservation and agricultural development programs. Other contenders include Charles Herbster, an agricultural entrepreneur and Trump ally with a controversial past; Sarah Frey, leader of the country's largest pumpkin producer; Sid Miller, Commissioner of the Texas Department of Agriculture; and Jimmy Emmons, an advocate for sustainable farming practices.

With exports at risk, rising international competition, and labor uncertainty looming, the next Secretary of Agriculture's actions will be crucial in determining the trajectory of the U.S. wine industry in the coming years.