COVID-19 INDUSTRY DISCUSSION FORUM MEETING NOTES

MAY 26, 2020

ATTENDEES

INDUSTRY & PARTNERS:

David Adelsheim, Ross Allen, Evyan Andries, Fawn Barrie, Jessica Blauert, Terry Brandborg, Ellen Brittan, Julia Burke, Kevin Chambers, Kerry Damon, Ariel Eberle, Matthew Farver, Bertony Faustin, Denise Flora, Maggi Gerhard, Bob Hackett, Robert Hanson, Anna Hatcher, Dan Jarman, Ken Johnston, Hilda Jones, Carrie Kalscheuer Eugenia Keegan, Mike Keunz, Joel Kiff, Ed King, Jodee King, Justin King, Jean Kurtz, Nora Lancaster, Laurie Lewis, Kelly Luzania, Jesse Lyon, Cathy Martin, Jana McKamey, Morgen McLaughlin, Mike McNally, Elin Miller, Donna Morris, Bob Morus, Scott Neal, Mia Noren, Ximena Orrego, Gary Oxley, Alyssa Petroff, Bruce Sonnen, Barb Steele, Andy Steinman, GinaLisa Tamayo, Jessica Thomas, Steve Thomson, Jason Tosch, Christie Totten, Dan Warnshuis, Carolyn Wasem, Eric Weisinger

STAFF: Ma

Margaret Bray, Marie Chambers, Tom Danowski, Christina DeArment, Stacey

Kohler, Kai McMurtry, Sally Murdoch, Bree Stock, Jess Willey

OBJECTIVES

This meeting covered the following:

- Update from Salem
- Federal Legislative Update
- Regional Association and OWB Updates

BACKGROUND

This Oregon wine industry forum offers an opportunity for business leaders from around the state to come together periodically during the COVID-19 crisis to share what is known and to identify gaps in our understanding of key issues that deserve continued attention.

SUMMARY OF DISCUSSION

Federal Legislative Update

Dan Jarman and Mia Noren of Crosswater Strategies (OWA lobbying firm) provided the following update:

- The Offices of Senators Merkley and Wyden and Rep. Blumenauer announced they are pursuing federal legislation to specifically help the restaurant industry as well as large venue events knowing these industries have been hit very hard. More details will follow once an update occurs.
- As previously shared, there is a \$19 billion appropriation in the CARES Act for ag producers, farmers and ranchers. The money will be distributed through the USDA via a program called the Coronavirus Food Assistance Program (CFAP).
 - \$16 billion will be made in direct payments and applications are being accepted starting today through the Farm Service Agency (FSA) from ag produces that have suffered losses or price declines greater than 5% due to the pandemic.
 - Wine grapes are not currently listed as a crop eligible for assistance but Sen. Merkley has said
 he will work for them to be included and the USDA is open to modifying eligibility with proof
 of loss.
- Tom Danowski (OWB) shared that early PPP loan recipients are approaching the end of 8-week

- period after which loan forgiveness applications will be due to lenders. The forgiveness <u>application</u> form is available now from the SBA.
- Mia Noren confirmed that there are no updates as yet on changes to the PPP program, such as extension of time period or a modification to the rule that 75% of loan funds must be used for payroll expenses and certain other operating expenses.

Update from Salem

Dan Jarman led the following report on reopening and other statewide issues:

- Only two counties are not currently in Phase 1: Washington, which has applied for a June 1 opening date, and Multnomah, which has not yet applied.
- Industry members on the call shared the following feedback on reopening:
 - Eugenia Keegan reported that the reopening of Jackson Family Wines' three tasting rooms "went very smoothly" and that customers were accepting and appreciative of changes.
 - OWC held a <u>webinar</u> last week in which a roundtable of industry members reported smooth reopening experiences.
 - o WVWA is having membership debrief at 3 p.m. today (Tuesday)
- The Oregon Dept. of Agriculture (ODA) is still looking to understand PPE needs as it looks to the long
 growing season ahead. ODA has procured PPE supplies and will be distributing masks and hand
 sanitizer on Wednesday and Thursday. The Oregon Winegrowers Association sent an <u>industry wide</u>
 <u>alert</u> on Tuesday morning with the information.
- The Governor's office is consider a \$29.5 million package (Protecting Oregon's Food Supply and Essential Agriculture Workers) that would allow ag entities to be reimbursed for the procurement of additional toilets & handwashing stations starting June 1. Ag industry representatives are working with the Governor's office to make reimbursements retroactive to May 11 when OSHA's temporary rule went into effect so that those who acted quickly are not penalized.
- Enforcement of new temporary OSHA rules begins June 1. The ag community still has concerns about the short timeline for implementation. The ag community has continuing concerns about how housing vouchers for laborers will work. Interim committee hearings will begin this week and OHSA execs will be in front of the House Agriculture Committee this afternoon to discuss policy issues.
- House committees begin meeting this week in Salem; Senate committees will meet next week.
 - Judiciary Committee may consider whether to encourage insurance companies to reimburse loss of business or income interruption claims, most of which are being denied due to indemnification clauses invoked by insurance carriers due to the pandemic.
- There are no details currently on Phase 2, other than it is dependent on keeping transmission and disease numbers low.
- The State's revenue forecast was released on May 20. Anticipated total revenue loss is \$2.7 billion in the biennium starting July 1 2019 with an estimated \$4.7 billion decrease in the next biennium and \$10 billion decrease over a 10-year period.
 - Awaiting feedback from Governor's office about targeted spending reductions.
 - The legislature will work on how to rebalance the budget but Speaker Tina Kotek plans to wait to understand the extent of additional federal relief measures, which are expected to include some support for state and local governments.
 - A special legislative session may not occur until later in the summer.
 - There have been some calls to put a halt to Oregon's minimum wage increase, which is to take effect July 1. Speaker Kotek's inclination is to let this continue as planned.
- Evyan Andries (OWA lobbying firm Oxley & Associates) reported that the House Business & Labor Committee will be meeting tomorrow (Weds). There will be a discussion on workplace safety and workers comp coverage related to the pandemic; some labor groups are advocating for a presumption

that workers who contract COVID-19 have contracted it at their workplace.

State and Regional Association Updates:

- Morgen McLaughlin (WVWA) discussed the ongoing challenge of making sure tasting rooms are
 updating their websites and those of their regional associations as well as the OWB when they reopen.
 WVWA has been providing guidance to members on how to be clear about visitor policies.
- Kai McMurtry (OWB) shared that the OWB's update to its tasting room listings site, visit.oregonwine.org, is now live. About 50 tasting rooms have updated listings so far, and OWB will continue to campaign for the need to update listings to ensure this stays accurate. OWB is referring media and consumers to the site as a comprehensive statewide resource.
 - o Travel Oregon is considering whether / how to integrate OWB's updates into its Oregon Tourism Information System (OTIS), and that they are working to figure out how to address the possible need to update the more than 14,000 listing entries in their system.