



July 26, 2019

TO THE PERSON ADDRESSED:

This letter is to notify you that the assessment to defray the cost of the 2019 crop year Grape Crush Report and Grape Acreage Report has been established by the Secretary as required by Section 55601.6 of the Food and Agricultural Code. A copy of the order establishing these assessments is on the reverse side of this letter. **Please note that the assessment rate has been increased from six cents (\$.06) per ton to eight cents (\$.08) per ton for the Grape Crush Report.**

The Grape Crush Report assessment rate has not been adjusted in over twenty years and the number of wineries has significantly increased over this period. The California Department of Food and Agriculture (CDFA) and United States Department of Agriculture – National Agricultural Statistics Service (USDA-NASS), who cooperatively prepare the Report, have streamlined activities and implemented more efficient publication and postage processes to help lower costs, but other expenses such as staffing costs have increased over time, thereby necessitating an increase in the assessment.

The total assessment for the 2019 marketing season, beginning July 1, 2019 and ending June 30, 2020, has been established at twelve cents (**\$.12**) per ton on all grapes received in California for crushing, fresh weight equivalent. Eight cents (\$.08) will defray the cost of preparing the Grape Crush Report; four cents (\$.04) is for the Grape Acreage Report. The assessment for the Grape Acreage Report has not changed. The assessment is to be paid to the CDFA by each processor who crushes grapes. One-half, or six cents (\$.06) per ton, of the assessment may be deducted by the processor from monies owed to the producer.

The assessment for all grapes received for crushing from July 1, 2019 through December 15, 2019 are to be remitted to CDFA by the processor on or before January 10, 2020. The Grape Crush Report assessment will also be due on January 10, 2020. The assessment for all grapes received for crushing from December 16, 2019 through June 30, 2020 is to be paid on or before June 30, 2020. Assessment forms for remitting the fees will be mailed to vintners by November 2019 in time to meet the January 10 and June 30 deadlines.

The Pierce's Disease Control Program assessment fee will be one dollar (\$1.00) per one thousand dollars (\$1,000) of value. **This is a reduction from last year's assessment of one dollar and fifty cents (\$1.50).** There is no exemption for wineries crushing fewer than 100 tons of their own or any grower's grapes and the Pierce's Disease assessment is the sole responsibility of the producer. However, the purchaser and/or processor are responsible for collecting the amount owed by the producer and subsequently remitting it to CDFA. For your winery's own grapes or grapes not purchased, you are required to pay the assessment based on the previous year's value of those grapes as reported in Table 10 of the 2018 Grape Crush Report. All funds collected from growers and/or due for your own grapes will be remitted with the Grape Crush Report no later than January 10, 2020.

Any processor who fails to submit this report, as prescribed, may be subject to enforcement action. Any producer who fails to pay the assessment and any processor who fails to collect and remit assessments within the time required may also be subject to late penalties.

If you have any questions about the grape crush assessment fees or reporting times, please contact Jennifer Van Court or Lena Schwedler at (916) 738-6600, CDFA, Agricultural Statistics Branch, 650 Capitol Mall, Suite 6-100, Sacramento, CA 95814. Any questions about the Pierce's Disease Control Program and/or assessment may be referred to the Program at (916) 900-5024.

Sincerely,

Jeff Cesca, Director
Division of Marketing Services



**ORDER OF THE DEPARTMENT OF FOOD AND AGRICULTURE
ESTABLISHING A FEE ON PRODUCERS AND PROCESSORS OF GRAPES
RECEIVED FOR CRUSHING DURING THE 2019 MARKETING SEASON,
JULY 1, 2019 THROUGH JUNE 30, 2020**

WHEREAS, the Department of Food and Agriculture of the State of California acting pursuant to and by virtue of the authority vested by the provisions of Chapter 6, Division 20, of the Food and Agricultural Code, and

WHEREAS, the Department has determined that fees of eight cents (\$0.08) and four cents (\$0.04) per ton of grapes received for crushing by processors who crush more than 100 tons of grapes, fresh weight equivalent, are proper, equitable and necessary to cover the costs of the Grape Crush Report and the Grape Acreage Report, respectively, for the 2019 crop and

WHEREAS, in accordance with the provisions of Section 55601.6 of the Food and Agricultural Code, a total fee of twelve cents (\$0.12) per ton of grapes received for crushing, fresh weight equivalent, including any grapes produced by the processor is to be paid by the processor who crushes the grapes; one-half of the fee or six cents (\$0.06) per ton of grapes received for crushing may be deducted from monies owed to the producer of the grapes.

NOW, THEREFORE, the Department of Food and Agriculture of the State of California does hereby approve and establish the fee of twelve cents (\$0.12) per ton of grapes received for crushing, fresh weight equivalent, including any grapes produced by the processor to be paid by the processor who crushes the grapes during the 2019 marketing season beginning July 1, 2019 and ending June 30, 2020 one-half of the fee or six cents (\$0.06) per ton of grapes received for crushing may be deducted from monies owed to the producer of the grapes.

By:



Jeff Cesca, Director
Division of Marketing Services