

House Committee on Agriculture
Testimony of Michael Frantz, Frantz Wholesale Nursery
“An Examination of the State of the Specialty Crop Industry”
September 16, 2025

Good morning, Chairman Thompson, Ranking Member Craig, and Members of the Committee,

Thank you for the opportunity to present to you today. My name is Michael Frantz, and I am the co-owner of Frantz Wholesale Nursery, a family farm founded by my parents nearly 50 years ago. The business has been owned and operated by my brother Keith and me for the last 25 years, fulfilling my parents’ dream of founding a farm, and passing it on to the next generation. We grow trees and shrubs, perennials and grasses, and almonds. All are grown in containers and sold to landscape contractors and various retail outlets across the Western United States.

In addition to my primary job at my family’s nursery business, I have served for 15 years as an elected Director to the Turlock Irrigation District, a publicly owned utility that serves Water and Power to part of the great San Joaquin Valley in California, where I live and farm. I served for many years as the chair of the Advocacy Committee for AmericanHort, the premier trade association for the Horticultural Industry. I have traveled to Washington many times over the last 25 years, consistently advocating for bipartisan workforce solutions that would provide a stable and legal workforce for agriculture, and reasonable water policies for the West. I realize these topics are outside the jurisdiction of this committee, however, both remain top priorities for the Specialty Crop industry in the great state of California, and for me personally.

Crop Insurance for Specialty Crops

It is important to note: we do not seek price supports afforded to commodity crops. Typically, specialty crop growers like me trust the market. The American consumer desires the quality crops we grow, and we trust them to pay a price that covers our bills. We do see a few key areas where government can and should support the industry, and I will lay those out here today.

We struggle to find effective insurance to mitigate the enormous risk we take each year. In our nursery, we grow over 700 different varieties of plants and have up to 10,000 individual crops growing at any given time. Some may be as small as just a handful of unique plants for a special market or customer. Some plants are sold within 60 days of planting, and others can be as long as eight years from when we sow the acorn to when we ship the half-grown Oak tree to our customer. All are highly perishable and vulnerable to weather and economic uncertainty. Crop Insurance for catastrophic and nature-related events, such as frost, fire, earthquakes, and hail are in place for Title One crops, but these programs

seldom work for us. Improved crop insurance programs are needed throughout the specialty crop sector.

Quarantine Insurance

While we do our best work to prevent the need for quarantines, much of the quarantine process is out of our hands, and we incur a substantial amount of risk. Pests and diseases can come through the ports, the transit of goods, and human movement across the United States. A void that we do not have filled at this time is insurance coverage to protect us when a government-imposed quarantine prevents growers from shipping plants or products.

We grow potted citrus trees that are sold via retail outlets and independent garden centers on the west coast, and via ecommerce across most of the lower 48 states. Oranges, grapefruit, mandarins, lemons, and limes – all are grown in USDA-regulated structures in a highly controlled environment. But even small changes in the regulations can block multi-year crops from being sold, resulting in millions of dollars of losses essentially overnight. Pilot insurance programs to cover this exact risk are ongoing. I ask that you continue to fund this vital risk mitigation tool for growers like me.

Adjusted Gross Income (AGI) limits

AGI limits are often an issue for us, especially in sectors of agriculture where the cost of doing business is capital-intensive. Greenhouses, irrigation systems, and USDA-compliant growing systems drive up both investment costs and gross incomes, often pushing producers above AGI thresholds. For our sector, using the standard that at least 75% of income must come from agriculture is a far more accurate measure - particularly in states like California, where high costs and gross receipts do not reflect true farm profitability.

Protection Tools

Each year, we lose vital crop protection tools, while new alternatives take far too long to reach the market. The IR-4 Program is essential to developing safe, effective alternatives for specialty crops, yet funding was not included in the last budget bill. I ask you to restore and prioritize IR-4 funding in the Farm Bill to ensure growers have the tools they need to protect their crops and remain competitive.

Miscellaneous Government Programs

We also benefit from a variety of other government programs. The recent Marketing Assistance for Specialty Crops (MASC) program helped us with our substantial increases in costs (especially labor) over the last few years. I understand that some of you on this committee were essential in getting the payments out this year – thank you for your help. Going forward, I respectfully ask this committee to establish clear and consistent criteria for determining which needs qualify for additional funding as they arise.

Inflation

The nursery business is often at the tip of the economic spear as landscaping and plants for your home or office are almost entirely discretionary expenses. When there are downturns, we will oftentimes feel it first, and we are feeling it now due to the looming inflationary environment. Since prices have spiked during the COVID pandemic, we have seen our unit counts decline as we have attempted to pass along the increased costs to our customers.

We now find ourselves in an unsustainable situation where our costs increase, and our units sold of any given crop decline. Inflation is pricing our products out of reach of many consumers. This is of great concern to specialty crop growers such as me. For growers and farmers across the agricultural sector, the escalating cost of essential inputs—such as labor, fuel, fertilizer, and equipment—is outpacing the value of our outputs at an unsustainable rate. This widening gap places immense pressure on producers, threatening the long-term viability of agricultural operations and stability. As policymakers, your understanding and support are critical in shaping strategies and policies that help safeguard the future of farming and ensure a resilient, productive agricultural economy

Tariffs

As a nursery grower, I want to emphasize that many of the essential inputs for our crops, such as peat moss, coconut coir, and burlap, are sourced internationally, as these materials cannot be produced in the United States due to climatic and environmental limitations. I would like to thank the Chairman for recognizing this challenge and elevating the need for tariff exemptions on critical inputs like peat moss. Securing an exemption on this input has saved our industry millions of dollars and provided some relief. However, we continue to experience margin pressure on other inputs that remain subject to tariffs, further squeezing profitability in a sector already operating on thin margins. These ongoing cost burdens jeopardize our ability to remain competitive.

Thank you for your time and consideration of my comments today. In closing, I circle back to three main issues: the vital need of a stable and legal workforce, a strong safety net to protect us when disasters and quarantines strike and increasing inflationary costs that are pricing high-quality American grown specialty crops out of the consumers budgets.

And as I wrap up, I would like to invite any of you to come tour our nursery in Hickman, California – just outside of Modesto. We would love to have you. I look forward to your questions.



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AmericanHort unites the horticultural industry and represents professionals from all facets of the industry.

From growers to retailers, breeders to installers, suppliers to innovators, students to researchers, and everyone in between, people and businesses across the horticulture industry call AmericanHort their inspiration, voice, community, business partner, leader, and advocate.

With farm gate crop value of roughly \$17 billion, total industry economic output of \$348 billion, and directly supporting 2.32 million full- and part-time jobs, the horticulture industry is a key player in the American economy.

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SCOPE OF THE INDUSTRY

The business of horticulture is significant and has a big impact. Our businesses include growers, retailers, breeders, suppliers, landscape designers, and installers. Most are small and family-owned. Many are into their third or even fifth generation of family ownership. They are found in every state. Greenhouse and nursery crops comprise one-third of the total value of all specialty crops, and 10% of the value of all crop production in America. More than just a "pretty face," horticulture's products and services add to property values, clean and filter air and water, make our cities cooler and more livable, and increase health and well-being.



HORTICULTURE:
A Growing Industry



**\$348
Billion**
Contribution to the
U.S. Economy (total
output)



**30%
Growth**
in employment in the
landscape services sector of
horticulture (period of 2010 to
2018)



**2.32
Million**
total job contribution



**19.2%
Increase**
in jobs since 2010



**\$41.8
Billion**
contributed in local,
state, and federal taxes

Figures from *Executive Summary of Economic Contributions of the Green Industries in the United States in 2018* by Alan W. Hodges and Hayk Khachatryan, University of Florida, Charles R. Hall and Marco A. Palma, Texas A&M University; July 10, 2019. Green industries in this study are defined as nursery and floriculture production, lawn and garden equipment manufacturing, lawn/garden equipment and nursery/florist wholesalers, retail garden stores, florists, landscape design and services.

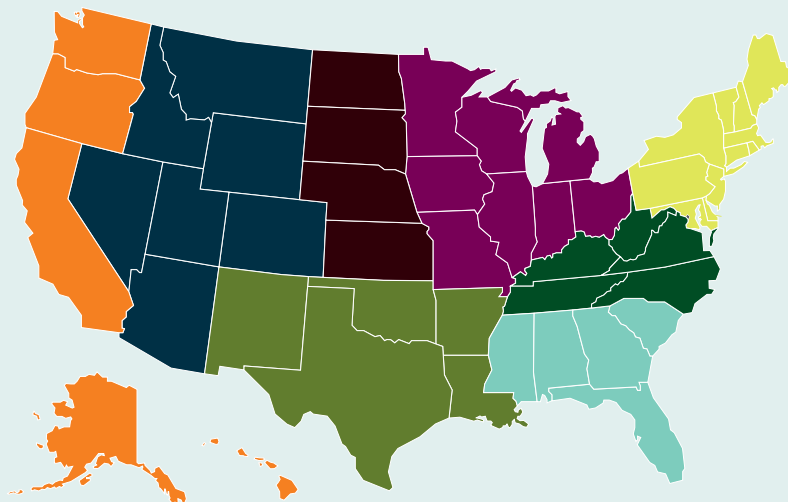
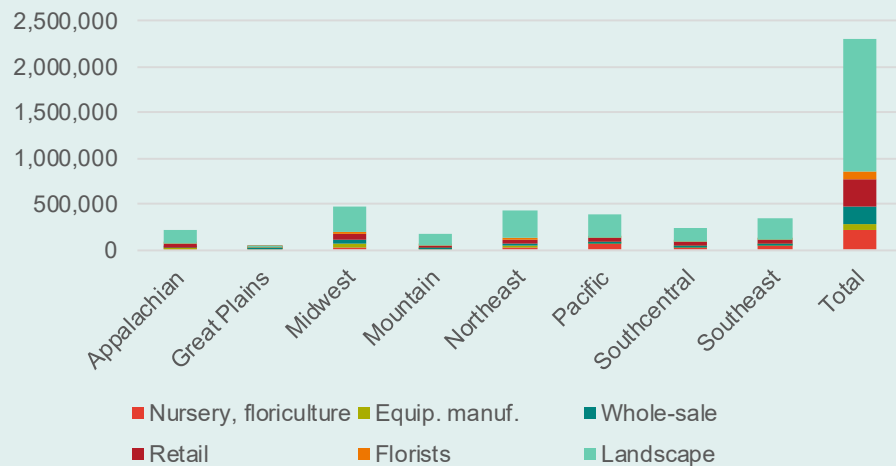
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HORTICULTURE MEANS JOBS

State	Total Employment Contributions	State	Total Employment Contributions	State	Total Employment Contributions
Alabama	28,248	Iowa	24,958	Ohio	90,406
Arizona	46,941	Maine	12,743	Oklahoma	23,946
Arkansas	8,348	Maryland	50,700	Oregon	43,078
California	264,913	Massachusetts	52,913	Pennsylvania	90,075
Colorado	48,571	Michigan	77,719	Rhode Island	8,169
Connecticut	31,384	Minnesota	43,472	South Carolina	36,435
Florida	203,482	Mississippi	16,849	Tennessee	44,006
Georgia	66,527	Missouri	42,788	Texas	161,151
Idaho	15,391	New Jersey	64,513	Utah	22,355
Illinois	87,595	North Carolina	78,766	Virginia	63,559
Indiana	45,701				

COAST-TO-COAST IMPACT

Regional employment by industry segment



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Workforce & Labor

WHAT WE SEEK

Labor shortages and access to labor continue to pose significant challenges to the horticulture industry, particularly in plant production and landscape installation. Horticulture is one of the few industries that utilize H-2A and H-2B visas.

H-2A

The H-2A visa program is essential but in need of reform to better meet workforce demands. In the 118th Congress, the House Agriculture Committee's bipartisan Agricultural Labor Working Group released targeted policy recommendations to modernize the program, improve access, and enhance stability. Chairman G.T. Thompson is working to translate these recommendations into legislation that would:

- Streamline the H-2A application process through a single electronic portal.
- Allow staggered start dates and expedite processing for returning workers.
- Shift recruitment from print to digital and require USDA consultation on program rules.
- Provide greater wage predictability by capping fluctuations and eliminating mid-contract adjustments.
- Offer flexibility in job duties without triggering higher pay and explore alternative AEWR calculations.
- Expand support for safe, affordable farmworker housing and allow small farm waivers based on financial need.

H-2B

The H-2B visa program is essential for landscape businesses that face chronic shortages of seasonal labor. It enables companies to scale during peak seasons, supporting U.S. jobs across the landscape

and horticulture supply chains. The program's outdated annual cap of 66,000 visas—set over 30 years ago—is far below current demand, with roughly half of all H-2B visas used by the landscape industry, the program's largest user.

The following fixes would provide relief and assistance to the landscape and horticulture industry:

- Raise the annual visa cap to a minimum of 120,000 visas a year.
- Include "may to shall" H-2B discretionary language in the FY26 DHS appropriations bill.
- Create a certified seasonal employer H-2B cap exemption.

We urge members of Congress to support legislation that strengthens the H-2A and H-2B visa programs and ensures a stable, legal workforce for the American horticulture industry.

FURTHER BACKGROUND:

President Trump and his administration can take immediate steps to stabilize the agricultural workforce through executive and administrative actions. These include prioritizing H-2A visa processing, modernizing wage calculations, expanding eligibility for non-seasonal roles, and clarifying the definition of agricultural labor. While these actions are helpful, they are only temporary.

President Trump, his family, and businesses have utilized the H-2A and H-2B programs—just like many growers across the country. But agriculture cannot rely on stopgap measures. We urge the administration to lead in securing a permanent legislative solution that ensures a reliable, legal workforce for U.S. horticulture and agriculture.

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Farm Bill

The five-year Farm Bill is set to expire on October 1, 2025. The Titles Related to Horticulture, Research, Rural Development, Crop Insurance, and trade in the Farm Bill are instrumental in our industry's success. AmericanHort, along with the Specialty Crop Farm Bill Alliance (SCFBA), urges Congress to pass a bipartisan five-year Farm Bill to provide much-needed support to our growers, retailers, suppliers, researchers, partners, and customers.

WHAT WE SEEK

We urge USDA to adopt the Specialty Crop Competitiveness Act of 2024 definition of specialty crops as the standard across all programs to ensure clarity and consistency.

Establish a comprehensive safety net for specialty crop growers in the form of affordable and effective crop insurance:

- Congress should work with USDA to expand crop insurance options for the entire horticulture industry, including nursery, greenhouse, and landscape operations. Many specialty crop growers lack access to affordable and effective coverage. To address this, Congress should create a Specialty Crop Advisory Committee to guide improvements. Reforms are needed to include more flexible policy development, improved data utilization, updates to Whole Farm Revenue Protection, expanded prevented planting coverage, targeted risk research, and enhanced outreach to growers.

Tree Assistance Program (TAP) Improvements:

- Enhance Flexibility: Extend rehabilitation timelines, allow replanting of non-viable but living trees, and permit updates for higher-density plantings to help growers recover and modernize after disasters.

Consistency and predictability for specialty crop growers receiving ad hoc economic assistance from USDA:

- Congress should establish a permanent program, like the MASC program, as a mechanism for delivering direct economic assistance to specialty crop growers.

Agriculture Trade and Food Assistance Program:

- U.S. specialty crop growers face higher labor and compliance costs than many foreign competitors. To stay competitive and support domestic food production, Farm Bill programs should invest in market development, research, and technology. We urge Congress to fund the Technical Assistance for Specialty Crops (TASC) program and support efforts to boost specialty crop export competitiveness.

Invest in research, technology, and innovation:

- Support the Specialty Crop Research Initiative (SCRI): Reinstate the Secretary's ability to waive matching fund requirements and prioritize research in areas like automation, pest detection, crop improvement, and post-harvest handling.

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- Dedicate \$40 million annually within SCRI for labor-saving mechanization and automation, with unused funds returning to general SCRI use.
- Provide stable funding for the IR-4 Program to support critical crop protection research for specialty crops.

To support the specialty crop sector, Congress should set aside an increase of at least \$5 million per year in the Specialty Crop Block Grant Program (SCBGP) for multi-state projects with broad industry benefits.

- The 2018 Farm Bill permanently authorized \$85 million per year in mandatory funding for the SCBGP.
- Congress should also reaffirm USDA's ability to promote U.S. specialty crops and direct the agency to use programs like SCBGP and Environmental Quality Incentives Program (EQIP) to help growers adopt automation and mechanization tools that lower labor costs but remain expensive and underused.



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Supply Chain: Tariffs, Trade & Transportation

TARIFFS WHAT WE SEEK

The horticulture industry relies on a wide range of agricultural inputs that are not readily produced in the U.S., making access to imported materials critical for continued growth and competitiveness. AmericanHort is focused on preserving this access by advocating for fair and predictable trade policies that minimize cost burdens on growers and ensure supply chain reliability. Reducing or eliminating tariffs on essential inputs helps protect businesses, many of them small and family-owned, from rising production costs and supply disruptions.

In addition to tariff relief, AmericanHort supports a transparent and functional exclusion process at the U.S. Trade Representative's office, particularly when no viable domestic alternatives exist. The organization also advocates for trade policies that reflect the structure of the horticulture industry and promote clear communication between Customs and Border Protection (CBP), USDA APHIS, and importers to avoid unnecessary delays or penalties at ports of entry to facilitate safe and efficient plant trade.

TRANSPORTATION & SUPPLY CHAIN POLICY WHAT WE SEEK

Reliable transportation is essential for delivering perishable horticultural products, inputs, and equipment. The horticultural industry relies on various modes of transportation, including trucking, rail, waterways, and ports, to transport goods.

Congress should support a state opt-in pilot program to modernize federal Gross Vehicle Weight (GVW) limits, allowing 91,000 pounds on six axles to improve efficiency and reduce congestion. Addressing the truck driver shortage through better recruitment, retention, and streamlined licensing is also critical. Additionally, increased investment in first- and last-mile infrastructure will help growers access major transport routes and reduce costly delays.

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Research & Innovation

Nursery and greenhouse crops account for 15% of the total value of U.S. crop agriculture, yet our industry receives less than 1% of USDA research funding. While horticulture does not receive, nor does it seek, government subsidies, public investment remains essential. Strategic support for research, plant pest prevention, and mitigation helps sustain the critical infrastructure our industry relies on to thrive. We strongly support several USDA programs that serve as pillars of this infrastructure.

FLORICULTURE AND NURSERY RESEARCH INITIATIVE

The Floriculture and Nursery Research Initiative (FNRI) is a unique partnership involving USDA's Agricultural Research Service (ARS), universities, and industry (AmericanHort and SAF). It is often held up as a model for other industries. FNRI is vital to our industry efforts to overcome pest and disease challenges, enhance the efficiency of our production practices, develop and promote sustainable growing practices, and advance the economic, environmental, and human health benefits of our industry's products and services. Over the years, Congress has built the initiative up to over \$5.5M annually. We will seek additional funding of \$2M in FY2026 to keep pace with rising costs and to tackle additional research.

IR-4 PROGRAM

The IR-4 Program was established to facilitate regulatory approval of sustainable pest management technology for specialty crops, including environmental horticulture crops, to promote public health and well-being. Funding for the IR-4 Program remained flat for many years at \$11.9M annually. Coupled with rising research costs and service fees, the IR-4's impact is diminishing. The number of field trials decreased 21% in the Environmental Horticulture Program alone from 2016-2018. We are asking Congress to increase financial support for the IR-4 Project in FY 2026 from \$15M to the Congressionally authorized \$25M.

WE SUPPORT:

- Modernizing agricultural research facilities and increasing funding for high-priority research focused on the horticulture industry.
- Expanding the Specialty Crop Research Initiative
- Increasing funding for the Specialty Crop Block Grant Program and improving stakeholder consultation processes.
- Strengthening U.S. plant health protections by increasing funding for the Plant Pest and Disease Management and Disaster Prevention Program under PPA Section 7721.

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